Cá	ase 1:10-bk-13001-GM Doc 157 Filed 0 Main Document						
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6 7	Attorneys for Escom, LLC, Debtor and Debtor in Possession						
8	UNITED STATE	S BANKRUPTCY COURT					
9	CENTRAL DISTRICT OF CALIFORNIA						
10	SAN FERNANDO VALLEY DIVISION						
11	In re:	Case No.: 1:10-bk-13001-GM					
12	ESCOM, LLC,	Chapter 11					
13		STIPULATION BY AND AMONG ESCOM,					
14	Debtor.	LLC, DEBTOR AND DEBTOR IN POSSESSION, WASHINGTON					
15		TECHNOLOGY ASSOCIATES, LLC, DOM PARTNERS LLC, AND NUTHIN' BUT NET,					
16		LLC FOR WITHDRAWAL OF NUTHIN' BUT NET'S LIMITED OPPOSITION TO SALE					
17		APPROVAL MOTION					
18 19		<u>Current Hearing:</u>					
19 20		Date: March 29, 2011 Time: 10:00 a.m.					
20		Place: Courtroom 303 21041 Burbank Blvd.					
22		Woodland Hills, CA 91367					
23		Judge: Hon. Geraldine Mund					
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This stipulation (the "Stipulation") is entered into by and among Escom, LLC, debtor and debtor in possession (the "Debtor"), Washington Technology Associates, LLC ("WTA"), DOM Partners LLC ("DOM"), and Nuthin' But Net, LLC ("NBN"), with reference to the following facts: 1. On October 18, 2010, the Debtor filed that certain *Motion for Order (I) Authorizing*

Debtor to Sell Assets Free and Clear of Liens, Claims, and Encumbrances, (II) Approving Asset Purchase Agreement with Successful Bidder Clover Holdings Limited, (III) Authorizing Payment of Sale Commissions From Sale Proceeds, and (IV) Granting Related Relief (the "Sale Approval Motion").

2. On October 26, 2010, NBN filed its *Opposition to Motion for Order (I) Authorizing* Debtor to Sell Assets Free and Clear of Liens, Claims, and Encumbrances, (II) Approving Asset Purchase Agreement with Successful Bidder Clover Holdings Limited, (III) Authorizing Payment of Sale Commissions From Sale Proceeds, and (IV) Granting Related Relief and related declarations (the "NBN Objection").

3. In the NBN Objection, NBN objected to the distribution of default interest, late fees and collection costs, including attorney's fees, to DOM and WTA (collectively the "Secured Lenders") and contested the validity of iEntertainment Inc.'s secured lien. At a hearing held on October 27, 2010, the Court granted the Sale Approval Motion, authorized the closing of the underlying sale, and ordered the Debtor to pay non-disputed principal and non-default interest to the Secured Lenders. The Court requested further briefing on the matters raised in the NBN Opposition for a hearing to be held on December 22, 2010.¹

4. On November 29, 2010, NBN and the Secured Lenders filed briefs addressing the issues raised in NBN Objection. The parties, including the Debtor, also filed a Statement of Undisputed Facts and supporting exhibits. Additionally, NBN filed a motion for authority to pursue

¹ On a *sua sponte* basis, the Court rescheduled the hearing to January 5, 2011.

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estate causes of action for breach of fiduciary duty against the Managers and to subordinate the remaining claims of the Secured Lenders (the "Estate Claims Motion"). On December 8, 2010, each of the parties hereto filed reply briefs with respect to these matters.

5. On February 7, 2011, the Court issued its Memorandum of Opinion Regarding Nuthin But Net LLC Objection to Sale and entered its Order Regarding Memorandum of Opinion (the "NBN Order"), denying NBN's Objection and Estate Claims Motion. The Court further order the Secured Lenders to file an accounting and declarations supporting their fees and costs by February 25, 2011 and NBN to file a list of specific objections thereto by March 11, 2011.

6. Thereafter, the Parties met and conferred respecting the Objection, the Estate Claims Motion and the Court's Order. As a result, NBN agreed to withdraw its NBN Objection and informed the Parties that it will not submit further pleadings respecting the claims of the Secured Lenders to default interest, late fees or collection costs, including attorney's fees.

7. Each of the attorneys executing this Stipulation expressly represents that he or she is duly authorized to execute the stipulation on behalf of his or her client(s) and that such client is bound by the terms of this Stipulation, upon approval by the Court, without further signature.

