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CLERK, U.S. DISTRICT COURT
DISTRICT OF OREGON
PORTLAND, OREGON

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON

**In Re Consolidated Capital
Consultants Litigation,**

Civil No. 00-1290-KI

**F.R. Civ. P. 54(b) FINAL
JUDGMENT AND ORDER
APPROVING SETTLEMENTS,
ALLOWING INTERIM
DISTRIBUTION OF FUNDS,
ISSUING CLAIMS BAR
ORDER AND GRANTING
INJUNCTIVE RELIEF**

Certified to be a true and correct
copy of original filed in my office.
Dated 6-19-02
By P. Hunt Deputy
Donald M. Cinnamond, Clerk

**FINAL JUDGMENT AND ORDER APPROVING SETTLEMENTS, ALLOWING
INTERIM DISTRIBUTION OF FUNDS, ISSUING CLAIMS BAR
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1 This matter having come on before this court for a hearing, as
2 noticed, on June 19, 2002, pursuant to an order of this court dated May 13,
3 2002. Court approved notice of said hearing having been published and given
4 to all persons having potential objections to the proposed settlements set
5 forth in Plaintiffs' Motion,¹ as well as to all persons subject to the injunctive
6 relief sought by Plaintiffs, with these parties having been given an
7 opportunity to present such objections to the court; and the court having
8 considered these matters, including all the papers filed in connection
9 therewith, and the presentations of counsel at said hearings; and good cause
10 appearing therefore;

11 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

12 1. The best notice practicable of these proceedings (the
13 "Notice") has been given to the following persons or entities: (a) any person
14 who has submitted a claim against CCL in the Receivership proceedings;
15 (b) all persons identified in Plaintiffs' Motion as Non-Settling CCL Clients;
16 (c) all of the parties (including participants of Plaintiffs' benefit plans) in
17 this lawsuit and in any of the related actions referenced in Plaintiffs' Motion;
18 (d) all of Claimants' insurers herein; (e) all persons or entities represented by
19 the Receiver pursuant to court order; (f) any person or entity whom Claimants
20 believe may have subrogation rights against one or more of the Settling
21 Defendants; (g) the participants in the ERISA-governed trust fund plans
22 identified in the Settlement Agreements; (h) any person against whom
23 Plaintiffs have threatened a claim based upon any of the events or
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25 _____
26 ¹ The Motion to Approve Settlement Agreements, etc. ("Motion"), filed by the
Plaintiffs and the Receiver (collectively, "Claimants" or "Plaintiffs").

1 transactions giving rise to this lawsuit or any related action; and (i) to the
2 extent not included above, to any person or entity who was a client of CCL as
3 of September 21, 2000 and that said persons and entities have had a full and
4 fair opportunity to participate in this hearing process, and are thereby bound
5 by this Order. Plaintiffs have further provided notice by publication in The
6 Oregonian, The Wall Street Journal, and in every publication of periodic
7 circulation issued by any Claimant.

8 2. The following settlement Agreements (collectively, the
9 “Settlement Agreements”) by and among Plaintiffs and the defendants
10 described therein (the “Settling Defendants”) are hereby approved and
11 confirmed as fair, adequate, reasonable and prudent as to (a) the Claimants,
12 (b) the participants in the ERISA-governed trust fund plans identified in the
13 Settlement Agreements and the beneficiaries of the Non-ERISA-governed
14 trusts identified in Settlement Agreements, (c) those parties in Claimants’
15 Actions, as that term is defined in the Settlement Agreements, who have not
16 settled, and (d) any additional defendant(s) in any future Claimants’ Actions,
17 as that term is defined in the Settlement Agreements:

