

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
HARRY J. PAPPAS and)	Case No. 08-10949 (PJW)
STELLA A. PAPPAS,)	
)	(Jointly Administered)
Debtors.)	
)	Ref: Docket Nos. 1071, 1072, 1120, 1121, 1122, 1142,
)	1150, 1153, 1154, 1155 & <u>1165</u>

**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER
CONFIRMING DEBTORS' FIRST AMENDED PLAN OF REORGANIZATION
PURSUANT TO CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE**

WHEREAS on May 12, 2008, (the "Petition Date"), Fortress Credit Opportunities I LP, Fortress Credit Opportunities II LP, Ableco Finance LLC and Silver Oak Capital LLC (collectively, the "Petitioning Creditors") filed with the United States Bankruptcy Court for the District of Delaware (the "Court") involuntary petitions under chapter 7 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code") against Harry J. Pappas and Stella A. Pappas, the above-captioned debtors and debtors-in-possession (the "Debtors" or the "Pappases"); and

On May 22, 2008, the Debtors filed motions to convert the involuntary chapter 7 cases to cases under chapter 11 (the "Chapter 11 Cases"); and

The Bankruptcy Court granted these motions and entered orders for relief under chapter 11 of the Bankruptcy Code on May 27, 2008 (the "Order Date"); and

On August 15, 2011, the Debtors filed *the Debtors' First Amended Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code* [D.I. 1071] (as subsequently amended, and together with the and exhibits thereto, including the Plan

Supplement, the "Plan"),¹ and contemporaneously therewith filed the *Disclosure Statement Pursuant to Section 1125 of the Bankruptcy Code With Respect to the Debtors' First Amended Chapter 11 Plan* [D.I. 1072] (as subsequently amended, and together with the exhibits thereto, the "Disclosure Statement"); and

On September 21, 2011, the Court entered an order (i) approving the Disclosure Statement, (ii) fixing a voting record date; (iii) approving solicitation materials and procedures for distribution thereof; (iv) approving forms of Ballots and establishing procedures for voting on the Plan, (v) scheduling a hearing on, and establishing certain notice and objection procedures in respect of, confirmation of the Plan, and (vi) granting related relief [D.I. 1120] (the "Solicitation Order"); and

Pursuant to the Solicitation Order, the Court, *inter alia*, (i) established October 26, 2011 at 7:00 p.m. (ET) and 4:00 p.m. (ET) as the respective deadlines for submitting Ballots accepting or rejecting the Plan (the "Voting Deadline") and for filing objections to confirmation of the Plan (the "Objection Deadline") and (ii) scheduled a hearing (the "Confirmation Hearing") commencing on November 7, 2011 at 9:30 a.m. (ET) to consider confirmation of the Plan; and

On October 21, 2011, the Debtors filed the Form of Liquidating Trust Agreement and Identification of Potential Proposed Successor Liquidating Trustees contemplated by the Plan [D.I. 1142] (together with any notice of revisions thereto, the "Plan Supplement"); and

On November 4, 2011, the Court-appointed claims and balloting agent filed the *Certification of Gil Hopenstand with Respect to the Tabulation of Votes on the Debtors' First*

¹ Capitalized terms used but not defined herein shall have those meanings ascribed to them in the Plan or the Solicitation Order (defined below), respectively. The rules of interpretation set forth in the Plan shall apply to this Order (the "Confirmation Order"). The Plan and form of Liquidating Trust Agreement, as amended November 7, 2011, are attached hereto as Exhibit I and Exhibit II, respectively.

Amended Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code

[D.I. 1150] (the "Voting Declaration") in support of confirmation of the Plan; and

The Court having heard the statements and arguments of counsel in respect of confirmation of the Plan and the evidence submitted therewith;

NOW, THEREFORE, based upon the Court's review and consideration of the Plan, the Disclosure Statement, and the Voting Declaration previously filed with the Court, and upon (i) all of the evidence proffered or adduced in connection therewith; (ii) all objections, arguments, or other statements of counsel made at or in connection with the Confirmation Hearing; and (iii) the entire record of the Chapter 11 Cases; and after due deliberation thereon, and good and sufficient cause appearing therefor, this Court hereby makes and issues the following Findings of Fact, Conclusions of Law, and Orders²:

² This Confirmation Order constitutes this Court's findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rules 7052 and 9014. Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

General Findings

A. Venue; Core Proceeding; Exclusive Jurisdiction. The Debtors were qualified on the Petition Date and Order Date to be debtors under section 109 of the Bankruptcy Code, and remain so qualified. Venue was proper as of the Petition Date and the Order Date, and continues to be proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is a core proceeding under 28 U.S.C. § 157(b)(2), and this Court has jurisdiction to enter a Final Order with respect thereto. This Court has jurisdiction over the Chapter 11 Cases pursuant to 28 U.S.C. §§ 157 and 1334, and this Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed.

B. Judicial Notice. This Court takes judicial notice of the docket of the Chapter 11 Cases (including those portions related to the involuntary proceedings commenced against the Debtors) maintained by the Clerk of the Court and/or its duly-appointed agent, including, without limitation, all pleadings, motions, Claims and other documents filed, all orders entered, and all evidence and arguments made, proffered or adduced at the hearings held before the Court during the Chapter 11 Cases, including, without limitation, the hearing to consider the adequacy of the Disclosure Statement and the Confirmation Hearing.

C. Burden Of Proof. The Debtors, as proponents of the Plan, have the burden of proving the elements of subsections 1129(a) and (b) of the Bankruptcy Code by a preponderance of the evidence. The Debtors have met that burden as further found and determined in this Confirmation Order.

D. Bar Date. On June 1, 2009, the Court entered an order [D.I. 466] (the “Bar Date Order”) establishing a deadline of August 3, 2009 at 4:00 p.m. (EST) (the “General Bar Date”), to file proofs of claim for all claims against the Debtors and their estates that arose prior to the Petition Date, including the claims of governmental units. On April 18, 2011, the Bankruptcy Court entered an Order [D.I. 980] (the “Administrative Bar Date Order”) establishing June 30, 2011 at 4:00 p.m. (EST) (the “Administrative Bar Date”) as the deadline, applicable to all entities other than estate professionals, to file requests for allowance and payment of administrative expenses pursuant to section 503 of the Bankruptcy Code. As detailed in various affidavits of service (collectively, the “Bar Date Affidavits”) and other sources, notice of the various bar dates was properly given in accordance with the Bar Date Order. *See* D.I. 482, 483, 983, 988 & 996.

