

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

ATLS Acquisition, LLC, et al.,¹
Debtors.

Chapter 11

Case No. 13-10262 (LSS)

(Jointly Administered)

Ref. Docket No. 2101

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER CONFIRMING FIRST AMENDED JOINT PLAN OF LIQUIDATION OF ATLS ACQUISITION, LLC AND ITS AFFILIATED DEBTORS UNDER CHAPTER 11 OF THE BANKRUPTCY CODE PROPOSED JOINTLY BY THE DEBTORS, THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS AND MEDCO HEALTH SOLUTIONS, INC.

WHEREAS, ATLS Acquisition, LLC, FGST Investments, Inc., Polymedica Corporation, National Diabetic Medical Supply, LLC, ATLS Lane Development Company, Inc., ATLS Healthcare Group, Inc., ATLS Medical Supply, Inc., ATLS Healthcare Pharmacy of Nevada, Liberty Lane Condominium Association, Inc., and ATLS Marketplace, Inc., as debtors and debtors-in-possession (collectively, the “**Debtors**”), proposed and filed jointly with the Creditors’ Committee² and Medco (A) the *First Amended Joint Plan of Liquidation of ATLS Acquisition, LLC and its Affiliated Debtors Under Chapter 11 of the Bankruptcy Code Proposed Jointly by the Debtors, Official Committee of Unsecured Creditors, and Medco Health Solutions, Inc.*, dated May 5, 2015 (as may be further amended and modified, the “**Plan**”) [Docket No. 2101]; and (B) that certain supplement to the Plan (the “**Plan Supplement**”), dated May 29, 2015 [Docket No. 2152];

¹ The Debtors, along with the last four digits of each Debtor's tax identification number, are: ATLS Acquisition, LLC (9167); FGST Investments, Inc. (2110); Polymedica Corporation (3368); National Diabetic Medical Supply, LLC (0748); ATLS Lane Development Company, Inc. (f/k/a Liberty Lane Development Company, Inc.) (1974); ATLS Healthcare Group, Inc. (f/k/a Liberty Healthcare Group, Inc.) (6555); ATLS Medical Supply, Inc. (f/k/a Liberty Medical Supply, Inc.) (3983); ATLS Healthcare Pharmacy of Nevada, LLC (f/k/a Liberty Healthcare Pharmacy of Nevada, LLC) (9809); Liberty Lane Condominium Association, Inc. (7018); and ATLS Marketplace, Inc. (f/k/a Liberty Marketplace, Inc.) (8500).

² Capitalized terms used but not otherwise defined shall have the meaning ascribed to them in the Plan.

WHEREAS, on June 9, 2015 the Debtors' filed their *Memorandum of Law in Support of Confirmation of First Amended Joint Plan of Liquidation of ATLS Acquisition, LLC and Its Affiliated Debtors Under Chapter 11 of the Bankruptcy Code Proposed Jointly by the Debtors, the Official Committee of Unsecured Creditors and Medco Health Solutions, Inc.* [Docket No. 2172] (the "**Memorandum**");

WHEREAS, appropriate ballots for voting on the Plan in forms attached as Exhibits to the Epiq Affidavit filed with the Court on June 11, 2015 [Docket No. 2176] were duly transmitted to Holders of Claims entitled to vote to accept or reject the Plan in compliance with the Disclosure Statement Order;

WHEREAS, on April 11, 2011 the Court entered the Disclosure Statement Order, which among other things, scheduled Confirmation Hearing for June 16, 2015 at 10:00 a.m. (prevailing Eastern Time);

WHEREAS, due notice of the Confirmation Hearing has been given to Holders of Claims against and Equity Interests in the Debtors and other parties in interest in compliance with the Title 11 of the United States Code (the "**Bankruptcy Code**"), the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), the Disclosure Statement Order, as established by Notice Affidavits filed with the Court, including (a) the *Affidavit of Service of Solicitation Materials*, dated May 18, 2015 [Docket No. 2136], and (b) the *Notice of Filing of Verification of Publication: USA Today and Verification of Publication*, dated June 3, 2015 [Docket No. 2162], and such notice being sufficient under the circumstances and no further or additional notice being required;

WHEREAS, the Debtors designated in the Plan Supplement certain Executory Contracts to be assumed and assigned to the Liquidating Trust, including the cure costs (if any), and such

notice thereof being served on all counterparties to such Executory Contracts, and such notice is sufficient under the circumstances and no further or additional notice being required;

WHEREAS, due notice of the Plan Supplement has been given to Holders of Claims against and Equity Interests in the Debtors and other parties in interest in compliance with the Disclosure Statement Order, the Bankruptcy Code or Bankruptcy Rules, and such filing and notice thereof being sufficient under the circumstances and no further or additional notice being required;

WHEREAS, the Court has taken judicial notice of portions of the record of the Debtors' Chapter 11 Cases identified on the record at the Confirmation Hearing and the Decision Hearing (as defined below) and has reviewed and considered all of the documentary evidence received without objection at the Confirmation Hearing, the Disclosure Statement and Plan (including the Plan Supplement) and the evidence presented and arguments of counsel at or in connection with the Confirmation Hearing, including: (A) the Voting Certification; (B) the Memorandum; (C) the Notice Affidavits; (D) the *Declaration of Robert S. Rosenfeld in Support of Confirmation of the First Amended Joint Plan of Liquidation of ATLS Acquisition, LLC and its Affiliated Debtors Under Chapter 11 of the Bankruptcy Code Proposed Jointly by the Debtors, Official Committee of Unsecured Creditors, and Medco Health Solutions, Inc.* [Docket No. 2173] (the "**Company Declaration**") and (E) the *Supplemental Declaration of Robert S. Rosenfeld in Support of Confirmation of the First Amended Joint Plan of Liquidation of ATLS Acquisition, LLC and its Affiliated Debtors Under Chapter 11 of the Bankruptcy Code Proposed Jointly by the Debtors, Official Committee of Unsecured Creditors, and Medco Health Solutions, Inc.* [Docket No. 2200] (the "**Supplemental Declaration**", and collectively

with the Voting Certification, Notice Affidavits, and Company Declaration, the “**Supporting Declarations**”);

