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The Honorable Thomas T. Glover
Chapter: 11
Hearing Date: August 19, 2005
Hearing Time: 9:30 a.m.
Hearing Location: Seattle, WA
Response Date: August 15, 2005

IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

In re)	No. 02-25434-TTG
)	
WADE COOK FINANCIAL CORPORATION;)	Proposed
THE STOCK MARKET INSTITUTE OF)	ORDER ESTABLISHING CLAIMS
LEARNING, INC.; INFORMATION QUEST,)	PROCEDURE AND CLAIMS BAR DATE
INC.; and LIGHTHOUSE BOOKS, INC. fka)	
LIGHTHOUSE PUBLISHING GROUP, INC.,)	
)	
Debtors.)	

THIS MATTER having come before the Court on the motion of the chapter 11 trustee Diana K. Carey ("Trustee") for an order (1) establishing a procedure for intake, processing, and payment of all claims receiving priority treatment under 11 U.S.C. § 507(a)(6) ("Claimants"); and (2) establishing a claims bar date for all claims receiving priority treatment under 11 U.S.C. § 507(a)(6). The Court, having reviewed the pleadings and files herein, including the Motion and any responsive pleadings, and finding itself fully advised, hereby finds that notice was appropriate and no further notice is required, and that good cause for granting the Motion has been shown.

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

1. The Motion to Establish Claims Procedure and Claims Bar Date is GRANTED.
2. The form of Notice of Bar Date for Filing Proofs of Claim attached hereto as Exhibit A is hereby APPROVED.

1 3. The form of Notice of Publication attached hereto as Exhibit B is hereby
2 APPROVED.

3 4. The Proof of Claim form with instructions attached hereto as Exhibit C is hereby
4 APPROVED.

5 5. The Claims Procedure as described in the Motion is hereby APPROVED as
6 follows:

7 (a) The office of the Clerk of the United States Bankruptcy Court (“Clerk’s
8 Office”) shall file the creditor listing bearing the names and addresses of the readily identifiable
9 customers of the Debtors who may have paid for seminars, materials, and/or related services prior
10 to December 19, 2002, but did not receive all such seminars, materials, and/or related services for
11 which they paid (“Customer Deposit Claimants”), **under seal** or in any other fashion as may be
12 required to conceal and protect the identities and contact information of the claimants.

13 (b) The Grassmueck Group (“Claims Agent”) is hereby authorized to:

14 (i) publish the Notice of Publication within thirty (30) days of entry of this
15 Order as set forth in the Motion in (a) the WCFC website (www.wadecook-bk.com), (b) The
16 Grassmueck Group website (www.thegrassmueckgroup.com), (c) once in the Wall Street Journal,
17 and (d) once in each of the following newspapers: (1) *The Seattle Times*, (2) *The New York Times*,
18 (3) *The Los Angeles Times*, (4) *The Chicago Tribune*, (5) *The Atlanta Journal Constitution*, (6)
19 *The Houston Chronicle*, (7) *The Philadelphia Inquirer and Daily News*, and (8) *The Washington*
20 *Post*;

21 (ii) implement systems to facilitate the electronic filing of Proofs of Claim
22 by Customer Deposit Claimants from the Debtors; and

23 (iii) forward to the Clerk’s Office a copy of the proposed Notice of Bar
24 Date for Filing Proofs of Claim, the Form of Notice of the Claims Bar Date, and the Proof of
25 Claim form and instructions therefor for mailing by BNC to those Customer Deposit Claimants
26 having spent \$500.00 or more.

1 (c) The Claims Agent will provide at least sixty (60) days notice from the date
2 of the mailing of the Notice of Bar Date for Filing Proofs of Claim, and from the publication in
3 the above newspapers, for those who are believed to hold a Customer Deposit Claim to file a
4 Proof of Claim.

5 (d) As claims are received, the Claims Agent will audit the Customer Deposit
6 Claims received by (i) reviewing such claims for sufficient documentation, and (ii) comparing and
7 verifying the claim information against portions of the Debtors' existing records imported into a
8 database for such purpose. Any claims that appear potentially objectionable will be reported to
9 the Trustee. The Trustee will then have the option to object to filed claims that should not be
10 allowed, and seek an order disallowing the same.

11 (e) The Claims Agent will prepare a registry of the claims ("Claims Registry")
12 submitted to the Claims Agent for the Customer Deposit Claims, and file the Claims Registry with
13 the Clerk's Office. The Claims Registry shall set forth the following information for each of the
14 Customer Deposit Claims: (1) the claim number assigned to the claim; (2) the claimant's initials;
15 and (3) the claim amount.

16 (f) The Claims Agent will prepare a list of the claims ("Claims List")
17 submitted to the Claims Agent for the Customer Deposit Claims, and file the Claims List with the
18 Court. The Claims List shall set forth the following information for each of the Customer Deposit
19 Claims: (1) the claim number assigned to the claim; (2) the claimant's full name; (3) the
20 claimant's address; and (4) the claim amount. A copy of the first page of each Proof of Claim
21 form shall be filed as an Exhibit to the Claims List. The Claims List and the Exhibit thereto will
22 be filed **under seal** or in any other fashion as may be required to conceal and protect the identities
23 and contact information of the claimants.

24 (g) Prior to its receipt of any funds for distribution to the holders of valid and
25 allowable Customer Deposit Claims, The Grassmueck Group will post a bond, in the amount of
26 \$_____ in accordance with the instructions from the office of the U.S. Trustee.

1 (h) After the Claims Bar Date has passed, the Trustee will file a proposed
2 schedule of distributions, and move this Court for an order approving the claims and authorizing
3 her to pay *pro rata* the allowable Customer Deposit Claims in accordance with the proposed plan.
4 The Trustee will provide notice of the schedule of distribution to the limited notice list, and those
5 creditors receiving distribution. Upon entry of such an order (1) the Trustee will transfer to The
6 Grassmueck Group the funds available for distribution to holders of valid and allowable Customer
7 Deposit Claims, and (2) The Grassmueck Group will disburse payment *pro rata* to all valid and
8 allowable Customer Deposit claims, as authorized by the Court. If the Trustee is still holding
9 unencumbered funds after payment of all allowed Customer Deposit Claims and other allowed
10 priority claims, then the Trustee will seek further orders from this Court regarding distribution of
11 those funds.

12 6. The Claims Bar Date for creditors filing a Proof of Claim for priority treatment
13 pursuant to 11 U.S.C. § 507(a)(6) is **November 15, 2005**, and all claims must be received by the
14 Claims Agent no later than **4:30 p.m.** Pacific time on that date. Any person holding a claim
15 entitled to priority treatment under 11 U.S.C. § 507(a)(6) who files a Proof of Claim after the
16 Claims Bar Date shall not be entitled to receive any distribution from the estate on that claim.

17 7. The Proof of Claim form attached hereto as Exhibit C must be filed by all persons
18 or entities that hold or assert that they hold a priority claim under 11 U.S.C. § 507(a)(6) against
19 Wade Cook Finance Corporation, Stock Market Institute of Learning, Information Quest, Inc. and
20 Lighthouse Books, Inc. fka Lighthouse Publishing Group, Inc.

21 8. All persons or entities required to file a Proof of Claim but fail to do so on or
22 before the Claims Bar Date shall forever be barred, estopped, and enjoined from (1) filing a Proof
23 of Claim at a later date; (2) asserting any claim that such person or entity has against any of the
24 Debtors; (3) receiving any distribution from the Claims Agent or Trustee; and (4) holding the
25 Trustee and/or Claims Agent liable for any indebtedness or liability in respect of such priority
26 claim.