E. Solicitation and Notice. To obtain the requisite acceptance of the Plan, on or about September 26, 2011, the Debtors, through their solicitation agent Kurtzman Carson Consultants (“KCC”) (f/k/a Administar Services Group LLC) commenced a solicitation mailing of acceptances and rejections of the Plan by distributing the Disclosure Statement and related materials to the Voting Parties (as defined in the Solicitation Order). As evidenced by the affidavit of service of Gil Hopenstand dated September 28, 2011 [D.I. 1128] (the “Solicitation Package Affidavit of Service”) and the Voting Declaration, and as required by the Solicitation Order, on September 26, 2011 the Debtors served: (i) written notice (the “Confirmation Hearing Notice”) of (a) the Court’s approval of the Disclosure Statement, (b) the Voting Deadline, (c) the date and time of the Confirmation Hearing, and (d) the deadline and procedures for filing objections to confirmation of the Plan; (ii) a CD containing a copy of the Disclosure Statement (together with the Plan and certain other exhibits); and (iii) the appropriate ballot and ballot

return envelope (collectively, the "Solicitation Packages"), to the Voting Parties in the manner set forth in the Solicitation Order.

F. Further, as also evidenced by the Solicitation Package Affidavit of Service and the Voting Declaration, and as required by the Solicitation Order, on the Solicitation Commencement Date the Debtors served the Non-Voting Creditor Notice (as defined in the Solicitation Order) to those parties in interest who are not Voting Parties, but who were entitled to the Non-Voting Creditor Notice under the terms of the Solicitation Order (the "Non-Voting Parties").

G. Adequacy of Notice. The Disclosure Statement, the Plan, the Ballots, the Confirmation Hearing Notice, the Plan Supplement, and all exhibits thereto each, along with any and all amendments or modifications thereto, each were transmitted and served in compliance with the Solicitation Order, section 1128 of the Bankruptcy Code, the Bankruptcy Rules and other applicable law, where required, and such transmittal and service constituted adequate and sufficient notice for the Confirmation Hearing. All parties in interest had the opportunity to appear and be heard at the Confirmation Hearing and no other or further notice was required.

H. Good Faith Solicitation, No Requirement for Resolicitation. Votes for acceptance and rejection of the Plan were solicited in good faith and in compliance with sections 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 3017 and 3018, the Disclosure Statement, the Solicitation Order, all other applicable provisions of the Bankruptcy Code and all other applicable rules, laws and regulations. Based on the record in the Chapter 11 Cases, the Exculpated Parties have acted in "good faith" within the meaning of section 1125(e) of the Bankruptcy Code and the Bankruptcy Rules in compliance with all of their respective activities relating to the solicitation of acceptances of the Plan and their participation in the activities

described in section 1125 of the Bankruptcy Code, and accordingly, such parties are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions provided for in Article 9 of the Plan. Based upon the Court's review of the amendments and modifications embodied in the Plan, all such amendments and modifications are non-material and do not adversely change the treatment of creditors, and no further solicitation or resolicitation of any holders of Claims in the Chapter 11 Cases is necessary.

I. Voting Declaration. As evidenced by the Voting Declaration, all procedures used to distribute solicitation materials to the applicable holders of Claims and to tabulate the Ballots were fair and conducted in accordance with the Solicitation Order, the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware, and all other applicable rules, laws and regulations. As evidenced by the Voting Declaration, pursuant to sections 1124 and 1126 of the Bankruptcy Code, all of the Impaired Classes entitled to vote on the Plan has voted to accept the Plan.

Compliance with the Requirements of Section 1129 of the Bankruptcy Code

J. Satisfaction of Confirmation Requirements. The Plan satisfies the requirements for confirmation set forth in subsections 1129(a) and (b) of the Bankruptcy Code by a preponderance of the evidence, which is the applicable evidentiary standard. The Court also finds that the Debtors have satisfied the elements of section 1129(a) and (b) of the Bankruptcy Code under a clear and convincing standard of proof.

K. Section 1129(a)(1) – Compliance of the Plan with Applicable Provisions of the Bankruptcy Code. The Plan complies with all applicable provisions of the Bankruptcy

Code as required by section 1129(a)(1) of the Bankruptcy Code, including, without limitation, sections 1122 and 1123.

L. Pursuant to sections 1122(a) and 1123(a)(1) of the Bankruptcy Code, Article 2 of the Plan designates six Classes of Claims. As required by section 1122(a) of the Bankruptcy Code, each Class of Claims contains only Claims that are substantially similar to the other Claims within that Class. Similar Claims have not been placed into different Classes in order to affect the outcome of the Plan. Valid business, factual and legal reasons exist for separately classifying the various Classes of Claims created under the Plan, and the Plan's treatment thereof does not unfairly discriminate between holders of Claims. Pursuant to section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims and Priority Tax Claims are not classified under the Plan.

M. In compliance with section 1123(a)(2) of the Bankruptcy Code, Article 4 of the Plan specifies that Class 1 Priority Claims, the Class 2 Bank of America Mortgage Note Secured Claim, and the Class 3 Bank of America Home Equity Line Secured Claim are not impaired under the Plan in that the legal, equitable or contractual rights of holders of Claims in these classes are not altered under the Plan. Accordingly, Class 1 Priority Claims, the Class 2 Bank of America Mortgage Note Secured Claim, and the Class 3 Bank of America Home Equity Line Secured Claim are conclusively presumed to have accepted the Plan in accordance with section 1126(f) of the Bankruptcy Code.

N. In compliance with section 1123(a)(3) of the Bankruptcy Code, Article 4 of the Plan specifies the treatment of each impaired Class of Claims under the Plan. Class 4 Stanley and Carol Trapp Secured Claims, Class 5 Comerica Bank Secured Claims, and Class 6

General Unsecured Claims are designated as impaired under the Plan in that the legal, equitable or contractual rights of holders of claims in these classes are altered under the Plan.

O. Article 4 of the Plan provides for the same treatment by the Debtor of each Claim in a particular class as required by section 1123(a)(4) of the Bankruptcy Code (unless the holder of a particular Claim agrees to less favorable treatment of such particular Claim).

