

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 7
)
PEREGRINE FINANCIAL GROUP, INC.,) Case No. 12-27488
)
) Honorable Judge Carol A. Doyle
Debtor.)
)

**FINAL ORDER (A) APPROVING THE SETTLEMENT
UNDER FED. BANKR. R. 7023 AND FED. BANKR. R. 9019;
AND (B) APPROVING CLASS COUNSEL'S FEES AND EXPENSES**

Upon consideration of the continued joint motion (the "Motion" and all capitalized terms not defined herein shall have the meanings ascribed to such terms in the Motion) of Ira Bodenstein, not personally, but as chapter 7 trustee ("Trustee") for the estate of Peregrine Financial Group, Inc. d/b/a PFG ("Estate"), on the one hand, and Ronald Kotulak, on behalf of himself and the certified Class, for entry of an order: (i) preliminarily approving the Settlement resolving Warn Act claims and claims under the Illinois Wage Act and the Iowa Wage Act; (ii) approving the form and manner of notice to Class Members of the proposed Settlement; and (iii) scheduling a final Fairness Hearing for approval of the Settlement under Fed R. Bankr. P. 9019 and 7023; the Court having preliminarily approved the Settlement and Class Notice by Order dated November 6, 2019 [Dkt. No. 5486] ("Preliminary Order"); the Court having reviewed the Motion and being fully advised in the premises; the Court finding that: (a) the Court has jurisdiction over this matter pursuant to 28 USC §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); the Court having reviewed the terms of the Settlement and Release Agreement ("Settlement Agreement"); and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted

herein; the Court having determined that the relief sought in the Motion is in the best interest of the Estate; and after due deliberations and sufficient cause appearing therefore, it is hereby Ordered that:

1. The Motion is granted in its entirety.
2. All objections to the Motion or the relief requested in the Motion, if any, that have not been withdrawn, waived or settled, and all reservation of rights in such objections, if any, shall be and hereby are, overruled in all respects on the merits and denied.
3. The terms of the Settlement as set forth in Motion and the Settlement Agreement, and incorporated herein by this reference, is approved pursuant to 11 U.S.C. § 363(b) and Fed. R. Bankr. P. and 9019(a).
4. The Settlement Agreement is approved in all respects as being fair, reasonable, adequate to the Class Members for the following reasons:
 - a. If the Settlement is not approved, litigation of this matter will likely be complicated, protracted and expensive, thereby unnecessarily depleting Estate and delaying and diminishing distributions to creditors, including Class Members.
 - ~~b. The Class Representative supports the Settlement and Class Counsel anticipates that there will be a minimal number of objections given that the size and terms of the Settlement are favorable to Class Members.~~
 - c. The Settlement was reached after the essential facts had been thoroughly investigated by Class Counsel through informal discovery and settlement discussions between counsel for the Parties.
 - d. The risks of the Class Representative being unable to establish liability and damages, and or being unable to collect against a bankrupt debtor weighed in favor of settlement at this juncture of the adversary proceeding.
 - e. The Settlement is well within the range of reasonableness given the uncertainty of the Class Representatives ability to establish liability against the Estate.

f. The Settlement Agreement was negotiated at arm's length by experienced counsel and in good faith, is fair, equitable, and in the best interests of the Parties.

5. The Trustee and Class Counsel are hereby authorized to enter into the Settlement Agreement and implement all actions required by them therein. In addition, the Trustee is authorized to enter into a general mutual release with Rebecca Wing upon her dismissal of the litigation entitled Wing v. Peregrine Financial Group Canada, Inc., et al, pending in the Superior Court of Justice, Ontario, Canada, Court File No. CV-15-536503.

~~6. The Trustee is authorized to use the services of Miller Kaplan Arase LLP to prepare and send the distributions to the Class Members.~~

7. On the Effective Date, the terms of the Settlement Agreement shall become binding upon the Parties and the Class Members.

8. Class Counsel is awarded fees of one-third of the Settlement Amount after deducting actual expenses not to exceed Fifteen Thousand Dollars (\$15,000.00) and the Class Representative's Service Payment in the amount of Fifteen Thousand Dollars (\$15,000.00). Class Counsel's fees and expenses and the Class Representative's Service Payment shall be paid from the Settlement Fund.

9. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Fed. R. Bankr. P. 7052. To the extent that any of the findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the conclusions of law constitute findings of fact, they are adopted as such.

10. The entry of this Order is without prejudice to the relief granted in the Preliminary Order and entry of this Order shall not serve to extend or stay the time of filing any appeal regarding any of the relief granted in the Preliminary Order.

11. The Trustee, by and through its agents, is hereby authorized and empowered to take such steps and perform such acts as maybe necessary to implement and effectuate the terms of this Order and the Settlement Agreement.

12. This Court shall retain jurisdiction over all matters arising from or related to the interpretation and/or implementation of this Order.

13. This Order is effective immediately upon entry.

DATED: December 19, 2019



HONORABLE CAROL A. DOYLE
United States Bankruptcy Judge

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