- 18 • Lane Powell Spears Lubersky, LLP, and all attorneys
19 (collectively, “Lane Powell”) pursuant to the “Lane Powell
20 Agreement;”
- 21 • Wilshire Financial Services Group Inc. (“WFSG”), Andrew
22 Wiederhorn, Tiffany Wiederhorn, Ted Wiederhorn, Lawrence
23 Mendelsohn, Joyce Mendelsohn, Fog Cutter Capital Group,
24 Inc., Specialty Finance Investors LLC, First Bank of Beverly
25 Hills, FSB, Capital Wilshire Holdings, Inc., Wilshire Credit
26 Corporation, Mark Peterman, Ken Kepp, Linda Lucas, Dean

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1 Kirkland, AIG Technical Services, Inc. on behalf of National
2 Union Fire Insurance Company of Pittsburgh, PA, AIG
3 Technical Services, Inc. on behalf of American International
4 Specialty Lines Insurance Company, Lexington Insurance
5 Company, Blake Grayson, and Blake and Erika Grayson, LLC
6 (collectively, the "Wilshire Related Defendants") pursuant to
7 the "Wilshire Agreement;"

- 8 • Stoel Rives, LLP, and Mark Peterman (in his capacity as a
9 former partner of Stoel Rives LLP) (collectively, "Stoel
10 Rives") pursuant to the "Stoel Rives Agreement;"
- 11 • O'Melveny & Myers and Robert Eccles (collectively,
12 "O'Melveny") pursuant to the "O'Melveny Agreement;"
- 13 • Weiss, Jensen, Ellis & Howard P.C. ("Weiss Jensen") pursuant
14 to the "Weiss Jensen Agreement;"
- 15 • Moss Adams LLP, Consilium, Inc., Stephen Olson, Shawn
16 Olson, and Larry J. Tapanen (collectively, "Moss Adams")
17 pursuant to the "Moss Adams Agreement;" and
- 18 • McCarter English, LLP ("McCarter & English") pursuant to
19 the "McCarter & English Agreement.
- 20 • CF Credit, LLC, C.B. Bud Coleman, David Frey, and Foley
21 McIntosh Frey & Claytor ("C.F. Credit")
- 22 • Bear, Stearns & Co. Inc., ("Bear Stearns")
- 23 • Independent Fiduciary Services, Inc. ("IFS")
- 24 • PricewaterhouseCoopers ("PriceWaterhouse")
- 25 • Deloitte & Touche LLP ("Deloitte")

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1 3. The Settlement Agreement dated March 1, 2002 between
2 the American Funeral Plaintiffs and certain other Plaintiffs² is also approved
3 and confirmed as fair, adequate, reasonable and prudent, specifically
4 including its requirements for entry of this Order by June 30, 2002, and
5 payment to the American Funeral Plaintiffs by August 14, 2002. The
6 Receiver is hereby instructed to make the referenced distribution and payment
7 on or before the indicated dates.

8
9 4. The Court hereby bars all claims against the Released
10 Parties, as defined in the Settlement Agreements and against the settling
11 parties in the class actions (“Settling Parties”)³, for indemnity, contribution,
12 or any other claims concerning any of the Released Claims, as defined in the
13 Settlement Agreements (said claims being referred to herein after as the
14 “Barred Claims”). However, any claims that are reserved in Section 3.4 of
15 the CCL/Wilshire Agreement are not barred and any claims that WFSG,
16 Wilshire Credit Corporation, Andrew Wiederhorn, Lawrence Mendelsohn,
17 Fog Cutter Capital Group. Inc. or any of their insurers have against each
18 other are not barred.

19 5. The Court expressly finds that other pending and/or
20 threatened claims and cases involving the same subject matter as the settled
21

22 ² The Chilia Plaintiffs, the Hazzard Plaintiffs, the Birkett Plaintiffs, the Madole Plaintiffs,
the Receiver Plaintiffs (if so ordered by the Court), and the Receiver, Thomas F. Lennon.