P. In compliance with sections 1123(a)(5) and 1123(b)(1)-(6) of the Bankruptcy Code, Article 6 of the Plan and various other provisions of the Plan set forth the means for implementation of the Plan, which means are adequate and proper. The Debtors and other relevant parties will be able to make all of the required payments under, and comply with all other provisions of, the Plan. Additionally, Article 6 and various other provisions of the Plan provide adequate and proper means for the Plan's implementation including, without limitation: (i) the creation of the Liquidating Trust; (2) the vesting of all Liquidating Trust Assets in the Liquidating Trust; (3) the assumption by the Liquidating Trust of liability for all Claims arising prior to the Effective Date; (4) the promulgation of the Liquidating Trust Agreement; (5) the retention of jurisdiction by the Bankruptcy Court over the matters set forth in Article 11(A) of the Plan; and (6) the retention of Exempt Property in the Reorganized Debtors as set forth in Article 6(D) of the Plan, subject to Article 5(B)(1)(f) of the Plan. Such provisions satisfy the requirements of sections 1123(a)(5) and 1123(b)(1)-(6) of the Bankruptcy Code, and these provisions, along with all other provisions of the Plan, are consistent with the Bankruptcy Code.

Q. No non-voting equity securities will be issued pursuant to the Plan or at any time in the future with respect to the Debtors, so the Plan does not violate section 1123(a)(6) of the Bankruptcy Code.

R. The Plan Supplement identified the identities and affiliations of the individuals proposed to serve, after confirmation of the Plan, as the potential Successor Liquidating Trustee in the *Identification of Potential Proposed Successor Liquidating Trustees*, filed as Exhibit 2 to the Plan Supplement [D.I. 1142] on October 21, 2011, and the *Liquidating Trust Agreement* filed as Exhibit 1 to the Plan Supplement proposes that the Successor Liquidating Trustee will be paid its normal, customary rate. At the Confirmation Hearing, the list of candidates set forth in the Plan Supplement was narrowed to one, and it was announced that Lee W. Schubert, Esq. of Sciarrino & Schubert PLLC will be the Successor Liquidating Trustee, if one is appointed. With respect to the Initial Liquidating Trustee, the Plan and the Liquidating Trust Agreement provide that Harry J. Pappas shall be the Initial Liquidating Trustee, and that no compensation shall be paid to the Initial Liquidating Trustee for his services in such capacity. As required by section 1123(a)(7) of the Bankruptcy Code and pursuant to the Plan, the foregoing is consistent with the interests of the holders of Claims and with public policy. Accordingly, the requirements of section 1123(a)(7) of the Bankruptcy Code are satisfied.

S. Section 1123(a)(8), is either satisfied or inapplicable in these Chapter 11 Cases. The Liquidating Trust Assets, not future income of the Debtors, will be used to pay creditors under the Plan, and the Plan provides for the Liquidating Trust Assets to be turned over to the Liquidating Trust for distribution to creditors.

T. The Plan is dated and identifies the entity submitting it, thereby satisfying Bankruptcy Rule 3016(a).

U. Section 1129(a)(2) – Compliance by the Debtor with Applicable Provisions of the Bankruptcy Code. The Debtors, as the proponents of the Plan, have complied

with all applicable provisions of the Bankruptcy Code, including, without limitation, sections 1125 and 1126 of the Bankruptcy Code and Bankruptcy Rules 3017 and 3018 regarding the Disclosure Statement and solicitation of the Plan. The Disclosure Statement and the procedures by which the Ballots for acceptance or rejection of the Plan were solicited and tabulated were fair, properly conducted and in accordance with Bankruptcy Rules 3017 and 3018 and section 1126 of the Bankruptcy Code. Accordingly, the requirements of section 1129(a)(2) of the Bankruptcy Code have been satisfied.

Based on the record before the Court, the Exculpated Parties who have solicited votes on the Plan and have participated in the activities described in section 1125 of the Bankruptcy Code have done so in good faith, within the meaning of section 1125(e) of the Bankruptcy Code, and in compliance with the applicable provisions of the Solicitation Order, the Bankruptcy Code, the Bankruptcy Rules, and all other applicable rules, laws and regulations, and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation and limitation of liability provisions provided for in Article 9 of the Plan and this Confirmation Order.

V. Section 1129(a)(3) – Proposal of the Plan in Good Faith. The Debtors proposed the Plan in good faith and not by any means forbidden by law. The Plan is designed to allow the Debtors to reorganize while maximizing recoveries to the Debtors' creditors. Moreover, the Plan itself, the process leading to its formation, and the support for the Plan received from the accepting voting Classes provides independent evidence of the Debtors' good faith, and of the good faith of those who assisted with the solicitation process. The Debtors (and the other Exculpated Parties) have thus acted in "good faith" within the meaning of section 1125(e) of the Bankruptcy Code in proposing the Plan and securing its confirmation.

Accordingly, the Plan satisfies the “good faith” requirement of Section 1129(a)(3). Furthermore, the Plan is the product of extensive, arms’-length negotiations among the Debtors, the other major parties in interest in the Chapter 11 Cases, and each of the foregoing groups’ respective representatives, and reflects the results of these arms’ length negotiations and embodies the best interests of all the constituencies of the Debtors’ estates.

W. Section 1129(a)(4) – Bankruptcy Court Approval of Certain Payments as Reasonable. Pursuant to section 1129(a)(4) of the Bankruptcy Code, any payment made or promised by the Debtors or by any person acquiring property under the Plan, for services or for costs and expenses in, or in connection with, these Chapter 11 Cases, or in connection with the Plan and incident to these Chapter 11 Cases, has been disclosed to this Court. Any such payment made on a final basis before confirmation of the Plan is reasonable. Any such payment to be fixed or approved on a final basis after confirmation of the Plan is subject to approval of this Court as reasonable.

X. Section 1129(a)(5) – Disclosure of Information Regarding Officers. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Plan Supplement identified the identities and affiliations of the individuals proposed to serve, after confirmation of the Plan, as the potential Successor Liquidating Trustee in *the Identification of Potential Proposed Successor Liquidating Trustees*, filed as Exhibit 2 to the Plan Supplement [D.I. 1142] on October 21, 2011, and the Liquidating Trust Agreement filed as Exhibit 1 to the Plan Supplement proposes that the Successor Liquidating Trustee will be paid its normal, customary rate. At the Confirmation Hearing, the list of candidates set forth in the Plan Supplement was narrowed to one, and it was announced that Lee W. Schubert, Esq. of Sciarrino & Schubert PLLC will the Successor Liquidating Trustee, if one is appointed. With respect to the Initial Liquidating Trustee, the Plan

and the Liquidating Trust Agreement provide that Harry J. Pappas shall be the Initial Liquidating Trustee, and that no compensation shall be paid to the Initial Liquidating Trustee for his services in such capacity. The foregoing is consistent with the interests of the holders of Claims and with public policy. Accordingly, the Plan satisfies the requirements of section 1129(a)(5) of the Bankruptcy Code, to the extent they are applicable to these Chapter 11 Cases.