WHEREAS, the Court having found and determined that Plan should be confirmed as reflected by the Court’s rulings made herein and at the Confirmation Hearing; and after due deliberation and sufficient cause appearing therefore;

The Court hereby FINDS, DETERMINES, AND CONCLUDES that:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. Findings and Conclusions. The findings and conclusions set forth herein and on the record of the Confirmation Hearing and in this Court's oral ruling on the objections to confirmation of the Plan issued on the record at a hearing held on July 14, 2015 (the “**Decision Hearing**”), constitute this Court’s findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. Jurisdiction, Venue, Core Proceeding (28 U.S.C. §§ 157(b)(2), 1334(a)). The Court has jurisdiction over the Chapter 11 Cases pursuant to 28 U.S.C. § 1334. Approval of the Disclosure Statement and confirmation of the Plan are core proceedings pursuant to 28 U.S.C. § 157(b) and the Court has jurisdiction to enter a final order with respect thereto. The Debtors are eligible debtors under section 109 of the Bankruptcy Code. Venue is proper in this District and before the Court pursuant to 28 U.S.C. §§ 1408 and 1409. The Debtors, Medco and the Creditors’ Committee are proper plan proponents under section 1121 of the Bankruptcy Code.

C. Chapter 11 Petitions. On February 13, 2013, each Debtor commenced with this Court a voluntary case under Chapter 11 of the Bankruptcy Code. The Debtors have continued to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed pursuant to section 1104 of the Bankruptcy Code. A statutory committee of unsecured creditors was appointed pursuant to section 1102 of the Bankruptcy Code on February 28, 2013 [Docket No. 58]. The Court has ordered the procedural consolidation and joint administration of the Chapter 11 Cases pursuant to Bankruptcy Rule 1015(b).

D. Objections. The resolutions of any formal or informal objections to confirmation of the Plan, as explained on the record at the Confirmation Hearing, are incorporated herein by reference. All unresolved objections, statements and reservations of rights are overruled on the merits, provided, however, that the United States Trustee's objection to the exculpation of Medco, the Medco Affiliates or any professionals retained by Medco pursuant to Section 12.04 of the Plan is sustained for the reasons stated on the record at the Decision Hearing and is resolved by this Order.

E. Burden of Proof. Each of the Debtors has met its burden of proving the elements of sections 1125, 1126, 1127 and 1129 of the Bankruptcy Code by a preponderance of the evidence.

F. Voting. As evidenced by the Voting Certification, votes to accept or reject the Plan have been solicited by the Plan Proponents and tabulated fairly, in good faith, and in a manner consistent with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "**Local Rules**"), and applicable non-bankruptcy law.

G. Solicitation.

(i) The Disclosure Statement, the Ballots, and notice of the Confirmation Hearing were transmitted and served in compliance with the Bankruptcy Rules, including Bankruptcy Rules 3017 and 3018, the Local Rules, and the Disclosure Statement Order.

(ii) The forms of the Ballots adequately addressed the particular needs of these Chapter 11 Cases, were appropriate for Holders of Claims in the Voting Classes, and complied with applicable law. The period during which the Debtors solicited acceptances to the Plan was a reasonable period of time for Holders of Claims in Voting Classes to make an informed decision to accept or reject the Plan.

(iii) Pursuant to section 1126(f) of the Bankruptcy Code, the Plan Proponents were not required to solicit votes from the Holders of Claims or Interests in the Non-Voting Classes, as each of these Classes is conclusively presumed to have accepted or rejected the Plan. Specifically, Classes 1 (Secured Claims (excluding Medco Claims)) and 2 (Non-Tax Priority Claims (excluding Medco Claims)) are Unimpaired and deemed to accept the Plan. Class 6 (Equity Interests) is Impaired and not entitled to receive any recovery from the Debtors under the Plan, and therefore is deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code.

(iv) As described in and as evidenced by the Voting Certification and the Notice Affidavits, the transmittal and service of the Plan, the Disclosure Statement, the Ballots Plan Supplement, and notice of the Confirmation Hearing and publication of such notice were timely, adequate and sufficient under the circumstances. The solicitation of votes on the Plan complied with the Disclosure Statement Order, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases, was conducted in good faith, and was in compliance

with the provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and any other applicable rules, laws and regulations. The Plan Proponents and each of their respective successors, predecessors, control persons, members, officers, directors, employees and agents and each of their respective attorneys, financial advisors, investment bankers, accountants, and other professionals retained by such persons, and any and all affiliates, members, managers, shareholders, partners, employees, attorneys and advisors of the foregoing acted in good faith and are entitled to all protections provided by section 1125(e) of the Bankruptcy Code.

H. Notice. All parties required to be given notice of the Confirmation Hearing (including the deadline for filing and serving objections to confirmation of the Plan) have been given due, proper, timely, and adequate notice in accordance with the Disclosure Statement Order and in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and applicable non-bankruptcy law and such parties have had an opportunity to appear and be heard with respect thereto. No other or further notice is required.

I. Plan Supplement. On May 29, 2015, the Debtors filed the Plan Supplement, which includes, among other things, the following documents: (a) the Liquidating Trust Agreement, including the Liquidating Trust Budget; (b) the promissory note that will evidence the Medco Loan; and (c) the schedule setting forth the Executory Contracts to be assumed by the Debtors and assigned to the Liquidating Trust. All materials included in the Plan Supplement comply with the terms of the Plan, and the filing and notice of such documents is good and proper in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules and no other or further notice is or shall be required.

Compliance with the Requirements of Section 1129 of the Bankruptcy Code

J. Plan Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(1)). The Plan complies with the applicable provisions of the Bankruptcy Code and, as required by Bankruptcy Rule 3016, the Plan is dated and identifies the Debtors, Creditors' Committee and Medco as joint proponents, thereby satisfying section 1129(a)(1) of the Bankruptcy Code. Specifically:

(i) Proper Classification (11 U.S.C. §§ 1122, 1123(a)(1)). In addition to Administrative Claims, Professional Fee Claims, Priority Tax Claims, and U.S. Trustee Fee Claims which need not be classified, Article II of the Plan classifies five (5) Classes of Claims and one (1) Class of Equity Interests for the Debtors.³ The Claims and Equity Interests placed in each Class are substantially similar to other Claims and Equity Interests, as the case may be, in each such Class. Valid business, factual, and legal reasons exist for separately classifying the various Classes of Claims and Equity Interests created under the Plan, and such classification does not unfairly discriminate between holders of Claims and Equity Interests. Therefore, the Plan satisfies sections 1122 and 1123(a)(1) of the Bankruptcy Code.

