

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF IOWA**

**IN THE MATTER OF:** ) **Chapter 7**  
**THOUSAND ADVENTURES, INC.,** ) **Case No. 97-03618 DJ**  
**Debtor.** )

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**ERIC W. LAM, exclusively in his capacity** )  
**as Trustee of the bankruptcy of:** )  
**THOUSAND ADVENTURES, INC.,** ) **Adversary No. 99-99145**  
**Plaintiff,** )  
vs. )  
**CHEROKEE ELECTRIC COOPERATIVE,** )  
**Defendant** )

**MOTION TO APPROVE COMPROMISE SETTLEMENT  
AND MOTION TO PAY ATTORNEY FEES**

COMES NOW the Plaintiff in the above-captioned adversary and hereby moves that this Court approve a compromise settlement with Defendant, Cherokee Electric Cooperative, and dismiss the above-captioned adversary, and pay Plaintiff's attorney in this action, stating to the Court the following:

1. Plaintiff has conducted extensive discovery. A review of the records of the Debtor and Defendant reveals that total transfers made by the Debtor to the Defendant herein were \$57,559.50. Of these transfers, \$54,950.25 were pre-petition and \$2,619.25 were post-petition.
2. The Defendant asserts the typical preference defenses of ordinary course of business, contemporaneous exchange for value and subsequent new value.
3. Defendant, Cherokee Electric Cooperative, has offered the sum of \$20,000.00 in complete and full settlement of the action brought against it.
4. Trustee has concluded that there may be some merit to some of the defenses set forth above. In which case, if litigation were completed, the Trustee would risk receiving less than the entire amount of the transfer or, no judgment against the Defendant. In addition, if successful, the Trustee would still need to transfer the judgment to the Defendant's state and county in order to begin execution to collect any judgment.
5. Defendant will tender to Plaintiff the sum of \$20,000.00, which will be held in Plaintiff's trust account. These funds will be retained by the Trustee if this settlement is approved. If this settlement is not approved, all funds paid by the Defendant and deposited by the Trustee will be returned to the Defendant herein.
6. It is in the best interest of this estate that Plaintiff be authorized to accept the sum of \$20,000.00 as full and complete settlement of the above-captioned adversary and that it

be dismissed with prejudice and Plaintiff release Defendant from all claims and causes of action.

7. On the 16<sup>th</sup> day of March, 1999, the undersigned was authorized to pursue preference actions on behalf of the Trustee.
8. The terms of that engagement provided that at this point of the litigation, the undersigned would receive one-third of the proceeds, plus out-of-pocket expenses.
9. Assuming this Court approves the compromise settlement, counsel for the Plaintiff is entitled to one-third of the proceeds received, \$6,666.67.
10. Applications for out-of-pocket expenses have been made on a periodic basis for all of the preference actions and other matters being handled by this counsel for the Plaintiff.
11. If this Court approves this settlement, it is appropriate to enter an order directing the Trustee to pay the undersigned one-third of the settlement, as agreed when the undersigned was engaged to pursue the preference actions.

WHEREFORE, Plaintiff respectfully requests that this Court enter an Order authorizing him to accept the compromise proposed by Defendant, Cherokee Electric Cooperative; and, dismiss this adversary with prejudice. Plaintiff further respectfully requests that if this settlement is approved, this Court enter an order directing the Trustee to forthwith pay the undersigned one-third of the settlement, \$6,666.67, and grant such other and further relief as the Court deems just and equitable, given the circumstances.

Dated this 5<sup>th</sup> day of February, 2003.

Eric W. Lam, Trustee

/s/ Joseph A. Peiffer  
Joseph A. Peiffer, IS 9999471  
Day Rettig Peiffer Johansen PC  
PO Box 2877  
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Telephone: (319) 365-0437

ATTORNEY FOR THE TRUSTEE

#### CERTIFICATE OF SERVICE

I hereby certify that a copy of the document on which this appears and all enclosures, was mailed the date indicated below, to all creditors and parties in interest listed below as required by the Bankruptcy Code and Rules by Day Rettig Peiffer Johansen, P.C.

Dated February 6<sup>th</sup>, 2003

Signed: /s/ Sandra L. Brock

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