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*Special Counsel for Trustees,
David Birdsell, Anthony Mason,
Lothar Goernitz, and David Reaves*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA**

In re:

[TITAN SOLAR POWER] PM & M
ELECTRIC, INC.,

Debtor.

THIS FILING APPLIES TO:

☒ All Debtors
☐ Specified Debtors

Chapter 7 Proceedings

Jointly Administered under

Case No. 2:24-bk-04978-MCW

**NOTICE OF TRUSTEE'S MOTION: (1) TO
APPROVE SETTLEMENT, PURSUANT TO
BANKRUPTCY RULE
9019; AND (2) FOR PAYMENT OF
SPECIAL COUNSEL'S FEES AND
COSTS**

AND

NOTICE OF HEARING

Hearing Date: November 20, 2025

Hearing Time: 11:00 AM

Hearing Location: 230 N. First Avenue, Phoenix,
Arizona 85003 in Courtroom 702

TO: CREDITORS AND PARTIES-IN-INTEREST

**NOTICE OF TRUSTEE'S MOTION: (1) TO APPROVE SETTLEMENT, PURSUANT TO
BANKRUPTCY RULE 9019; AND (2) FOR PAYMENT OF SPECIAL COUNSEL'S FEES
AND COSTS**

NOTICE IS HEREBY GIVEN that David A. Birdsell, David M. Reaves, Anthony H. Mason,
and Lothar Goernitz, chapter 7 bankruptcy trustees for all of the debtors in this jointly administered
case (collectively, the "Trustees"), filed *Trustee's Motion: (1) to Approve Settlement, Pursuant to
Bankruptcy Rule 9019; and (2) for Payment of Special Counsel's Fees and Costs* ("**Motion**"), a complete

copy of which is on file with the Clerk of the Court and available for inspection. Parties may also contact Trustee Birdsell's counsel at twithoft@rllaz.com to request a copy of the Motion.

David A. Birdsell is the Chapter 7 trustee for the following fourteen (14) bankruptcy estates (the "**Birdsell Estates**"):

- PM & M Electric, Inc. [Titan Solar Power] 2:24-bk-04978-MCW
- Titan Solar Power AZ, Inc. 2:24-bk-04979-MCW
- Titan Solar Power FL, Inc. 2:24-bk-05226-MCW
- Titan Solar Power ID, Inc. 2:24-bk-05228-MCW
- Titan Solar Power IL, Inc. 2:24-bk-05230-MCW
- Titan Solar Power LA, Inc. 2:24-bk-05231-MCW
- Titan Solar Power MD, Inc. 2:24-bk-05233-MCW
- Titan Solar Power MO, Inc. 2:24-bk-05234-MCW
- Titan Solar Power MS, Inc. 2:24-bk-05235-MCW
- Titan Solar Power NC, Inc. 2:24-bk-05238-MCW
- Titan Solar Power NM, Inc. 2:24-bk-05240-MCW
- Titan Solar Power OH, Inc. 2:24-bk-05241-MCW
- Titan Solar Power TN, Inc. 2:24-bk-05245-MCW
- Titan Solar Power WI, Inc. 2:24-bk-05251-MCW

David M. Reaves is the Chapter 7 trustee for the following five (5) bankruptcy estates (the "**Reaves Estates**"):

- Titan Solar Power CO, Inc. 2:24-bk-05225-MCW
- Titan Solar Power TX, Inc. 2:24-bk-05248-MCW
- Titan Solar Power UT, Inc. 2:24-bk-05249-MCW
- Titan Solar Power VA, Inc. 2:24-bk-05250-MCW
- Titan Electrical Services, Inc. 2:24-bk-05253-MCW

Anthony H. Mason is the Chapter 7 trustee for the following four (4) bankruptcy estates (the "**Mason Estates**"):

- Titan Solar Power CA, Inc. 2:24-bk-05224-MCW
- Titan Solar Power NJ, Inc. 2:24-bk-05239-MCW
- Titan Solar Power SC, Inc. 2:24-bk-05243-MCW
- Titan Solar Power GA, Inc. 2:24-bk-05227-MCW

Lothar Goernitz is the Chapter 7 trustee for the Estate of Titan Solar Power NV, Inc. 2:24-bk-5025-MCW ("**Goernitz Estate**" and collectively with the Birdsell Estates, the Reaves Estates, and the Mason Estates, the "**Estates**"). The Birdsell Estates, Reaves Estates, and Mason Estates are jointly administered under the lead case, PM & M Electric, Inc. [Titan Solar Power], case number 2:24-bk-04978-MCW ("**Lead Case**"). Debtors'¹ bankruptcy cases were commenced by voluntary petitions filed under Chapter 7 of Title 11 in June 2024.