WHEREFORE, the parties hereby stipulate as follows:

A. The provisions contained in Recitals 1 through 7 above are incorporated herein by reference.

B. NBN withdraws the NBN Objection in its entirety and does not object to the payment of default interest, late fees or collection costs, including attorney's fees, to the Secured Lenders in accordance with the terms of the Sale Approval Motion, and will not file objections thereto.

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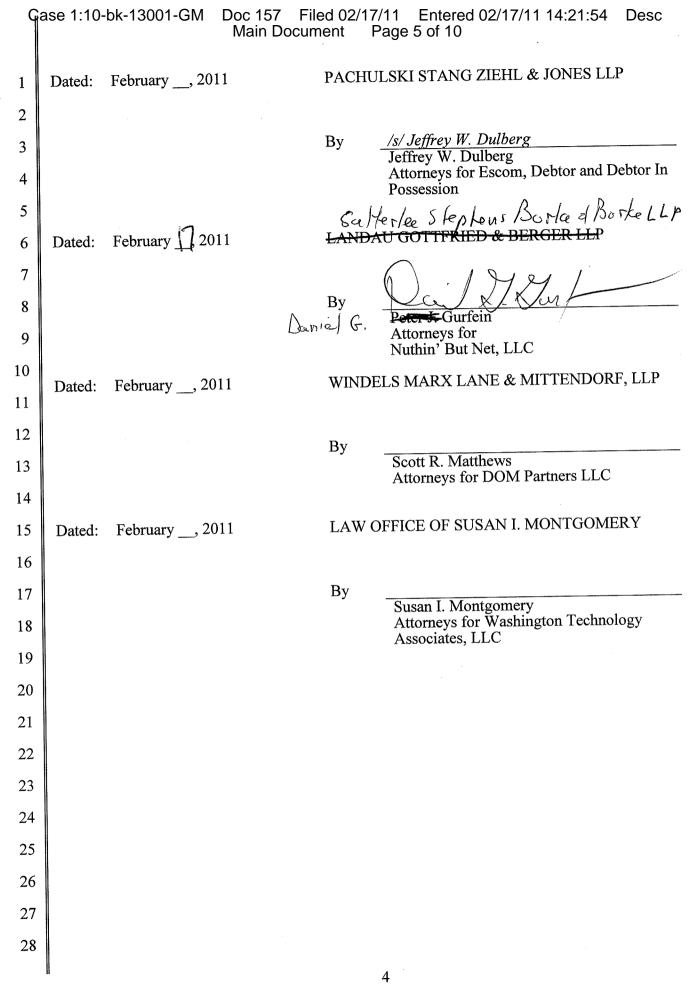
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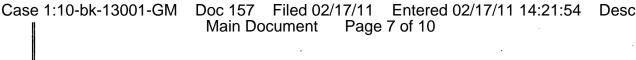
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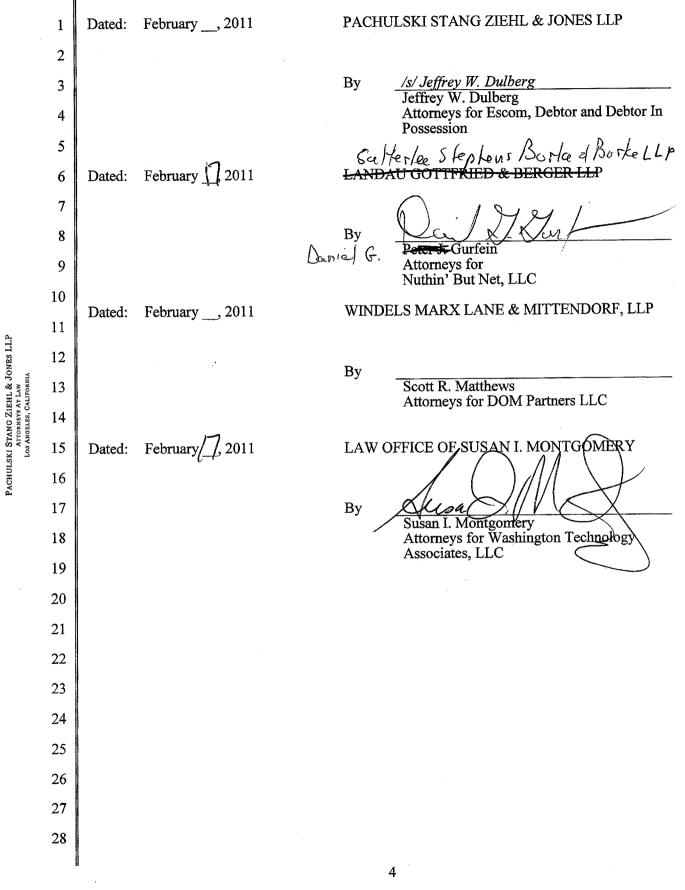
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1 2	Dated:	February 17, 2011	РАСНС	ILSKI STANG ZIEHL & JONES LLP
2			By	/s/ Laffray W. Dulhara
4			Бу	/s/ Jeffrey W. Dulberg Jeffrey W. Dulberg
5				Attorneys for Escom, Debtor and Debtor In Possession
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7	Dated:	February, 2011	SATTE	RLEE STEPHENS BURKE & BURKE LLP
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9			Ву	Daniel G. Gurfein
10				Attorneys for Nuthin' But Net, LLC
11	Dated:	February, 2011	WINDE	ELS MARX LANE & MITTENDORF, LLP
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13 14			Ву	
14			5	Scott R. Matthews Attorneys for DOM Partners LLC
16				Automoys for Down autors LLC
17	Dated:	February, 2011	LAW O	FFICE OF SUSAN I. MONTGOMERY
18				
19			Ву	
20				Susan I. Montgomery Attorneys for Washington Technology
21				Associates, LLC
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PACHULSKI STANG ZIEHL & JONES LLP Attorneys at Law Los Angeles, California