Y. Section 1129(a)(6) – Governmental Regulatory Control Over Rate Changes. The Plan does not provide for or contemplate any rate change that would require the approval of any regulatory agency. Accordingly, section 1129(a)(6) of the Bankruptcy Code is inapplicable to these Chapter 11 Cases and the Plan.

Z. Section 1129(a)(7) – Best Interests of Creditors. With respect to each impaired Class of Claims, the Voting Declaration and the liquidation analysis set forth as Exhibit 3 to the Disclosure Statement, titled “Harry J. and Stella A. Pappas Hypothetical Liquidation Analysis,” (the “Liquidation Analysis”) indicate that each holder of a Claim in an impaired Class has accepted the Plan or will receive or retain under the Plan on account of such Claim property of a value, as of the Effective Date, that is not less than the amount that such holder would so receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. The Liquidation Analysis, including the methodology used and estimations and assumptions made therein, (a) is persuasive and credible as of the dates such evidence was prepared, presented or proffered, (b) has not been controverted by other persuasive evidence and is not the subject of any objection, (c) is based upon reasonable and sound assumptions, and (d) provides a reasonable estimate of the liquidation value of the Debtors’ estates upon a hypothetical conversion to a chapter 7 proceeding. Therefore, the Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code.

AA. Section 1129(a)(8) – Acceptance of the Plan. Pursuant to sections 1126 and 1129(a)(8) of the Bankruptcy Code: (a) Class 1 Priority Claims, the Class 2 Bank of America Mortgage Note Secured Claim, and the Class 3 Bank of America Home Equity Line Secured Claim are unimpaired under the Plan and are deemed to have accepted the Plan; and (b) as evidenced by the Voting Declaration, the Class 4 Stanley and Carol Trapp Trust Secured Claim, Class 5 Comerica Bank Secured Claims, and Class 6 General Unsecured Claims unanimously voted to accept the Plan.

As set forth in the Voting Declaration, the percentages of holders of Claims in Classes entitled to vote on the Plan that voted to accept or reject the Plan are as follows:

Class of Impaired Creditors	Amount Accepting Plan (% of \$ Amount Voted)	Amount Rejecting Plan (% of \$ Amount Voted)	Number Accepting Plan (% of Number Voted)	Number Rejecting Plan (% of Number Voted)
CLASS 4	100.00	0.00	100.00	0.00
CLASS 5	100.00	0.00	100.00	0.00
CLASS 6	100.00	0.00	100.00	0.00

The provisions of the Plan with respect to holders of the unimpaired Claims in Classes 1, 2 and 3 under the Plan are fair and appropriate. Accordingly, the requirements of section 1129(a)(8) of the Bankruptcy Code are satisfied.

BB. Section 1129(a)(9) – Treatment of Claims Entitled to Priority Pursuant to Section 507(a) of the Bankruptcy Code. The Plan provides for treatment of Allowed Claims entitled to priority pursuant to section 507(a)(2)-(8) of the Bankruptcy Code in the manner required by section 1129(a)(9) of the Bankruptcy Code.

CC. Section 1129(a)(10) – Acceptance by at Least One Impaired Class. As required by section 1129(a)(10) of the Bankruptcy Code, and as evidenced by the Voting Declaration, at least one impaired Class of Claims entitled to vote has accepted the Plan,

excluding the votes cast by insiders, if any. Accordingly, section 1129(a)(10) of the Bankruptcy Code has been satisfied in all respects.

DD. Section 1129(a)(11) – Feasibility of the Plan. The Plan is feasible. The Debtors have demonstrated that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or the Reorganized Debtors. The Plan, therefore, complies with section 1129(a)(11) of the Bankruptcy Code.

EE. Section 1129(a)(12) – Payment of Statutory Bankruptcy Fees. In accordance with section 1129(a)(12) of the Bankruptcy Code, Article 3(B) of the Plan provides that all fees properly payable on or before the Effective Date pursuant to 28 U.S.C. § 1930 will be paid by the Debtors on or before the Effective Date.

FF. Section 1129(a)(13) – Retiree Benefits. The Debtors do not offer “retiree benefits,” as such term is defined in section 1114 of the Bankruptcy Code. Therefore, section 1129(a)(13) of the Bankruptcy Code is inapplicable to the Plan.

GG. Section 1129(a)(14) – No Domestic Support Obligations. The Debtors are not required by a judicial or administrative order, or by statute, to pay domestic support obligations. Accordingly, section 1129(a)(14) of the Bankruptcy Code is inapplicable to these Chapter 11 Cases and the Plan.

HH. Section 1129(a)(15) – No Objection by Unsecured Creditors. Section 1129(a)(15) of the Bankruptcy Code is inapplicable to these Chapter 11 Cases and the Plan because no holder of an allowed unsecured claim has filed an objection to the Plan.

II. Section 1129(a)(16) – Non-Bankruptcy Law Regarding Transfers Inapplicable. Because the Debtors are individuals, and not a not-for-profit corporation or trust, the requirements of section 1129(a)(16) of the Bankruptcy Code is inapplicable to these cases.

JJ. Section 1129(c) – One Plan. Other than the Plan (including previous versions thereof), no plan has been filed in these Chapter 11 Cases. Accordingly, the requirements of section 1129(c) of the Bankruptcy Code have been satisfied.

KK. Section 1129(d) – Principal Purpose of Plan. The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933, and no governmental entity has filed any objection asserting such avoidance.

Compliance with Applicable Law, Miscellaneous

LL. Satisfaction of Conditions Precedent. Each of the conditions precedent to the occurrence of the Effective Date of the Plan, as set forth in Article 10 of the Plan, have been satisfied by the Debtors in accordance with Section 10(A) of the Plan, or are reasonably likely to be satisfied or may be waived by the Debtors (with the consent of Comerica Bank).

MM. Compliance with Bankruptcy Code. No provisions of the Plan or this Confirmation Order, or the implementation of the terms under each of the Plan and this Confirmation Order, violate the terms of any provision of the Bankruptcy Code. Without limiting the generality of the foregoing, the Court finds that section 1141(d)(5) of the Bankruptcy Code is satisfied by granting the Debtors a discharge on the Effective Date of the Plan because all payments to be made by the Debtors under the Plan will have been made on or prior to the Effective Date under the terms of the Plan. Alternatively, the Court finds that section 1141(d)(5) is satisfied because the Debtors have established “cause” exists for providing a discharge on the Effective Date.

NN. Compliance with Bankruptcy Rule 3016(c). In accordance with Bankruptcy Rule 3016(c), Article 9(A)(2) of the Plan describes in specific and conspicuous language all acts to be enjoined and identifies the entities that would be subject to the injunction.