(ii) Specified Unimpaired Classes (11 U.S.C. § 1123(a)(2)). Article III of the Plan specifies that Classes 1 (Secured Claims (excluding Medco Claims)) and 2 Non-Tax Priority Claims (excluding Medco Claims) are Unimpaired under the Plan within the meaning of section 1124 of the Bankruptcy Code, thereby satisfying section 1123(a)(2) of the Bankruptcy Code.

(iii) Specified Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)). Article III of the Plan designates Classes 3 (Third-Party Unsecured Claims), 4 (Individual party Claims), 5 (Medco Claims), and 6 (Equity Interests) as Impaired within the meaning of section

³ Classes 4 and 6 each have separate sub-Classes.

1124 of the Bankruptcy Code and specifies the treatment of the Claims and Equity Interests in those Classes, thereby satisfying section 1123(a)(3) of the Bankruptcy Code.

(iv) No Discrimination (11 U.S.C. § 1123(a)(4)). The Plan provides for the same treatment by the Debtors for each Claim or Equity Interest in each respective Class unless the Holder of a particular Claim or Equity Interest has agreed to or elected a less favorable or different treatment of such Claim or Equity Interest. Therefore, the requirements of section 1123(a)(4) of the Bankruptcy Code have been satisfied.

(v) Implementation of the Plan (11 U.S.C. § 1123(a)(5)). The Plan and the various documents and agreements set forth in the Plan Supplement satisfy section 1123(a)(5) of the Bankruptcy Code. There is adequate and proper means for the implementation of the Plan, including the Debtors' cash and assets and the proceeds of the \$10 million Medco Loan, which together are adequate to make the Distributions and reserves required under the Plan, thereby satisfying section 1123(a)(5) of the Bankruptcy Code.

(vi) Non-Voting Equity Securities / Allocation of Voting Power (11 U.S.C. §1123(a)(6)). No equity securities are being issued pursuant to the Plan, except for the New FGST Equity Interest, which is a voting equity security.

(vii) Designation of Directors and Officers (11 U.S.C. § 1123(a)(7)). The Debtors are not reorganizing under the Plan. However, the assets of the Debtor shall vest in the Liquidating Trust, and the current Chief Restructuring Officer of the Debtors, Robert S. Rosenfeld, shall serve as the Liquidating Trustee. In addition, a Plan Oversight Committee shall be established to oversee the Liquidating Trust, under the terms of the Liquidating Trust Agreement. The Liquidating Trustee and members of the Plan Oversight Committee were selected pursuant to the Plan and Liquidating Trust Agreement by the Plan Proponents. The

selection of the Liquidating Trustee and Plan Oversight Committee are consistent with the interests of creditors, equity security holders, and public policy, thereby satisfying section 1123(a)(7) of the Bankruptcy Code.

(viii) Impairment/Absence of Impairment of Classes of Claims and Equity Interests (11 U.S.C. § 1123(b)(1)). Pursuant to Article III of the Plan, the following Classes of Claims and Equity Interests are Impaired under the Plan, as permitted by section 1123(b)(1) of the Bankruptcy Code: Classes 3 (Third-Party Unsecured Claims), 4 (Individual Party Claims), 5 (Medco Claims), and 6 (Equity Interests). Pursuant to Article III of the Plan, the following Classes of Claims and Equity Interests are Unimpaired, as contemplated by section 1123(b)(1) of the Bankruptcy Code: Classes 1 (Secured Claims (excluding Medco Claims)) and 2 Non-Tax Priority Claims (excluding Medco Claims)).

(ix) Assumption and Rejection (11 U.S.C. § 1123(b)(2) and 1123(d)). Article VII of the Plan addresses the assumption and rejection of Executory Contracts and Unexpired Leases, and meets the requirements of section 365(b) of the Bankruptcy Code. There have been no objections to the Debtors' disposition of Executory Contracts pursuant to Article VII of the Plan.

(x) Additional Plan Provisions (11 U.S.C. § 1123(b)(6)). The provisions of the Plan are appropriate and consistent with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1123(b)(6) of the Bankruptcy Code.

(xi) Cure of Defaults (11 U.S.C. § 1123(d)). Article VII of the Plan provides for the satisfaction of default claims associated with each executory contract and unexpired lease to be assumed pursuant to the Plan in accordance with section 365(b)(1) of the Bankruptcy Code. To the extent any cure amounts exist, all cure amounts will be determined in

accordance with the underlying agreements and applicable bankruptcy and non-bankruptcy law. Thus, the Plan complies with section 1123(d) of the Bankruptcy Code.

K. The Debtors' Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(2)).

The Debtors have complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code. Specifically:

(i) Each of the Debtors is eligible to be a debtor under section 109 of the Bankruptcy Code; and

(ii) The Debtors and other Plan Proponents have complied with the applicable provisions of the Bankruptcy Code, including sections 1125 and 1126(b), the Bankruptcy Rules, the Local Rules, applicable non-bankruptcy law, the Disclosure Statement Order, and all other applicable law, in transmitting the Plan, the Plan Supplement, the Disclosure Statement, and the Ballots and related documents and notices, and in soliciting and tabulating the votes on the Plan.

L. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Plan Proponents have proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code. The Plan Proponents' good faith is evident from the facts and record of these Chapter 11 Cases, the Disclosure Statement, the Notice Affidavits and the record of the Confirmation Hearing and other proceedings held in these Chapter 11 Cases. The Plan was proposed with the legitimate and honest purpose of maximizing the value of the Debtors' Estates and to effectuate a 100% return to non-insider Holders of Allowed Claims (except Medco). The Plan and all documents necessary to effectuate the Plan were negotiated at arms' length among representatives of the Debtors, the Creditors' Committee, Medco, certain other parties, and their respective professionals. Each of the Plan Proponents

support confirmation of the Plan. Further, the Plan's classification, indemnification, exculpation, release, and injunction provisions have been negotiated in good faith and at arms' length, are consistent with sections 105, 1122, 1123(b)(3)(A), 1123(b)(6), 1125(e), 1129, and 1142 of the Bankruptcy Code, and are each necessary for the Debtors' successful reorganization.

