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UNITED STATES DISTRICT COURT

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EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION

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FOUR IN ONE COMPANY, INC.,
on behalf of itself and all others similarly
13 situated,

Case No. 08-cv-3017 KJM EFB

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Plaintiffs,

**STIPULATION AND ORDER TO
CONTINUE STATUS CONFERENCE**

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v.

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SK FOODS, L.P., INGOMAR PACKING
COMPANY, LOS GATOS TOMATO
17 PRODUCTS, SCOTT SALYER, STUART
WOOLF and GREG PRUETT,

Date: March 5, 2019
Time: 2:30 p.m.
Place: Courtroom 3
Judge: Hon. Kimberly J. Mueller

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Defendants.

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WHEREAS, on September 16, 2014, the United States Bankruptcy Court for the Eastern
District of California entered an order confirming the "Second Amended Joint Plan of Liquidation
22 of SK Foods, LP and its Substantively Consolidated Affiliates (July 16, 2014)" [Dkt. No. 4980]
23 (the "SK Foods Bankruptcy Plan") in the Chapter 11 bankruptcy action filed by Defendant SK
24 Foods, L.P. (Case No. 09-29162-D-11); and

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WHEREAS, Class counsel has informed undersigned counsel for Scott Salyer of the
following facts relating to SK Foods bankruptcy proceedings; and

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1 WEREAS, all funds from the Class settlements with Ingomar Packing Company, Los
2 Gatos Tomato Products, Stuart Woolf and Greg Pruett have been paid and distributed to the Class
3 and Final Judgment has been entered as to these Defendants in the consolidated cases *Four in*
4 *One Company v. SF Foods, LP, et al.* (Case No. 2:08-cv-03017-KJM-EFB), *Diversified Foods*
5 *and Seasoning, Inc. v. SK Foods, et al.* (Case No. 2:08-cv-03074 KJM-EFB), *Bruce Foods*
6 *Corporation v. SK Foods, LP, et al.* (Case No. 2:09-cv-00027-KJM-EFB), and *Cliffstar*
7 *Corporation v. SK Foods, LP, et al.* (Case No. 2:09-cv-00442-KJM-EFB) (the “Consolidated
8 Cases”); and

9 WHEREAS a portion of the funds previously recovered through the SK Foods bankruptcy
10 action have been paid and distributed to the Class in the Consolidated Cases, and the only
11 potential source of further distributions to the Class are additional funds recovered pursuant to the
12 SK Foods Bankruptcy Plan in the bankruptcy action; and

13 WHEREAS, Defendant SK Foods had affiliated companies in Australia, including SK
14 Foods Australia Pty Ltd., (“SKFA”) which were liquidated; and the liquidators of SKFA did not
15 follow proper procedures in paying themselves approximately five million seven hundred
16 thousand Australian dollars (“AUD”) from the liquidation thereby requiring the liquidators to file
17 an application for approval of remuneration with the Federal Court of Australia; and

18 WHEREAS, on February 12, 2019, the Federal Court of Australia issued a ruling on the
19 liquidators’ remuneration application providing for a reduction in their allowed compensation,
20 and on June 12, 2019, issued an order regarding implementation of the reduction and providing
21 that the liquidators will have to refund approximately AUD\$1.9 million, plus interest, or around
22 AUD\$2.7 million; and

23 WHEREAS, the Chapter 11 Trustee informed Class Counsel that the liquidators repaid
24 AUD\$2.7 million to SKFA and affiliated companies, and that ninety (90%) percent of the funds
25 refunded by the liquidators (less currency conversion fees) have been paid to the Trustee; and that
26 the Trustee was preparing for distribution to unsecured creditors pursuant to the SK Foods
27 Bankruptcy Plan, an amount of approximately USD\$1.6 million (90% of the AUD\$2.7 at the
28 estimated exchange rate); and

1 WHEREAS, The Chapter 11 Trustee has informed Class Counsel that, in addition to the
2 Australian funds, the Trustee was preparing approximately \$3.4 million to distribute resulting in
3 total distribution of approximately \$5 million to the unsecured creditors; and

4 WHEREAS, on January 13, 2020, the Chapter 11 Trustee mailed a check to the escrow
5 agent of Class Counsel for \$306,954.36, an amount representing the second distribution to the
6 Class of the Allowed General Unsecured Claim Amount of \$10.6 million based on a distribution
7 rate of 2.895796%, which was deposited into the escrow account for this case held by Class
8 Counsel (the “Escrow Account Funds”); and

9 WHEREAS, the Chapter 11 Trustee has informed Class Counsel that as of approximately
10 January 16, 2020, the Trustee has made final distributions of bankruptcy funds to unsecured
11 creditors and the Class, but anticipates some uncashed checks and returned mail, which under the
12 plan and trust agreement the Trustee must wait 90 days for those checks to settle out, after which
13 time the Trustee will file a motion to address any unclaimed funds or redistributions, if needed,
14 and close the case; and

15 WHEREAS, pursuant to the SK Foods Bankruptcy Plan, Class Counsel is in the process
16 of arranging for the pro rata distribution of the Escrow Account Funds to Class members in
17 accordance with the plan of allocation approved by this Court, subject to the fees awarded to
18 Class Counsel by the bankruptcy court; and

19 WHEREAS, the claims administrator anticipates the claims distribution process to take up
20 to approximately six months to complete, depending on how many uncashed checks remain at the
21 initial 90-day void date, and the response the claims administrator receives from outreach to the
22 class members with uncashed checks; and

23 WHEREAS, the Court has a Status Conference scheduled for March 5, 2020;

24 NOW THEREFORE, the parties hereby stipulate, subject to this Court's approval, that the
25 March 5, 2020 status conference be continued until September 10, 2020, or any other date
26 convenient for the Court, to address status of the final distributions to the Class and the closing of
27 this action.

1 DATED: February 27, 2020

By: /s/ Arthur N. Bailey, Jr.
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7 DATED: February 27, 2020

By: /s/ Steig Olson (as authorized on 2/27/20)
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Class Counsel

14 DATED: February 27, 2020

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20 DATED: February 27, 2020

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*Attorneys for Bradley D. Sharp, Chapter 11 Trustee for
SK Foods, LP*

ORDER


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GOOD CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED:

The March 5, 2020 status conference shall be continued until September 24, 2020 to address the status of the distributions to the Class and the closing of this action.

IT IS SO ORDERED.

DATED: February 28, 2020.


CHIEF UNITED STATES DISTRICT JUDGE