OO. Retention of Jurisdiction. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding the entry of this Confirmation Order or the occurrence of the Effective Date, it is appropriate for this Court, except as otherwise provided in the Plan or herein, to retain jurisdiction over the Chapter 11 Cases, all proceedings arising under the Bankruptcy Code or arising in the Chapter 11 Cases, and all proceedings related to the Chapter 11 Cases to the fullest extent permitted by applicable law, including, but not limited to, the matters set forth in Article 11(A) of the Plan.

PP. Settlements and Compromises. The compromises and settlements provided for in the Plan, including, without limitation, the compromises and settlements set forth in Article 5 of the Plan, and the consideration being exchanged by the parties to such compromises and settlements, are fair, equitable, adequate and reasonable under the circumstances of the Chapter 11 Cases, constitute good-faith compromises and settlements, and meet the applicable standards for settlements and compromises under Bankruptcy Rule 9019 and controlling Third Circuit law after consideration of, among other things, (i) the probability of success in litigating the disputes resolved in the Plan, should they be litigated; (ii) the likely difficulties in collection; (iii) the probable complexity of any litigation of the disputes, the expenses, inconvenience and delay necessarily attending such litigation, and the cost savings to the Debtors of avoiding such litigation; and (iv) the paramount interest of creditors. All holders of Claims and parties in interest have received adequate notice of the settlements and

compromises and have had a sufficient opportunity to object to such compromises and settlements.

QQ. Releases, Exculpations and Injunctions. Pursuant to section 1123(b)(3) of the Bankruptcy Code, the releases, discharges, exculpations, limitation of liability, and injunctive provisions contained in the Plan, including, but not limited to those provided in Articles 5 and 9 of the Plan and herein, and implemented by this Confirmation Order, are fair, equitable, reasonable and in the best interests of the Debtors, the Reorganized Debtors, the Estates and their creditors, and all parties in interest. The releases of non-Debtors under the Plan are fair to holders of Claims and parties in interest, and are necessary to the proposed reorganization, thereby satisfying the requirements of In re Continental Airlines, Inc., 203 F.3d 203, 214 (3d Cir. 2000), and In re Zenith Electronics Corp., 241 B.R. 92, 110-11 (Bankr. D. Del. 1999). The record of the Confirmation Hearing and these Chapter 11 Cases is sufficient to support the releases, exculpations and injunctions provided for in the Plan and this Confirmation Order.

RR. Rejection of Unassumed Executory Contracts. The rejection of each Executory Contract on the Effective Date that was entered into by the Debtors prior to the Petition Date and that has not previously expired or terminated pursuant to its own terms, and which was not previously assumed or rejected by an Order of the Bankruptcy Court (including this Confirmation Order) prior to the Effective Date, was not otherwise assumed or rejected pursuant to sections 365, 1123(b)(2) and/or 1123(a)(5) of the Bankruptcy Code, or that is not subject to a pending motion to assume or reject before the Bankruptcy Court on the Effective Date, is in the best interest of the Debtors, the Reorganized Debtors, the Estates and their creditors, and all parties in interest in the Chapter 11 Cases, and otherwise complies with the requirements of sections 365, 1123(b)(2) and 1123(a)(5) of the Bankruptcy Code.

ORDERS

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, DECREED AND DETERMINED THAT:

1. Solicitation and Disclosure Statement. The Disclosure Statement contains adequate information in accordance with sections 1125 and 1126 of the Bankruptcy Code and the solicitation of the Plan is hereby approved in all respects.

2. Confirmation of the Plan. Subject to the terms and conditions of this Confirmation Order, the Plan is approved and confirmed under section 1129 of the Bankruptcy Code. The terms of each of the documents in the Plan and the Plan Supplement, including but not limited to the Liquidating Trust Agreement, are hereby approved, and are incorporated by reference into, and are an integral part of, the Plan and this Confirmation Order.

3. Objections Withdrawn or Overruled. Any objections and/or responses to the Plan not heretofore settled or withdrawn are overruled in their entirety. Any objections or responses to the Plan previously settled and/or withdrawn or deemed withdrawn were withdrawn with prejudice.

4. Notice. As established by the Solicitation Package Affidavit of Service, and as set forth herein, the Debtors provided good and sufficient notice of the Confirmation Hearing and the deadline for filing and serving objections to the Plan, which notice is hereby approved.

5. Record Closed. The record of the Confirmation Hearing is hereby closed.

6. Provisions of Plan and Confirmation Order Non-Severable and Mutually Dependent. Except as may be specifically provided in the Plan, the provisions of the Plan and this Confirmation Order, including the findings of fact and conclusions of law set forth herein,

constitute interrelated compromises and are not severable, and no provision of the Plan may be stricken, altered, or invalidated, except by amendment of the Plan by the Debtors.

7. Plan Classification Controlling. The classification of Claims for purposes of distributions under the Plan shall be governed solely by the terms of the Plan. The classifications included in the Ballots tendered to, or returned by, the holders of Claims for purposes of voting on the Plan: (a) were included in the Ballots solely for purposes of voting on the Plan; (b) do not necessarily represent, and in no event shall be deemed to modify or otherwise affect, the actual classification of such Claims under the Plan for distribution purposes; (c) may not be relied upon by any holder of a Claim as representing the actual classification of such Claims under the Plan for distribution purposes; and (d) shall not be binding on the Liquidating Trustee, the Debtors and their Estates, or on the Reorganized Debtors.

8. Authorization and Direction to Act. In accordance with section 1142 of the Bankruptcy Code, the Debtors, the Reorganized Debtors, the Liquidating Trustee and each other appropriate party are hereby authorized and directed to take all steps and perform such acts as may be necessary to implement and effectuate the Plan, and are further authorized and directed to execute and deliver any instrument and perform any other act that is necessary for the consummation of the Plan. Additionally, Comerica Bank is hereby authorized and directed to take all actions that it is required to take to meet its obligations under the Plan.