M. Payment for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)).

Payments have been made to the Estates' retained professionals for services rendered after the Petition Date on a regular basis, and all payments to such professionals for services rendered through the Effective Date are subject to the approval of this Court pursuant to the terms of the orders authorizing the retention of the Estates' professionals, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

N. Directors, Officers, and Insiders (11 U.S.C. § 1129(a)(5)). The Debtors have complied with section 1129(a)(5) of the Bankruptcy Code. In accordance with the provisions of the Plan, on the Effective Date, the Liquidating Trust shall be established, along with a Plan Oversight Committee. As provided in the Liquidating Trust Agreement included in the Plan Supplement, the three initial members of the Plan Oversight Committee are Monty Kehl of Mesirow Financial Consulting, LLC (appointed by the Creditors' Committee), and Rodney Fahs of Express Scripts and Matthew Diaz of FTI Consulting (each appointed by Medco). The Debtors' current Chief Restructuring Officer, Robert S. Rosenfeld, will be the Liquidating Trustee. After the Effective Date, the Plan Oversight Committee may remove or appoint members in accordance with the terms of the Liquidating Trust. The knowledge of the members of the Plan Oversight Committee and Liquidating Trustee of the Debtors' operations, businesses, accounts, finances, and business relationships of the Debtors is critical to achieving

a successful wind down of these Chapter 11 Cases through the operation of the Liquidating Trust, and are thus critical to maximizing the value of the Debtors' Estates. As such, the appointment of such individuals is consistent with the interests of the Debtors' creditors and with public policy.

O. No Rate Changes (11 U.S.C. § 1129(a)(6)). The Plan does not provide for rate changes by any of the Debtors. Thus, section 1129(a)(6) of the Bankruptcy Code is not applicable in these Chapter 11 Cases.

P. Best Interest of Creditors (11 U.S.C. § 1129(a)(7)). The Plan satisfies section 1129(a)(7) of the Bankruptcy Code. Each Class has unanimously voted to accept the Plan or is deemed to have accepted the Plan, other than Class 6 (Equity Interests) which is deemed to reject the Plan. Given the 100% acceptance of the Plan, and the 100% distribution to non-insider Holders of Allowed Claims under the Plan (except Medco), the Plan satisfies section 1129(a)(7) of the Bankruptcy Code.

Q. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)).

As set forth in the Voting Certification, each Class of Impaired Claims that is entitled to vote on the Plan has accepted the Plan. However, Class 6 (Equity Interests) is Impaired by the Plan and is not entitled to receive or retain any property under the Plan and, therefore, is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Notwithstanding the fact that the Plan does not satisfy section 1129(a)(8) of the Bankruptcy Code with respect to Class 6, the Plan may be confirmed because it satisfies sections 1129(a)(10) and 1129(b)(1) of the Bankruptcy Code. ~~For the foregoing reasons, the Plan~~ LSS
~~satisfies section 1129(a)(8) of the Bankruptcy Code.~~

R. Treatment of Administrative Claims, Priority Tax Claims, and Other Priority Claims (11 U.S.C. § 1129(a)(9)). The treatment of Allowed Administrative Claims pursuant to Article III of the Plan satisfies the requirements of section 1129(a)(9)(A) of the Bankruptcy Code. The treatment of Priority Non-Tax Claims pursuant to Article III of the Plan satisfies the requirements of section 1129(a)(9)(B) of the Bankruptcy Code. The treatment of Priority Tax Claims pursuant to Article III of the Plan satisfies the requirements of section 1129(a)(9)(C) of the Bankruptcy Code.

S. Acceptance by Impaired Class (11 U.S.C. § 1129(a)(10)). Each of the Voting Classes – Classes 3 (Third-Party Unsecured Claims), 4 (Individual Party Claims), and 5 (Medco Claims) – have affirmatively accepted the Plan, without including the acceptance of the Plan by insiders in such Classes. Therefore, section 1129(a)(10) of the Bankruptcy Code is satisfied.

T. Feasibility (11 U.S.C. § 1129(a)(11)). The information in the Disclosure Statement, the Supporting Declarations, and the evidence proffered or adduced at the Confirmation Hearing (i) is persuasive and credible, (ii) has not been controverted by other evidence, and (iii) establishes that the Plan is feasible and that there is a reasonable prospect of the Debtors and Liquidating Trust being able to meet their financial obligations under the Plan and their business in the ordinary course and 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 Liquidating Trust, thereby satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

U. Payment of Fees (11 U.S.C. § 1129(a)(12)). All fees currently payable under section 1930 of title 28, United States Code, as determined by the Bankruptcy Code, have been

or will be paid on or before the Effective Date pursuant to Article III of the Plan, thereby satisfying the requirements of section 1129(a)(12) of the Bankruptcy Code.

V. Continuation of Retiree Benefits; Domestic Support Obligations; Debtors As Individuals; Applicable Non-bankruptcy Law Regarding Transfers (11 U.S.C. § 1129(a)(13 - 16). Sections 1129(a)(13) through (16) are not applicable to the Debtors in these Chapter 11 Cases.

W. No Unfair Discrimination; Fair and Equitable (11 U.S.C. § 1129(b)). Class 6 (Equity Interests) is deemed to have rejected the Plan. Based upon the evidence proffered, adduced, and presented by the Debtors at the Confirmation Hearing, the Plan does not discriminate unfairly with respect to and is fair and equitable with respect the aforementioned Class, as required by sections 1129(b)(1) and (b)(2) of the Bankruptcy Code, because no Holder of any interest that is junior to Class 6 (Equity Interests) will receive or retain any property under the Plan on account of such junior interest, and no holder of a Claim in a Class senior to such Classes is receiving more than 100% recovery on account of its Claim. Thus, the Plan may be confirmed notwithstanding the deemed rejection of the Plan by this Class.