I. Trustees' Motion to Approve Settlement, Pursuant to Bankruptcy Rule 9019

At the hearing, the Court will consider Trustees' *Motion to Approve Settlement Pursuant to Bankruptcy Rule 9019*. On March 26, 2025, Trustees filed an adversary complaint against former directors and officers of Debtors ("**Defendants**"). From September 22-23, 2025, a two-day mediation took place, at which Defendants agreed to pay \$5 Million to the Debtors (the "**Settlement Agreement**"). This was \$2 Million (66%) more than the applicable insurance Defendants had for these claims.

¹ "**Debtors**" refers collectively to all Titan entities listed in Paragraphs 1-4.

1 In general, the Settlement Agreement provides, among other things, for the following principal
2 terms, subject to Bankruptcy Court approval²:

3 **1. Settlement Amount.** Defendants shall pay \$5,000,000.00 (the “**Settlement Amount**”) to the
4 Trustees within thirty days following Approval of the Settlement Agreement..

5 **2. Method of Payment.** Payment shall be made in the form of check, or check(s), or wire
6 transfer(s), in the total amount of \$5,000,000.00, payable to “David A. Birdsell, Trustee”, which shall be
7 deposited in a separate, segregated trust account of the PM&M Electric, Inc. DBA Titan Solar Bankruptcy
8 Estate, which funds are to be held by Trustee Birdsell for the benefit of all Trustee’s and their respective
9 bankruptcy estates, pending further order of the Court. Of this amount, it is anticipated that \$250,000.00
10 will be released from escrow to Trustee Birdsell. It has been disclosed to the Trustees that Argonaut
11 Insurance Company (“**Argonaut**”) will pay \$2,750,000.00, Kyle Beddome will pay \$1,000,000.00,
12 Heather Williamson will pay \$500,000.00, and David Williamson will pay \$500,000.00 of the Settlement
13 Amount. Nevertheless, no Party shall receive a release unless and until the total Settlement Amount is
14 timely paid.

15 **3. Default.** If the full Settlement Amount is not received within thirty days of entry of the
16 Approval Order (“**Payment Default**”), the Trustees shall promptly file a notice of Payment Default
17 (“**Default Notice**”) with the Bankruptcy Court and provide Defendants ten days to cure the Payment
18 Default. If the Payment Default is not cured pursuant to the Default Notice, the Trustees, upon Bankruptcy
19 Court approval and opportunity for objections, shall return any funds paid by each Defendant, minus
20 reasonable attorneys’ fees and costs incurred due to the Payment Default, which fees and costs are subject
21 to Bankruptcy Court approval and shall be assessed only against the Defendant(s) found responsible for
22 the Payment Default.

23 **4. Special Counsel’s Fees.** From the Settlement Amount, the Trustees shall be authorized to pay
24 the firm of Rusing Lopez & Lizardi, PLLC (“**Special Counsel**”), as the Trustee’s Special Counsel allowed
25 fees in the collective sum of 40% of the Settlement Amount (i.e., \$2,000,000.00), plus Special Counsel’s
26 costs in the amount of \$11,983.26.³

27 **5. Mutual Global Releases.**

28 **A.** Upon timely receipt of the Settlement Amount and except for the rights and obligations of the
Parties arising out of this Agreement, the Trustees and Estates release, acquit, and forever
discharge Defendants and the Non-Debtor Entities as well as their respective members, principals,
agents, directors, owners, representatives, attorneys, Argonaut trustees, beneficiaries, successors,
assigns and affiliates from all claims, counterclaims, actions, causes of action, suits, debts,
obligations, demands, liabilities, injuries, charges, expenses and damages of any kind and nature
(including attorneys’ fees and costs), whether at law or in equity, whether based in tort, statute,
contract, common law or other theory of recovery, whether known or unknown, asserted or
unasserted, contingent or otherwise, and regardless of the person asserting, which in whole or in
part arise out of or relate to any acts, events, omissions or transactions occurring on or prior to the
date of payment of the Settlement Amount, including but not limited to, all claims, counterclaims,
defenses or allegations which were raised or could have been raised between the Parties in the
Adversary and/or the Trustees’ Claims (the “**Trustees’ Released Claims**”). Further, to the
maximum extent permissible under law and effective upon timely receipt of the Settlement

² This Notice provides a summary of the Terms. Additional information and details of the complete
terms of the Settlement Agreement attached to the Motion as Exhibit A are available on the docket for
this case at ECF No. 759. If the terms set forth in this Notice differ from the Settlement Agreement, the
Settlement Agreement controls. Parties are encouraged to review the Motion and Settlement
Agreement on file with the Court.

³ Special Counsel’s fees and costs are subject to septate approval from the Bankruptcy Court and the
Settlement Agreement is not contingent upon approval of Special Counsel’s fees and costs. Through
this Motion, the Trustees separately request approval of Special Counsel fees of \$2,000,000.00 and
costs of \$11,983.26.

Amount, the Trustees release Argonaut of any and all liability arising from the proofs of claim set forth in the Estates' claims register. This release shall not release insurance company Somp International Holdings Ltd ("**Sompo**"), Endurance Assurance Corporation, or any subsidiaries or affiliates of the same.

