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UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MISSOURI EASTERN DIVISION

In re:	§	Chapter 11
	§	
MIDWEST CHRISTIAN VILLAGES,	§	Case No. 24-42473-659
INC. et al,	§	
	§	Jointly Administered
Debtors.	§	
	§	Related Docket No. 781

ORDER (I) AUTHORIZING AND APPROVING SETTLEMENT AGREEMENT BETWEEN HOPP ESTATE AND DEBTORS AND (II) GRANTING RELATED RELIEF

Upon the motion (the "Motion") of the Debtors, for entry of an order pursuant to Bankruptcy Rule 9019(a), authorizing and approving the settlement agreement entered into by and between Christian Homes, Inc. ("Christian Homes") and Derek Hopp as Executor of the Estate of Donald E. Hopp, Jr. (the "Hopp Estate", and such agreement, the "Settlement Agreement"), as more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Debtors having represented that adequate and proper notice of the Motion has been given and that no other or further notice need be given; and this Court having reviewed the Motion; and this Court having held a hearing to consider the relief requested in the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors and their respective estates and creditors; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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IT IS HEBERBY ORDERED that the Motion is GRANTED in that:

1. The Settlement Agreement attached hereto as Exhibit A is hereby approved pursuant to

Bankruptcy Rule 9019.

2. The automatic stay is modified to allow the Hopp Estate to pursue approval of this

settlement agreement by the state court overseeing that lawsuit.

3. The Hopp Estate shall keep the Debtor's counsel informed of the efforts related to obtaining

state court approval as provided for the in the Settlement Agreement.

4. The Debtors are further authorized, but not directed, to enter into, perform, execute, and

deliver all documents, and take all actions necessary to immediately continue and fully implement the

Settlement Agreement in accordance with the terms, conditions, and agreements set forth in the Settlement

Agreement.

5. Nothing contained in the Motion or this Order or any payment made pursuant to the

authority granted by this Order is intended to be or shall be deemed as (i) an admission as to the validity of

any claim against the Debtors, or (ii) a waiver or limitation of the Debtors' rights under the Bankruptcy

Code or any other applicable nonbankruptcy law.

6. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Order shall be

immediately effective and enforceable upon its entry.

7. Not later than two (2) business days after the date of this Order, the Debtors shall serve a

copy of the Order and shall file a certificate of service no later than twenty-four (24) hours after service.

U.S. Bankruptcy Judge

DATED: August 18, 2025

St. Louis, Missouri

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Order prepared by:

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Co-Counsel to the Debtors and Debtors-in-Possession

EXHIBIT A

Settlement Agreement

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is entered into as of July 15, 2025 by and between (i) Christian Homes, Inc. (the "Debtor") and (ii) the Estate of Donald E. Hopp, Jr. ("Hopp Estate," together, the "Parties") to resolve all outstanding issues relating to certain insurance proceeds in the original total amount of \$1,750,000 ("Proceeds"). Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Debtors' Motion for Entry of an Order (I) Authorizing and Approving Settlement Agreement between Hopp Estate and Debtors and (II) Granting Related Relief (the "Motion").

WHEREAS, on October 7, 2024, the Hopp Estate filed Claim No. 40 against the Debtor asserting an interest in the Proceeds (the "Hopp Claim");

WHEREAS, the Debtor disputes the Hopp Estate's entitlement to the Proceeds; and

WHEREAS, the Parties desire to settle all such disputes on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

I. Distribution of Proceeds.

In full and complete satisfaction of the Hopp Claim, the Parties agree that the Hopp Estate shall receive 66% of the Proceeds (\$1,100,114.56), with 34% of the Proceeds (\$566,725.33) remaining in the Debtor's estate as an additional distribution to the Debtor's creditors. The Distribution to the Hopp Estate will occur within five (5) business days of the approval by both the bankruptcy court overseeing the Debtor's bankruptcy proceeding (the "Bankruptcy Court") and the Logan County, Illinois state court (Case No. 2021-L-18) overseeing the Hopp Estate's claim against the Debtor (upon such payment, the "Effective Date"). Notice of the motion to approve the settlement by the state court, any hearings thereon, and court proceedings related thereto shall be provided to counsel for the Debtor, Clay M. Taylor, 100 Crescent Court, Suite 900, Dallas Texas 75201; clay.taylor@dentons.com. The Proceeds of \$1,100,114.56 shall be made payable to: "Derek Hopp as Executor of the Estate of Donald E. Hopp, Jr., deceased and Castagna Law Offices, LLC."