X. Only One Plan (11 U.S.C. § 1129(c)). The Plan is the only plan filed in each of these Chapter 11 Cases, and accordingly, section 1129(c) of the Bankruptcy Code is inapplicable in these Chapter 11 Cases.

Y. Principal Purpose of the Plan (11 U.S.C. § 1129(d)). 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. The Plan, therefore, satisfies the requirements of section 1129(d) of the Bankruptcy Code.

Z. Satisfaction of Conditions Precedent. Upon the entry of this Order, each condition precedent to the confirmation of the Plan, as set forth in Article XIII of the Plan, shall have been satisfied or waived as provided in the Plan. Furthermore, each condition precedent to occurrence of the Effective Date, as set forth in Article XIII of the Plan, has been satisfied or waived as provided in Article XIII of the Plan or is reasonably likely to be satisfied.

AA. Satisfaction of Confirmation Requirements. Based upon the foregoing, the Plan satisfies the requirements for confirmation set forth in section 1129 of the Bankruptcy Code.

BB. Injunction, Exculpation, and Releases. The Court has jurisdiction under sections 1334(a) and (b) of title 28 of the United States Code to approve the injunction, exculpation and releases set forth in Article XII of the Plan. Section 105(a) of the Bankruptcy Code permits issuance of the injunction and approval of the unopposed releases set forth in Article XII of the Plan if, as has been established here based upon ~~the record in the Chapter 11 Cases and~~ ^{LSB} the evidence presented at the Confirmation Hearing, such provisions (i) were integral to the agreement among the various parties in interest, including as reflected in the settlements embodied in the Plan (including but not limited to the \$10 million Medco Loan being used to fund the Distributions under the Plan), and are essential and necessary to the formulation and implementation of the Plan, as provided in section 1123 of the Bankruptcy Code, (ii) confer substantial benefits on the Debtors' Estates, (iii) are fair, equitable and reasonable, and (iv) are in the best interests of the Debtors, their Estates, and parties in interest. Pursuant to section 1123(b)(3) of the Bankruptcy Code and Bankruptcy Rule 9019(a), the releases, exculpations, and injunctions set forth in the Plan and implemented by this Order are fair, equitable, reasonable, and in the best interests of the Debtors, the Debtors and their Estates, and the Holders of Claims and Equity Interests. The releases and exculpations of non-Debtors under

the Plan, as modified by this Order, are fair to Holders of Claims and are necessary to the Plan, thereby satisfying the requirements of *In re Continental Airlines, Inc.*, 203 F.3d 203, 214 (3d Cir. 2000), and other applicable case law. Such releases are given in exchange for and are supported by fair, sufficient, and adequate consideration provided by each and all of the parties providing such releases. In addition, with respect to those parties who voted to accept the Plan ~~and~~ ^{and} ~~did not affirmatively opt-out of the releases, and those parties who~~ ^{and} ~~are presumed to have voted for the Plan under section 1126(f) of the Bankruptcy Code, such~~ ^{LS} parties are deemed to have consented to the releases in Article XII of the Plan as modified by this Order. The record of the Confirmation Hearing ~~and these Chapter 11 Cases~~ is sufficient to support the releases, exculpation, and injunction provided for in Article XII of the Plan. Pursuant to the five factor test set forth in *In re Master Mortgage Inv. Fund Inc.*, 168 B.R. 930, 937 (Bankr. W.D. 1994) and adopted *In re Zenith Elecs. Corp.*, 241 B.R. 92, 110 (Bankr. D. Del. 1999), the Third Party Releases is appropriate. Accordingly, based upon ~~the record of these Chapter 11 Cases,~~ ^{LS} the representations of the parties, and/or the evidence proffered, adduced, and/or presented at ~~or before~~ the Confirmation Hearing, this Court finds that the injunction, exculpation, and releases set forth in Article XII of the Plan as modified by this Order are consistent with the Bankruptcy Code and applicable law. The failure to implement the injunction, exculpation and releases would seriously impair the Plan Proponents' ability to confirm the Plan and would jeopardize the prospects for Distributions to all Holders of Allowed Claims and post-petition interest thereon. Notwithstanding the foregoing, and for the reasons stated on the record at the Decision Hearing, the defined term "Exculpated Parties" as used in the Plan and in this Order shall not include Medco, Medco Affiliates or Medco's professionals.

CC. Plan Represents a Settlement. Except as otherwise provided in the Plan and this Order, the Plan represents a settlement by and among the Debtors, the Creditors' Committee,

Holders of Equity Interests, Medco, and Holders of all other Claims and interests and litigation against the Debtors, pending or threatened, or that was or could have been commenced against the Debtors prior to the date of entry of this Order (other than the Liquidating Trust's ability to prosecute objections to Claims and other retained causes of action to the extent preserved under the Plan).

DD. Specific Settlements in Plan. The Debtors' entry into the Individual Party Settlement, Medco Settlement, settlement with respect to the post-petition interest rate applicable to Holders of Claims in Class 3 (Third-Party General Unsecured Claims), and settlement with respect the post-petition interest payable to ABDC, is (i) a proper exercise of the Debtors' business judgment, (ii) within the range of reasonableness required for approval, and (iii) in the best interests of the Debtors and their Estates.

EE. Good Faith. The Plan Proponents will be acting in good faith if they proceed to consummate the Plan and the agreements, settlements, transactions, and transfers contemplated thereby and take the actions authorized and directed by this Order.

FF. Retention of Jurisdiction. The Court may properly, and upon the Effective Date shall, retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Cases, including the matters set forth in Article XI of the Plan and section 1142 of the Bankruptcy Code.

ORDER

ACCORDINGLY, IT IS HEREBY ORDERED, ADJUDGED, DECREED, AND DETERMINED THAT:

1. Findings of Fact and Conclusions of Law. The above-referenced findings of fact and conclusions of law and those stated on the record at the Decision Hearing

are hereby incorporated by reference as though fully set forth herein and shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable herein by Bankruptcy Rule 9014.