B. Upon timely receipt of the Settlement Amount and except for the rights and obligations of the Parties arising out of this Agreement, Defendants and the Non-Debtor Entities release, acquit, and forever discharge the Trustees and Estates as well as their respective members, principals, agents, directors, owners, representatives, attorneys, trustees, beneficiaries, successors, assigns and affiliates from all claims, counterclaims, actions, causes of action, suits, debts, obligations, demands, liabilities, injuries, charges, expenses and damages of any kind and nature (including attorneys' fees and costs), whether at law or in equity, whether based in tort, statute, contract, common law or other theory of recovery, whether known or unknown, asserted or unasserted, contingent or otherwise, and regardless of the person asserting, which in whole or in part arise out of or relate to any acts, events, omissions or transactions occurring on or prior to the date of payment of the Settlement Amount, including but not limited to, all claims, counterclaims, defenses or allegations which were raised or could have been raised between the Parties in the Adversary and/or the Trustees' Claims (the "**Defendants Released Claims**") and together with the Trustees Released Claims, the "**Released Claims**").

C. Each Party covenants and agrees that he/she/it will not bring any lawsuit, arbitration or other legal proceeding of any kind against any other Party relating to any of the Released Claims.

D. The Parties acknowledge and agree that the mutual releases set forth in the Agreement are general releases relating to the Released Claims. The Parties expressly waive and assume the risk of any and all claims for damages or other relief which exist as of the date of payment of the Settlement Amount, but of which the Parties do not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise, and which, if known, would materially affect a Party's decision to enter into this Agreement.

6. Court Approval. This Agreement is subject to Bankruptcy Court approval, pursuant to Bankruptcy Rule 9019. Within ten days of the execution of this Agreement by the Parties, the Trustees shall file a motion in the Bankruptcy Court (the "**Settlement Motion**") requesting entry of the Approval Order. The Parties agree to support the Settlement Motion and use their best efforts to obtain entry of the Approval Order. If the Settlement Motion is not approved, this Agreement shall be null and void, and the Parties shall be deemed to be in the same position as they were in prior to the mediation and settlement between and among them, as if this Agreement did not occur.

Additional information and details of the complete terms of the Settlement Agreement are available on the docket for this case at ECF No. 759.

NOTICE OF TRUSTEES MOTION FOR PAYMENT OF SPECIAL COUNSEL'S FEES AND COSTS

NOTICE IS FURTHER GIVEN that, as part of the Motion, the Court will also consider Trustees' request for payment of special counsel's fees and costs. Rusing Lopez & Lizardi, P.L.L.C. ("**RLL**" or "**Special Counsel**") was hired by the Trustee Birdsell on July 23, 2024, for the purpose of pursuing claims against Debtors' former Directors and Officers ("**D&O Claims**") on behalf of the Estates. RLL was hired to pursue the D&O Claims and did so by settling successfully in mediation for more than the insured value of those claims. Special Counsel took this work on a contingency basis and seeks approval of fees in the amount of \$2 Million. Approval is also sought for costs in the amount of \$11,983.26. Additional information and details of RLL's work for the Trustees are available in RLL's fee application on the docket for this case at ECF No. 759.

If you have an objection to this Motion, you must file your objection, specifying the reason therefor, with the Clerk of the Bankruptcy Court (230 North First Avenue, Phoenix, AZ 85003) and serve a copy upon Theodore Witthoft, attorney for the Trustees at the address set forth above on or before the expiration of twenty-one (21) days from the mailing of this Notice. Unless you file and

1 serve a timely objection, the Motion may be authorized without further notice or hearing.

2 **NOTICE OF HEARING ON MOTION**

3 **PLEASE TAKE NOTICE** that a hearing will be held on **November 20, 2025**, at **11:00 a.m.**
4 before the Honorable Madeline C. Wanslee. This hearing shall be held in person at the United States
5 Bankruptcy Court for the District of Arizona, 230 N. First Avenue, Phoenix, Arizona 85003 in Courtroom
6 702.

7
8 RESPECTFULLY SUBMITTED this 23rd day of October, 2025.

9 **RUSING LOPEZ & LIZARDI, P.L.L.C.**

10 /s/ Theodore P. Witthoft

11 Jonathan M. Saffer

12 Theodore P. Witthoft

13 Daniel B. Bernardone

14 Alexander J. Relich

15 *Special Counsel for Chapter 7 Trustees*

16 *David Birdsell, Anthony Mason, David Reaves,*

17 *and Lothar Goernitz*

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23 COPIES of the foregoing Notice were served via the Court's CM/ECF Notification System on all
24 parties that requested notice in this case with additional copies mailed by U.S. Mail to all parties on the
25 attached Exhibit A. **Exhibit A** contains, *inter alia*, the Official Mailing List for each of the Estates
26 settling under the Motion.⁴

27 _____
28 ⁴ A copy of **Exhibit A** shall not be mailed, but it is available upon written request to Theodore P.
Witthoft at twitthoft@rllaz.com.