9. Additional Documentation; Non-Material Modifications. Without limiting the generality of the preceding paragraph of this Confirmation Order, from and after the Effective Date, the Liquidating Trustee and the Reorganized Debtors shall be authorized to enter into, execute, adopt, deliver and/or implement all contracts, leases, instruments, releases, and other agreements or documents necessary to effectuate or memorialize the settlements contained

in the Plan without further Order of the Bankruptcy Court. Additionally, the Liquidating Trustee and the Reorganized Debtors may make technical and/or immaterial alterations, amendments, modifications or supplements to the terms of any settlement contained in the Plan, subject to Bankruptcy Court approval. A Class of Claims that has accepted the Plan shall be deemed to have accepted the Plan, as altered, amended, modified or supplemented under this paragraph and/or Articles 11(B) or 11(D) of the Plan, if the proposed alteration, amendment, modification or supplement does not materially and adversely change the treatment of the Claims within such Class. An Order of the Bankruptcy Court approving any amendment or modification made pursuant to this paragraph and/or Articles 11(B) or 11(D) of the Plan shall constitute an Order in aid of consummation of the Plan and shall not require the re-solicitation of votes on the Plan.

10. Certain Actions. By reason of entry of this Confirmation Order, prior to, on and after the Effective Date (as necessary or appropriate to effectuate the Plan), all matters provided for under the Plan that would otherwise require approval of any Affiliate of the Debtor, or any member, partner, officer, director, employee or other representative of an Affiliate of the Debtor, including but not limited to: (a) the adoption, execution, delivery, and implementation of any contracts, leases, instruments, releases, and other agreements or documents related to the Plan, and (b) the adoption, execution, and implementation of other matters provided for under the Plan involving either of the Debtors or any Affiliate of the Debtors, shall be deemed to have occurred and shall be in effect prior to, on and after the Effective Date (as necessary or appropriate to effectuate this Plan), pursuant to applicable non-bankruptcy law, without any requirement of any further action by any Person.

11. Binding Nature of the Plan. In accordance with section 1141 of the Bankruptcy Code, the provisions of the Plan shall be binding upon the Debtors, Reorganized

Debtors, the Liquidating Trustee, any person acquiring or receiving property under the Plan, any party to a contract with the Debtors, any lessor or lessee of property to or from the Debtors and any holder of a Claim or Cause of Action against the Debtors, whether or not such Claim is impaired under the Plan and whether or not such holder will receive or retain any property or interest in property under the Plan, has filed a Proof of Claim in the Chapter 11 Cases, or failed to vote to accept or reject the Plan or affirmatively voted to reject the Plan, and the respective heirs, executors, administrators, successors or assigns, if any, of any of the foregoing.

12. Administrative Claims. All requests for payment of Administrative Claims (other than Professional Claims) that arose after the Administrative Claims Bar Date must be Filed with this Court and at the same time served upon the Post-Confirmation Notice Parties no later than (A) thirty (30) days after a notice of the Effective Date is Filed with the Bankruptcy Court and served, or (B) such later date, if any, as the Bankruptcy Court shall order upon application made prior to the end of such 30-day period (the "Supplemental Administrative Claim Bar Date"). Holders of such Administrative Claims arising after the Administrative Claims Bar Date (including the holders of any Claims for federal, state or local taxes, but excluding Professional Claims) that do not File such requests by the Supplemental Administrative Claim Bar Date shall be forever barred from asserting such Claims against the Debtors, the Reorganized Debtors, the Estates, the Liquidating Trust, the Liquidating Trustee, or the property of each of the foregoing. Prior to the Effective Date of the Plan, the Debtors may, but shall not be required to, seek an Order in aid of consummation of the Plan, on expedited notice, estimating the amount of Administrative Claims for purposes of creation of the necessary cash reserves in connection with the formation and funding of the Liquidating Trust.

13. Professional Claims. All Professionals or other Persons requesting compensation or reimbursement of expenses pursuant to any of sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code for services rendered on or before the Effective Date (including, among other things, any compensation requested by any Professional or any other Person for making a substantial contribution in the Chapter 11 Cases) shall File and serve on the Post-Confirmation Notice Parties an application for final allowance of compensation and reimbursement of expenses accruing from the Petition Date to the Effective Date, no later than (A) sixty (60) days after a notice of the Effective Date is filed with the Bankruptcy Court and served, or (B) such later date as the Bankruptcy Court shall order upon application made prior to the end of such 60-day period (the "Professional Claims Bar Date"). All such applications for final allowance of compensation and reimbursement of expenses will be subject to the authorization and approval of the Court. Only the Professional Claims that are authorized by the Court will be owed and required to be paid under the Plan.

14. United States Trustee Fees. All outstanding amounts due under 28 U.S.C. § 1930 that have not been paid shall be paid by the Debtors on or before the Effective Date. From the Effective Date until a Final Decree is entered, the Liquidating Trustee shall, within thirty (30) days of the end of each fiscal quarter, File with the Bankruptcy Court and submit to the U.S. Trustee quarterly reports setting forth all receipts and disbursements as required by the U.S. Trustee guidelines. From and after the Effective Date, the Liquidating Trustee shall be liable for and shall pay the fees under 28 U.S.C. § 1930 assessed against the Debtors' estates under 28 U.S.C. § 1930 until entry of a final decree closing the Chapter 11 Cases.

15. Discharge Effective on Effective Date. Notwithstanding the provisions of section 1141(d)(5) of the Bankruptcy Code (to the extent they could be interpreted as requiring a

discharge after the Effective Date in these Chapter 11 Cases), for cause the Debtors' discharge will become effective on the Effective Date of the Plan.

16. Discharge Injunction. The occurrence of the Effective Date shall serve to satisfy all Claims or Causes of Action arising out of any Claim or Cause of Action addressed by the terms of the Plan and, as set forth in the Plan, will operate as a permanent injunction against the taking of any action, directly or indirectly, for the purposes of, *inter alia*, asserting, enforcing or attempting to assert or enforce any discharged Claim, including (i) commencing or continuing in any manner, any action or any other proceeding of any kind with respect to any discharged Claim against either of the Debtors, either of the Reorganized Debtors, or the property of either of the Reorganized Debtors; (ii) seeking the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree, or Order against either of the Debtors, either of the Reorganized Debtors, or the property of either of the Reorganized Debtors, with respect to any discharged Claim; (iii) creating, perfecting, or enforcing any encumbrance or Lien of any kind against either of the Debtors, either of the Reorganized Debtors, or the property of either of the Reorganized Debtors with respect to any discharged Claim; (iv) asserting any setoff, right of subrogation, or recoupment of any kind against any obligation due to either of the Reorganized Debtors with respect to any discharged Claim; and (v) taking any act, in any manner and in any place whatsoever, that does not conform to or comply with provisions of this Plan. In the event any Person takes any action that is prohibited by, or is otherwise inconsistent with the provisions of this injunction, the Plan, or the Confirmation Order, then, upon notice to the Bankruptcy Court by any affected party, the action or proceeding in which the Claim of such Person is asserted will automatically be transferred to the Bankruptcy Court or the District Court for enforcement of the Plan. In any successful action to enforce the injunctive provisions of the

Plan in response to a willful violation thereof, the moving party shall receive an award of costs (including reasonable attorneys' fees) against the non-moving party, and such other legal and/or equitable remedies as are just and proper

17. Releases, Exculpation and Limitation of Liability. The releases, discharges, exculpations, limitation of liability, and injunctive provisions contained in the Plan, including, but not limited to, those provided in Articles 5 and 9 of the Plan, and this Confirmation Order, are fair and equitable and given for sufficient and valuable consideration, are in the best interests of the Debtors, the Reorganized Debtors, the Estates and their creditors, and all parties in interest, and, accordingly, are hereby authorized, approved, and binding on all Persons and entities described therein.