2. Notice of the Confirmation Hearing. Notice of the Confirmation Hearing complied with the terms of the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and was appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases.

3. Solicitation. The solicitation of votes on the Plan was appropriate and in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and applicable non-bankruptcy law. The solicitation of votes on the Plan complied with the Disclosure Statement Order, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases, and was in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and applicable non-bankruptcy law.

4. Ballots and Election Treatment Form. The forms of Ballots annexed to the Voting Certification are in compliance with Bankruptcy Rule 3018(c), conform to Official Form Number 14, and are approved in all respects.

5. Plan Modifications. Modifications made to the Plan, if any, following the solicitation of votes thereon satisfied the requirements of section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019. Accordingly, pursuant to section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, any modifications to the Plan do not require additional disclosure under section 1125 of the Bankruptcy Code or the re-solicitation of votes under section 1126 of the Bankruptcy Code, nor do they require that the Holders of Claims be afforded an opportunity to change any previously-cast acceptances or rejections of the Plan.

6. Confirmation of the Plan. The Plan as modified by this Order is hereby CONFIRMED under section 1129 of the Bankruptcy Code. The documents contained in the Plan Supplement are hereby authorized and approved. The terms of the Plan, including the Plan Supplement, are incorporated by reference into and are an integral part of this Order.

7. Implementation.

(a) All documents necessary to implement the Plan and any and all other transactions contemplated by the Plan, including but not limited to the Liquidating Trust Agreement and the promissory note evidencing the Medco Loan (both of which are included in the Plan Supplement), are hereby approved, and shall, upon execution, be deemed valid, binding and enforceable agreements, entered into for good and valuable consideration, including the benefits of the Plan, and not be in conflict with any federal or state law. The Debtors and the Liquidating Trustee, subject to the terms of the Plan and Liquidating Trust Agreement, are hereby authorized, empowered and directed forthwith to take any and all actions necessary to implement the Plan, including to negotiate and execute any and all of the documents and agreements necessary to implement the Plan, and to execute, deliver and file (as appropriate) all documents and agreements and take all actions provided in or contemplated by any of the same to accomplish the intent of same, including, without limitation, any modifications consistent with the terms of the Plan and any actions required by Section 14.03 of the Plan to effectuate and consummate the Plan. All such actions taken or caused to be taken shall be deemed effective pursuant to applicable law and without the need for any required approvals, authorizations or consents, except as provided in the Plan or Liquidating Trust Agreement, and any or all of such documents and agreements ~~shall be accepted by~~ ^{may be filed with} each of the respective state filing offices and recorded in accordance with applicable state law and shall

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become effective in accordance with their terms and the provisions of state law.

(b) As provided for under the Plan as modified by this Order and without in any way limiting the provisions of the Plan:

(i) After the Effective Date, the Debtors and Liquidating Trustee, as applicable are hereby authorized to use and dispose of property and settle and compromise Claims or Interests without the supervision of this Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, but subject to the terms of the Plan and the Liquidating Trust Agreement, and all documents and exhibits thereto.

(ii) The Debtors and Liquidating Trust, as applicable, are hereby authorized to, but are not required to, set off against any Claim or any Allowed Claim, and the payments or other Distributions to be made pursuant to the Plan in respect of such Claim, claims of any nature whatsoever that the Debtors or the Liquidating Trust may have against the Holder of such Claim in accordance with the Plan; provided, however, that neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or Liquidating Trust of any such claim that the Debtors or the Liquidating Trust may have against such Holder.

8. Issuance of New FGST Equity Interest. The New FGST Equity Interest, which shall be a new single share of voting common stock of FGST, shall be issued to the Liquidating Trust on the Effective Date upon the cancellation of the FGST Equity Interests, and together with the beneficial interests in the Liquidating Trust constitute securities issued in good faith in accordance with Bankruptcy Code section 1125(e).

9. Vesting of Assets and Preservation of Litigation Rights. Except as otherwise provided in the Plan, or in this Order, and pursuant to sections 1123(b)(3) and

1141(b) and (c) of the Bankruptcy Code, on the Effective Date, all of the property and assets of the Debtors and all Causes of Action shall vest in the Liquidating Trust, free and clear of all Claims, Liens and interests on the Effective Date. Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code and to the fullest extent possible under applicable law, on the Effective Date and subject to the terms of the Liquidating Trust, the Liquidating Trust shall retain and may enforce, and shall have the sole right to enforce or prosecute, any claims, demands, rights, and Causes of Action that the Debtors may hold against any Entity.

10. Releases, Injunctions and Exculpation.

(a) Released Parties. As used in this Order, “**Released Parties**” means (a) the Debtors; (b) the directors, officers, and employees of the Debtors serving on or after the Petition Date (other than the Individual Parties), (c) in the event that the Individual Party Settlement is effective, the Individual Parties in all capacities, (d) any Professionals of the Debtors, (e) the Creditors’ Committee, its members (solely in their capacity as members of the Creditors’ Committee and not in their individual capacities) and any Professionals retained by the Creditors’ Committee and the attorneys retained by the members of the Creditors’ Committee related to the Chapter 11 Cases, and (f) Medco and the Medco Affiliates and any professionals retained by Medco or the Medco Affiliates in connection with the Chapter 11 Cases.

(b) Releasing Parties. As used in this Order, “**Releasing Parties**” means (a) the Released Parties; (b) all Holders of Claims who are deemed to accept the Plan; and (c) with respect to any other Persons or Entities, Holders of Claims or Equity Interests entitled to vote to

accept the Plan that do not affirmatively opt out of the release provided by Article XII of the Plan pursuant to a duly executed Ballot.

(c) Exculpated Parties. As used in this Order, “**Exculpated Parties**” means (a) the Debtors; (b) the directors, officers, and employees of the Debtors serving on or after the Petition Date (other than the Individual Parties), (c) in the event that the Individual Party Settlement is effective, the Individual Parties in all capacities, (d) any Professionals of the Debtors, and (e) the Creditors’ Committee, its members (solely in their capacity as members of the Creditors’ Committee and not in their individual capacities) and any Professionals retained by the Creditors’ Committee and the attorneys retained by the members of the Creditors’ Committee related to the Chapter 11 Cases. For the avoidance of doubt, the defined term “Exculpated Parties” as used herein and in the Plan as confirmed hereby shall not include Medco, the Medco Affiliates, or any professionals retained by any of them; provided, however, that, each of the foregoing Persons and Entities shall be entitled to the protections of 11 U.S.C. § 1125(e), as applicable, to the fullest extent permitted by law.