II. Mutual Release: Dismissal of State Court Proceeding.

On the Effective Date, each party hereby releases and forever discharges the other party and their affiliated entities (including all Debtors), and each of their respective past, present and future officers, directors, employees, agents, successors and assigns, from any and all claims, demands, actions, causes of action, suits, debts, sums of money, accounts, reckonings, covenants, contracts, agreements, controversies, damages, judgments, orders, executions, liens, attachments

¹ The Proceeds are currently \$1,666,839.89 after the payment of certain required governmental claims in the amount of \$83,160.11.

and liabilities of every kind and nature whatsoever, whether known or unknown, suspected or unsuspected, in law or in equity, which such Party ever had, now has or hereafter may have against such other Party, arising out of or relating to the Hopp Claim or the Debtors' bankruptcy cases.

On the Effective Date, the Hopp Estate shall diligently pursue dismissal of the state court action.

III. Representations and Warranties.

Each of the Parties warrants and represents that, prior to the execution of this Agreement: (i) each of them has thoroughly read this Agreement and conducted an independent and thorough investigation of all pertinent facts; (ii) each of them has thoroughly informed itself of the terms, consents, conditions, and effects of this Agreement; (iii) each of them has obtained the advice and benefit of counsel of its own choosing and no rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Agreement; (iv) no representations of any kind have been made by or on behalf of any of the Parties other than as expressly set forth in this Agreement; and (v) each Party thereafter elected knowingly and voluntarily to execute and enter into this Agreement.

IV. Further Assurances.

Each Party hereto covenants and agrees that it will take such other reasonable actions as any other party may reasonably request from time to time to accomplish the objectives of this Agreement.

V. Miscellaneous.

- (a) <u>Successors and Assigns</u>. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns; provided, however, that the foregoing shall not authorize any assignment by any Party of its rights or duties hereunder.
- (b) <u>Integration</u>. This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, offers and negotiations, oral or written, with respect thereto and no extrinsic evidence whatsoever may be introduced in any judicial or arbitration proceeding, if any, involving this Agreement.
- (c) <u>No Admission of Liability</u>. This Agreement shall not be construed or interpreted as an admission of liability by any Party or an admission of the truth by any Party, expressed or implied, and all such liability is expressly denied.
- (d) <u>Severability</u>. If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be struck from this Agreement and the remaining provisions shall remain in full force and effect.
- (e) <u>Counterparts</u>. This Agreement may be signed in counterparts and all of such counterparts when properly executed by the appropriate parties thereto together shall serve

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as a fully executed document, binding upon the parties. Facsimile or PDF copies of signatures on this agreement shall have the same force and effect as an original.

(f) <u>Bankruptcy Court Jurisdiction</u>. Any disputes arising out of this Agreement shall be heard exclusively by the Bankruptcy Court.

[Remainder of page intentionally left blank; signature page(s) to follow.]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by each Party or the duly authorized officer of each Party as of the date set forth above.

Christian	Homes, Inc.
Ву	
Name: Title:	

Estate of Donald E. Hopp, Jr.

By Ropp
Name: Derek Hopp

Title: Executor of the Estate of Donald E. Hopp, Jr.,

deceased

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IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by each Party or the duly authorized officer of each Party as of the date set forth above.

Christian Homes, Inc.

Name: Shawn O'Conner

Title: Chief Restructuring Officer

Estate of Donald E. Hopp, Jr.

By _____

Name: Derek Hopp

Title: Executor of the Estate of Donald E. Hopp, Jr.,

deceased

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