18. Continuation of Existing Injunctions and Stays. Unless otherwise provided in the Plan or this Confirmation Order to have a different duration, all injunctions or stays provided for in the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code, the Plan, by orders of the Bankruptcy Court, or otherwise, and extant on the Confirmation Date, shall remain in full force and effect until the later of (i) entry of the Final Decree or (ii) the dissolution of the Liquidating Trust.

19. Scope and Effect of Discharge. Pursuant to sections 524 and 1141 of the Bankruptcy Code and except as otherwise expressly provided elsewhere in the Plan or this Confirmation Order, entry of this Confirmation Order acts as a discharge, effective as of the Effective Date, of all debts of, Claims against, and Liens on the Debtors and the Reorganized Debtors, their Assets, or properties, which debts, Claims, and Liens arose at any time before the Effective Date, except as otherwise expressly provided by the Plan or this Confirmation Order. The discharge of the Debtors and the Reorganized Debtors shall be effective as to each Claim,

regardless of whether a Proof of Claim therefor was Filed, whether the Claim is an Allowed Claim, or whether the Holder thereof votes to accept or reject this Plan. On the Effective Date, as to every discharged Claim, any Holder of such Claim shall be precluded from asserting against the Debtors, the Reorganized Debtors, or the Assets or properties of any of them, any other or further Claim based upon any document, instrument, act, omission, transaction, or other activity of any kind or nature that occurred before the Effective Date. Without limiting the generality of the foregoing, and for the avoidance of doubt, the Debtors and the Reorganized Debtors shall have no liability for any tax incurred as a result of gain realized upon the transfer of Liquidating Trust Assets to the Liquidating Trust or upon any subsequent transfer of Liquidating Trust Assets by the Liquidating Trust.

20. Exculpation; Limitation of Liability. Effective on the Effective Date of the Plan, then each of the Debtors, the Reorganized Debtors, and Comerica Bank, and each of their respective agents, employees, representatives, advisors, attorneys and Affiliates, and any of their successors or assigns (collectively, the "Exculpated Parties"), shall be fully exculpated and shall have no liability to the Reorganized Debtors, the Debtors, or their Estates, to any Holder of a Claim, or any other party in interest, or any of their respective agents, employees, representatives, advisors, attorneys, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, including but not limited to the formulation, negotiation, or implementation of the Plan, the solicitation of acceptances of the Plan, the pursuit of Confirmation of the Plan, the Confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, including acts or omissions which are the result of negligence, but excluding acts or omissions which are the result of fraud, gross negligence, or willful misconduct or willful

violation of federal or state securities laws or the Internal Revenue Code, or any actions in willful violation or contravention of the Plan or the Liquidating Trust Agreement. In all respects the Debtors and Reorganized Debtors shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under the Plan arising out of, relating to, or in connection with the Plan.

21. Section 1145 Exemption. Pursuant to section 1145(a) of the Bankruptcy Code, neither section 5 of the Securities Act of 1933 nor any State or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in, shall apply with respect to any security being offered, sold or transferred under the Plan, to the extent applicable.

22. Section 1146 Exemption. Pursuant to § 1146 of the Bankruptcy Code, the delivery or recording of an instrument of transfer on or after the Confirmation Date shall be deemed to be made pursuant to and under the Plan, including any such acts by the Debtors (if prior to the Effective Date), and the Liquidating Trustee (on or after the Effective Date), including any subsequent transfers of property by the Liquidating Trustee, and shall not be taxed under any law imposing a stamp tax, transfer tax or similar tax or fee. Consistent with the foregoing, each recorder of deeds or similar official for any county, city or governmental unit in which any instrument hereunder is to be recorded is, pursuant to the Confirmation Order and the Plan, ordered and directed to accept such instrument, without requiring the payment of any documentary stamp tax, deed stamps, stamp tax, transfer tax, intangible tax or similar tax.

23. Substantial Consummation. On the Effective Date, the Plan shall be deemed substantially consummated under Bankruptcy Code sections 1101 and 1127(b).

24. Waiver of Fourteen (14) Day Stay. Pursuant to Bankruptcy Rule 3020(e), the fourteen-day stay of this Confirmation Order imposed thereby is waived and this Confirmation Order shall be effective and enforceable immediately upon its entry.

25. Notice of Confirmed Plan and Effective Date. In accordance with Bankruptcy Rules 2002(f)(7), 2002(k), and 3020(c), as soon as reasonably practicable after the Effective Date, the Debtors shall serve notice of the Effective Date by first-class mail, postage prepaid on all known Creditors; provided, however, that such notice need not be given or served under or pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware or this Confirmation Order to any Person or entity to whom the Debtors mailed a notice of the Confirmation Hearing, but received such notice returned marked “undeliverable as addressed,” “moved-left no forwarding address” or “forwarding order expired,” or similar reason, unless the Debtors have been previously informed in writing by such Person or entity of that Person’s new mailing address. The notice described herein is adequate and appropriate under the particular circumstances and no other or further notice is necessary or required.

26. Reversal, Withdrawal or Modification of this Confirmation Order. Except as otherwise provided in this Confirmation Order, if any or all of the provisions of this Confirmation Order are hereafter reversed, modified, vacated, withdrawn or stayed by subsequent order of this Court, or any other court of competent jurisdiction, such reversal, stay, modification, withdrawal or vacatur shall not affect the validity or enforceability of any act, obligation, indebtedness, liability, priority, or Lien incurred or undertaken by the Debtors or the Reorganized Debtors, as applicable, prior to the date that the Debtors or Reorganized Debtors received actual written notice of the effective date of such reversal, stay, modification,

withdrawal or vacatur, or seek to effectuate the same. Notwithstanding any such reversal, stay, modification, withdrawal or vacatur of this Confirmation Order, any such act or obligation incurred or undertaken pursuant to, or in reliance on, this Confirmation Order prior to the date that the Debtors received actual written notice of the effective date of such reversal, stay, modification, withdrawal or vacatur, or sought the same, shall be governed in all respects by the provisions of this Confirmation Order and the Plan, or any amendments or modifications thereto, in effect prior to such date that the Debtors received such actual written notice, or sought such action.