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1	Dated:	February, 201	1	PACHU	JLSKI STANG ZIEHL & JONES LLP
2					
3				By	/s/ Jeffrey W. Dulberg Jeffrey W. Dulberg
4					Attorneys for Escom, Debtor and Debtor In Possession
5	Deted	Eshana 201	1		
6 7	Dated:	February, 201	1	LANDA	AU GOTTFRIED & BERGER LLP
8				By	
9				Ву	Peter J. Gurfein Attorneys for
10					Nuthin But Net, LLC
11	Dated:	February <u>/7</u> .2011	1	WINDE	LS MARX LANE & MITTENDORF, LLP
12					Sent Rilles
13				Ву	Scott R. Matthews
14					Attorneys for DOM Partners LLC
15	Dated:	February, 2011	l	LAW O	FFICE OF SUSAN I. MONTGOMERY
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17				Ву	Susan I. Montgomery
18 19					Attorneys for Washington Technology Associates, LLC
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NOTE: When using this form to indicate service of a proposed order, **DO NOT** list any person or entity in Category I. Proposed orders do not generate an NEF because only orders that have been entered are placed on the CM/ECF docket.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

PACHULSKI STANG ZIEHL & JONES LLP, 10100 Santa Monica Boulevard, Suite 1100, Los Angeles, CA 90067

A true and correct copy of the foregoing document described as **STIPULATION BY AND AMONG ESCOM**, LLC, **DEBTOR AND DEBTOR IN POSSESSION**, **WASHINGTON TECHNOLOGY ASSOCIATES**, LLC, **DOM PARTNERS** LLC, **AND NUTHIN' BUT NET**, LLC FOR WITHDRAWAL OF NUTHIN' BUT NET'S LIMITED OPPOSITION TO SALE **APPROVAL MOTION** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below:

I. <u>TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")</u> – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the foregoing document will be served by the court via NEF and hyperlink to the document. On <u>February 17, 2011</u>, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

Service information continued on attached page

II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for each person or entity served):

On **February 17, 2011**, I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

JUDGE'S COURTESY COPY SERVED BY FEDERAL EXPRESS

The Honorable Geraldine Mund United States Bankruptcy Court - Central District of California 21041 Burbank Boulevard, Suite 342 / Courtroom 303 Woodland Hills, CA 91367

Service information continued on attached page

III. <u>SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL (indicate method for each person or entity served)</u>: Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on ______, I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on the judge <u>will be</u> completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

February 17, 2011Ann E. Mason/s/ Ann E. MasonDateType NameSignature

F 9013-3.1.PROOF.SERVICE

I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")

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S Margaux Ross on behalf of U.S. Trustee United States Trustee (SV) margaux.ross@usdoj.gov

United States Trustee (SV) ustpregion16.wh.ecf@usdoj.gov

II. SERVED BY U.S. MAIL

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F 9013-3.1.PROOF.SERVICE

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Franchise Tax Board Post Office Box 942857 Sacramento, CA 94257-0631

Internal Revenue Service Post Office Box 21126 Philadelphia, PA 19114

State Board of Equalization Attn: Special Procedures Section Post Office Box 942879 Sacramento, CA 95814