(d) Releases by Debtors.

ON THE EFFECTIVE DATE AND EFFECTIVE AS OF THE EFFECTIVE DATE, EACH DEBTOR ON BEHALF OF ITSELF, ITS ESTATE, AND THE LIQUIDATING TRUSTEE, FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY EACH OF THE RELEASED PARTIES, SHALL BE DEEMED TO PROVIDE A FULL RELEASE TO EACH OF THE RELEASED PARTIES (AND EACH SUCH RELEASED PARTY SHALL BE DEEMED RELEASED BY EACH DEBTOR AND ITS ESTATE) AND THEIR RESPECTIVE PROPERTY FROM ANY AND ALL CAUSES OF ACTION AND ANY OTHER DEBTS, OBLIGATIONS, RIGHTS, SUITS,

DAMAGES, ACTIONS, DERIVATIVE CLAIMS, INDEMNIFICATION CLAIMS, REMEDIES, AND LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, LIQUIDATED OR UNLIQUIDATED, FORESEEN OR UNFORESEEN, EXISTING AS OF THE EFFECTIVE DATE, IN LAW, AT EQUITY, OR OTHERWISE, WHETHER FOR TORT, CONTRACT, VIOLATIONS OF FEDERAL OR STATE SECURITIES LAWS, OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY TO THE PLAN, OR THESE CHAPTER 11 CASES, INCLUDING THOSE THAT THE DEBTORS OR THE LIQUIDATING TRUST WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT OR THAT ANY HOLDER OF A CLAIM AGAINST OR INTEREST IN THE DEBTORS OR ANY OTHER ENTITY COULD HAVE BEEN LEGALLY ENTITLED TO ASSERT DERIVATIVELY OR ON BEHALF OF THE DEBTORS OR THEIR ESTATES; PROVIDED, HOWEVER, THAT THE FOREGOING "DEBTOR RELEASE" SHALL NOT OPERATE TO WAIVE OR RELEASE ANY CLAIMS OR CAUSES OF ACTION OF ANY DEBTOR OR ITS RESPECTIVE CHAPTER 11 ESTATES AGAINST A RELEASED PARTY ARISING UNDER ANY CONTRACTUAL OBLIGATION OWED TO THE DEBTORS THAT IS ENTERED INTO OR ASSUMED PURSUANT TO THE PLAN.

ENTRY OF THIS ORDER SHALL CONSTITUTE THIS COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE DEBTOR RELEASE, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED

PROVISIONS AND DEFINITIONS CONTAINED IN THE PLAN, AND, FURTHER, SHALL CONSTITUTE THIS COURT'S FINDING THAT THE DEBTOR RELEASE IS: (1) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES; (2) A GOOD-FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE DEBTOR RELEASE; (3) IN THE BEST INTERESTS OF THE DEBTORS' ESTATES AND ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS; (4) FAIR, EQUITABLE, AND REASONABLE; (5) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (6) A BAR TO ANY OF THE DEBTORS' ESTATES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE DEBTOR RELEASE.

(e) Third Party Release.

ON THE EFFECTIVE DATE AND EFFECTIVE AS OF THE EFFECTIVE DATE, EACH OF THE RELEASING PARTIES SHALL BE DEEMED TO PROVIDE A FULL RELEASE TO THE RELEASED PARTIES AND THEIR RESPECTIVE PROPERTY FROM ANY AND ALL CAUSES OF ACTION AND ANY OTHER DEBTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, DERIVATIVE CLAIMS, INDEMNIFICATION CLAIMS, REMEDIES, AND LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, LIQUIDATED OR UNLIQUIDATED, FORESEEN OR UNFORESEEN, EXISTING AS OF THE EFFECTIVE DATE, IN LAW, AT EQUITY, OR OTHERWISE, WHETHER FOR TORT, CONTRACT, VIOLATIONS OF FEDERAL OR STATE SECURITIES LAWS,

OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY TO THE PLAN, OR THESE CHAPTER 11 CASES, INCLUDING THOSE THAT THE DEBTORS WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT OR THAT ANY HOLDER OF A CLAIM AGAINST OR INTEREST IN THE DEBTORS OR ANY OTHER ENTITY COULD HAVE BEEN LEGALLY ENTITLED TO ASSERT DERIVATIVELY OR ON BEHALF OF THE DEBTORS OR THEIR ESTATES, PROVIDED, HOWEVER, THAT, THE FOREGOING "THIRD PARTY RELEASE" SHALL NOT AFFECT ANY PROOFS OF CLAIM FILED AGAINST THE DEBTORS OR CLAIMS OR CAUSES OF ACTION PENDING AGAINST A RELEASED PARTY AS OF THE PETITION DATE IN A COURT OR ARBITRATION PANEL OF COMPETENT JURISDICTION; PROVIDED, FURTHER, HOWEVER, THAT, THE THIRD PARTY RELEASE SHALL PRECLUDE A RELEASING PARTY FROM AMENDING OR MODIFYING SUCH COMPLAINT OR PLEADING TO ASSERT CLAIMS OR CAUSES OF ACTION AGAINST A RELEASED PARTY THAT WAS NOT OTHERWISE A PARTY TO SUCH PROCEEDING AS OF THE PETITION DATE.

ENTRY OF THIS ORDER SHALL CONSTITUTE THIS COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE THIRD PARTY RELEASE, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS CONTAINED IN THE PLAN, AND, FURTHER, SHALL CONSTITUTE THIS COURT'S FINDING THAT THE THIRD PARTY

RELEASE IS: (1) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES; (2) A GOOD-FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE THIRD PARTY RELEASE; (3) IN THE BEST INTERESTS OF THE DEBTORS AND ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS; (4) FAIR, EQUITABLE, AND REASONABLE; (5) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (6) A BAR TO ANY OF THE RELEASING PARTIES ASSERTING ANY CLAIM RELEASED PURSUANT TO THE THIRD PARTY RELEASE.

