

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:

NEIGHBORS LEGACY HOLDINGS, INC.,
et al.,¹

Debtors.

Chapter 11

Case No. 18-33836 (MI)

Jointly Administered

**STIPULATION AND AGREED ORDER BY AND BETWEEN THE UNSECURED
CREDITOR TRUST AND BBVA COMPASS FINANCIAL CORPORATION**

Mark Shapiro, the Trustee of the Unsecured Creditor Trust (the “**Unsecured Creditor Trustee**”) and BBVA Compass Financial Corporation (“**BBVA**”, and collectively with the Unsecured Creditor Trustee, the “**Parties**”) hereby enter into this stipulation (the “**Stipulation**”), pursuant to which the Parties hereby stipulate and agree as follows:

WHEREAS, on July 12, 2018 and July 23, 2018 (collectively, the “**Petition Dates**”), Neighbors Legacy Holdings Inc. and certain of its affiliates and subsidiaries (collectively, the “**Debtors**”) each commenced a case by filing a petition for relief under Chapter 11 of the Bankruptcy Code, and on that same date, the Court entered the *Order Granting Complex Chapter 11 Bankruptcy Case Treatment* [Docket No. 14], which established a deadlines for filing proofs of claim;

WHEREAS, on October 5, 2018, the Debtors filed their Notice of Deadlines for Filing Proofs of Claim [Docket No. 551] (the “**Bar Date Notice**”), which provided notice that the

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at www.kccllc.net/neighbors. The location of Debtors’ principal place of business and the Debtors’ service address was: 10800 Richmond Avenue, Houston, Texas 77042.



deadline for all entities, other than Governmental Unites, to file proofs of claim was November 14, 2018 (the “**General Bar Date**”);

WHEREAS, on November 14, 2018, BBVA filed, *inter alia*, Claim Nos. 564 and 691 (“**Claim No. 564**” and “**Claim No. 691**”, respectively, and collectively, the “**BBVA Claims**”) against Debtor Neighbors Legacy Holdings, Inc., related to certain equipment leases and the various equipment schedules and supplements thereto;

WHEREAS, on February 20, 2019, the Debtors filed their *First Amended Joint Plan of Liquidation of Neighbors Legacy Holdings, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 772] (the “**Plan**”) and accompanying *Second Amended Disclosure Statement* [Docket No. 773];

WHEREAS, on March 22, 2019, the Court entered its *Order Approving Debtors’ Second Amended Disclosure Statement and Confirming Debtors’ First Amended Joint Plan of Liquidation of Neighbors Holdings, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code* [Docket No. 847] (the “**Confirmation Order**”);

WHEREAS, on August 8, 2019, the Effective Date of the Plan occurred, as set forth in that certain *Notice of (I) Entry of an Order Approving Second Amended Disclosure Statement and Confirming Debtors’ First Amended Plan of Liquidation of Neighbors Legacy Holdings, Inc. and Its Debtor Affiliates under Chapter 11 of the Bankruptcy Code; (II) Occurrence of Effective Date; and (III) Administrative and Rejection Damage Claim Bar Dates* [Docket No. 862]; and

WHEREAS, at various times following the Petition Dates, BBVA has taken steps to mitigate its damages and liquidate certain of the equipment subject to the equipment leases underlying the BBVA Claims.

Based upon the foregoing recitals, the Parties Stipulate and Agree as follows:²

1. The BBVA Claims. The BBVA Claims shall be amended and reduced to reflect the application of proceeds from the sale of certain equipment by BBVA as follows:

(a) Claim No. 564 shall be deemed amended and reduced to the amount of \$2,017,775.88; and

(b) Claim No. 691 shall be deemed amended and reduced to the amount of \$4,682,314.70.

2. Reservation of the Parties' Respective Rights. Nothing in this Stipulation shall prejudice or otherwise impact the Parties' respective rights with respect to the BBVA Claims, including that nothing herein shall be deemed (a) an admission as to the validity or priority of the BBVA Claims; (b) a waiver of any Parties' right to dispute or assert the BBVA Claims on any grounds; (c) a promise or requirement to pay the BBVA Claims; or (d) a waiver of any of the Parties' rights under the Bankruptcy Code or any other applicable law, except as explicitly set forth herein.

3. Immediate Effect of this Stipulation Upon the Bankruptcy Court's Approval. Notwithstanding anything to the contrary in the Bankruptcy Code, Bankruptcy Rules or Local Bankruptcy Rules, neither the Bankruptcy Court's approval of this Stipulation nor the effectiveness of the Stipulation shall be stayed in any respect, pursuant to FED. R. BANKR. P. 4001(a)(3), or otherwise. The Stipulation shall be effective immediately upon entry.

4. Binding Effect. This Stipulation is binding on the Parties, their successors (including any subsequently appointed Trustee or Examiner), assigns, affiliates, officers, directors, shareholders, investors, members, employees, Agents, and professionals.

² The preceding recitals are intended to be factual recitations of the Parties and are therefore incorporated into the stipulated terms herein and are intended to be incorporated into the Court's Order approving this Stipulation.

5. Jurisdiction. The Bankruptcy Court shall retain exclusive jurisdiction to hear and determine all matters or disputes arising from or relating to the interpretation and/or enforcement of this Stipulation.

IT IS SO ORDERED.

Dated: _____, 2021

THE HONORABLE MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

AGREED TO AS TO FORM AND CONTENT:

Dated: December 31, 2020

Dated: December 31, 2020

By: /s/ Michael D. Warner

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*Authorized Representative of BBVA
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