27. Reference to and Validity and Enforceability of Plan Provisions. The failure to reference, cite, reproduce or quote any particular provision of the Plan in this Confirmation Order shall have no effect on the binding effect, enforceability or legality of such provisions and such provisions shall have the same binding effect, enforceability or legality as every other provision of the Plan. Each term and provision of the Plan, as it may have been altered or interpreted by this Court, is valid and enforceable pursuant to its terms.

28. Headings. The headings contained within this Confirmation Order are used for the convenience of the parties and shall not alter or otherwise affect the meaning or interpretation of the text of this Confirmation Order.

29. Settlements and Compromises. The compromises and settlements provided for in the Plan, including, without limitation, the compromises and settlements set forth in Article 5 of the Plan, are approved and shall be binding and enforceable on all Persons as set forth in the Plan and this Confirmation Order.

30. Rejection of Unassumed Executory Contracts. On the Effective Date, except for any Executory Contract (i) that was previously assumed or rejected by an Order of the

Bankruptcy Court (including this Confirmation Order) prior to the Effective Date or otherwise pursuant to sections 365, 1123(b)(2) and/or 1123(a)(5) of the Bankruptcy Code or (ii) that is subject to a pending motion to assume or reject before the Bankruptcy Court on the Effective Date, each Executory Contract entered into by the Debtors prior to the Petition Date that has not previously expired or terminated pursuant to its own terms, and which is not expressly assumed in the Plan, shall be rejected pursuant to sections 365, 1123(b)(2) and 1123(a)(5) of the Bankruptcy Code, effective as of the Confirmation Date. This Confirmation Order shall constitute an Order of the Bankruptcy Court approving such rejection pursuant to sections 365, 1123(b)(2) and 1123(a)(5) of the Bankruptcy Code as of the Effective Date. Notwithstanding the foregoing, however, this Confirmation Order shall not constitute an Order of the Bankruptcy Court rejecting any partnership agreement or limited liability company agreement to which one or both Debtors is party, to the extent such agreement constitutes an executory contract subject to section 365 of the Bankruptcy Code.

31. Rejection Damages Bar Date. Except to the extent another Bar Date applies pursuant to an order of the Court, any Proofs of Claim with respect to a Claim arising from the rejection of an Executory Contract under the Plan must be Filed with Kurtzman Carson Consultants, Attn: Pappas Claims Administration, 2335 Alaska Avenue, El Segundo, California 90245, and a copy served on counsel for the Debtors, within thirty (30) days after the Effective Date, or such Claim shall be forever barred and shall not be entitled to a distribution or be enforceable against the Debtors, the Reorganized Debtors, the Liquidating Trustee, Liquidating Trust, the Estates, or the Property of each of the foregoing. Nothing in the Plan or this Confirmation Order extends or modifies any previously applicable Bar Date.

32. No Interest on Claims. Postpetition interest shall not accrue or be paid on any Claim, and no holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim. In addition, and without limiting the foregoing or any other provision of the Plan or this Confirmation Order, interest shall not accrue on or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a final distribution is made when and if such Disputed Claim becomes an Allowed Claim.

33. Liquidating Trustees. In accordance with the Plan and the Liquidating Trust Agreement, Harry J. Pappas shall be the Initial Liquidating Trustee. In accordance with the Plan and the Liquidating Trust Agreement, Lee W. Schubert, Esquire of Sciarrino & Schubert PLLC shall be the Successor Liquidating Trustee, if any. The Initial Liquidating Trustee shall commence serving no later than on the Effective Date. The Successor Liquidating Trustee shall commence serving, if at all, at the time set forth in the Plan. The Liquidating Trustee may not assign any of its rights or obligations, and will act only pursuant to the provisions of the Plan, this Confirmation Order, and the Liquidating Trust Agreement. Notwithstanding anything to the contrary in the Plan or Liquidating Trust Agreement, the Initial Liquidating Trustee may make payments to Professionals for post-Effective Date services in excess of the fee budgets attached as Exhibit A to the Plan without Bankruptcy Court approval prior to the earlier of (1) the receipt of the Discounted Payoff by Comerica Bank, or (2) the Discounted Payoff Date, if Comerica Bank consents to such payment(s) in excess of the respective fee budgets. As set forth in the Plan, following the earlier of (1) the receipt of the Discounted Payoff by Comerica Bank, or (2) the Discounted Payoff Date, the Liquidating Trustee may make all such payments without Bankruptcy Court approval.

34. Notices. In accordance with Article 11(M) of the Plan, any notices or requests by parties in interest under or in connection with the Plan shall be in writing and served either by (i) certified mail, return receipt requested, postage prepaid, (ii) hand delivery or (iii) reputable overnight delivery service, all charges prepaid, and shall be deemed to have been given when received by each and all of the following parties:

If to the Debtors and Debtors in Possession:

Harry J. Pappas and Stella A. Pappas
8770 Lakeside Drive
Reno, Nevada 89511

and

YOUNG CONAWAY STARGATT & TAYLOR, LLP
The Brandywine Building
1000 West Street, 17th Floor
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253
Attn: Edwin J. Harron
Patrick A. Jackson

If to the Reorganized Debtors:

Harry J. Pappas and Stella A. Pappas
8770 Lakeside Drive
Reno, Nevada 89511

If to the Initial Liquidating Trustee:


Harry J. Pappas
8770 Lakeside Drive
Reno, Nevada 89511

and

YOUNG CONAWAY STARGATT & TAYLOR, LLP
The Brandywine Building
1000 West Street, 17th Floor
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253
Attn: Edwin J. Harron
Patrick A. Jackson

35. Retention of Jurisdiction. The Court retains jurisdiction over any matters concerning the enforcement or interpretation of this Order. Following the Effective Date, the Court shall retain jurisdiction over all issues relating to the Liquidating Trust, the Chapter 11 Cases, all proceedings arising under the Bankruptcy Code or arising in the Chapter 11 Cases, and all proceedings related to the Chapter 11 Cases to the fullest extent permitted by applicable law, including, but not limited to, the matters set forth in Article 11(A) of the Plan and such jurisdiction as is necessary to ensure that the purposes and intent of the Plan are carried out.

Dated: Wilmington, Delaware
November 10, 2011



Peter J. Walsh
United States Bankruptcy Judge