23 ³ *Miller and German v. Clinton, et al.*, U.S. District court Case No. CV00-1317 HA; *Eidem,*
24 *et al. v. Trustees United Association, et al.*, U.S. District Court Case No. CV00-1446 HA;
Schultz v. Kirkland, et al., U.S. District Court Case No. CV00-1377 HA; *McPherson v.*
25 *Trustees of Eighth District et. al.*, U.S. District Court Case No. CV00-1445 HA; *Olsen v.*
26 *Larson*, U.S. District Court Case No. CV01-480 HA; *Piet v. Lontine, et al.*, Case No. CV 02-
418 KI (D. Or.). All class actions included issuance by this court of a claims bar order for
the benefit of settling defendants therein.

1 claims herein pose a significant risk of conflicting results; are likely to
2 significantly increase the cost of litigation; are likely to make the Settlement
3 Agreements approved hereby impossible to implement; are likely to frustrate
4 the Receivership ordered in this case; and are likely to frustrate said
5 settlements and prevent the Plaintiffs and the Settling Defendants from
6 obtaining the benefit thereof. Consequently, the Court also finds that the
7 injunction described below is necessary to preserve this Court's jurisdiction
8 and to protect its Judgments.

9 6. The Court hereby severally and permanently enjoins and
10 bars all persons receiving notice of or having actual knowledge of Plaintiffs'
11 Motion and the requested Final Judgment and Order (said persons or entities
12 being referred to hereinafter as the "Barred Defendants") from bringing or
13 pursuing any of the Barred Claims in any forum, any action or proceeding,
14 either derivatively or on behalf of themselves.

15 7. Because the Barred Defendants are precluded from
16 asserting any of the Barred Claims against the Released Parties and Settling
17 Parties, the Barred Defendants shall receive a credit, against any judgment
18 entered against them in any Claimants' Action, equal to that share of the
19 Claimants' alleged losses attributable, based upon relative degree of fault or
20 responsibility, to the Released Parties and Settling Parties (such method of
21 calculating the credit being referenced hereinafter as "Proportionality").

22 8. Nothing in this Final Judgment and Order shall be
23 construed to prohibit Claimants from (a) seeking to recover from the Barred
24 Defendants in any Claimants Action that share of liability attributable, based
25 upon relative degree of fault or responsibility, to all Barred Defendants who,
26 at the time of trial, have not settled with Claimants, and (b) seeking, in any

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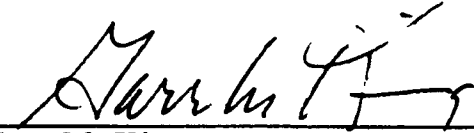
1 settlement with Jeffrey L. Grayson or Barclay Grayson, a Bar Order giving
2 the Barred Defendants a credit equal to the amount of said settlements as
3 opposed to a credit based on Proportionality.

4 9. Claimants are hereby enjoined from bringing any action in
5 any forum that does not conform to the covenants of the Settlement
6 Agreements, or this Order. Specifically, Claimants are enjoined from
7 bringing any action in which they make claims that are inconsistent with the
8 provisions of Section 7.4 of any of the Settlement Agreements.

9 10. The United States District Court for the District of Oregon
10 hereby retains exclusive jurisdiction to resolve any disputes or challenges
11 that may arise as to the performance, validity, interpretation, administration,
12 enforcement or enforceability of the Notice, this Final Judgment and Order,
13 or any of the Settlement Agreements.

14 11. This order is a final decision under 28 USC § 1291,
15 including, but not limited to, the collateral order doctrine. Alternatively, it is
16 an interlocutory order under 28 USC §§ 1292(a)(1), 1292(a)(2), and 1292(b).
17 As to § 1292(b), this order involves controlling questions of law, and an
18 immediate appeal may materially advance ultimate termination of the
19 litigation. Alternatively, this order is a final judgment under Fed R Civ P
20 54(b) and the court expressly determines there is no just reason for delay and
21 directs entry of this order as a final judgment. Finally, the court intends this
22 order to be appealable upon its entry regardless which of the above bases
23 apply.

DATED: June 19, 2002

By 
Garr M. King
United States District Court Judge

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