(f) Exculpations.

The Exculpated Parties shall neither have, nor incur any liability to any Entity or Holder of a Claim or Equity Interest for any act taken or omitted in connection with the Chapter 11 Cases, or related to formulating, negotiating, soliciting, preparing, disseminating, confirming, or implementing the Plan or consummating the Plan, the Disclosure Statement, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Plan or any other prepetition or post-petition act taken or omitted to be taken in connection with or in contemplation of the restructuring or liquidation of the Debtors, except for acts or omissions that are the result of fraud, gross negligence, or willful misconduct; provided that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her, or its duties pursuant to, or in connection with, the Plan or any other related document, instrument, or agreement. Without limiting the foregoing “Exculpation” provided under Section 12.04 of the Plan, the rights of any Holder of a Claim or Equity Interest to enforce rights arising

under the Plan shall be preserved, including the right to compel payment of Distributions in accordance with the Plan. Entry of this Order shall constitute this Court's approval, pursuant to Bankruptcy Rule 9019, of the Exculpation, which includes by reference each of the related provisions and definitions contained in the Plan, and, further, shall constitute this Court's finding that the Exculpation is fair, equitable, and reasonable, and given and made after due notice and opportunity for hearing.

(g) Injunctions.

EXCEPT AS OTHERWISE PROVIDED IN THE PLAN OR THIS ORDER, ALL ENTITIES AND PERSONS WHO HAVE HELD, HOLD, OR MAY HOLD CLAIMS, EQUITY INTERESTS, CAUSES OF ACTION, OR LIABILITIES THAT: (1) ARE SUBJECT TO COMPROMISE AND SETTLEMENT PURSUANT TO THE TERMS OF THE PLAN; (2) HAVE BEEN RELEASED PURSUANT TO SECTION 12.02 OR SECTION 12.03 OF THE PLAN; (3) ARE SUBJECT TO EXCULPATION PURSUANT TO SECTION 12.04 OF THE PLAN (BUT ONLY TO THE EXTENT OF THE EXCULPATION PROVIDED IN SECTION 12.04); OR (4) ARE OTHERWISE STAYED OR TERMINATED PURSUANT TO THE TERMS OF THE PLAN, ARE PERMANENTLY ENJOINED AND PRECLUDED, FROM AND AFTER THE EFFECTIVE DATE, FROM: (A) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND, INCLUDING ON ACCOUNT OF ANY CLAIMS, EQUITY INTERESTS, CAUSES OF ACTIONS, OR LIABILITIES THAT HAVE BEEN COMPROMISED OR SETTLED AGAINST THE DEBTORS, THE LIQUIDATING TRUST, OR ANY ENTITY SO RELEASED OR EXCULPATED (OR THE PROPERTY OR ESTATE OF ANY ENTITY, DIRECTLY

OR INDIRECTLY, SO RELEASED OR EXCULPATED, INCLUDING THE LIQUIDATING TRUST AND THE LIQUIDATING TRUST ASSETS) ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY RELEASED, SETTLED, COMPROMISED, OR EXCULPATED CLAIMS, EQUITY INTERESTS, CAUSES OF ACTION, OR LIABILITIES; (B) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, OR ORDER AGAINST THE DEBTORS, THE LIQUIDATING TRUST, OR ANY ENTITY SO RELEASED OR EXCULPATED (OR THE PROPERTY OR ESTATE OF THE DEBTORS OR ANY ENTITY SO RELEASED OR EXCULPATED) ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH RELEASED, SETTLED, COMPROMISED, OR EXCULPATED CLAIMS, EQUITY INTERESTS, CAUSES OF ACTION, OR LIABILITIES; (C) CREATING, PERFECTING, OR ENFORCING ANY LIEN, CLAIM, OR ENCUMBRANCE OF ANY KIND AGAINST THE DEBTORS, THE LIQUIDATING TRUST, OR ANY ENTITY SO RELEASED OR EXCULPATED (OR THE PROPERTY OR ESTATE OF THE DEBTORS OR ANY ENTITY SO RELEASED OR EXCULPATED) ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH RELEASED, SETTLED, COMPROMISED, OR EXCULPATED CLAIMS, EQUITY INTERESTS, CAUSES OF ACTION, OR LIABILITIES; (D) ASSERTING ANY RIGHT OF SETOFF OR SUBROGATION OF ANY KIND AGAINST ANY OBLIGATION DUE FROM THE DEBTORS OR ANY ENTITY SO RELEASED OR EXCULPATED (OR THE PROPERTY OR ESTATE OF THE DEBTORS OR ANY ENTITY SO RELEASED OR EXCULPATED) ON

ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH RELEASED, SETTLED, COMPROMISED, OR EXCULPATED CLAIMS, EQUITY INTERESTS, CAUSES OF ACTION, OR LIABILITIES UNLESS SUCH ENTITY HAS TIMELY ASSERTED SUCH SETOFF RIGHT PRIOR TO CONFIRMATION IN A DOCUMENT FILED WITH THIS COURT EXPLICITLY PRESERVING SUCH SETOFF OR SUBROGATION, AND NOTWITHSTANDING AN INDICATION OF A CLAIM OR INTEREST OR OTHERWISE THAT SUCH ENTITY ASSERTS, HAS, OR INTENDS TO PRESERVE ANY RIGHT OF SETOFF OR SUBROGATION PURSUANT TO APPLICABLE LAW OR OTHERWISE; AND (E) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND AGAINST THE DEBTORS, THE LIQUIDATING TRUST, OR ANY ENTITY SO RELEASED OR EXCULPATED (OR THE PROPERTY OR ESTATE OF THE DEBTORS, THE LIQUIDATING TRUST, OR ANY ENTITY SO RELEASED OR EXCULPATED) ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH RELEASED, SETTLED, COMPROMISED, OR EXCULPATED CLAIMS, EQUITY INTERESTS, CAUSES OF ACTION, OR LIABILITIES RELEASED, SETTLED, OR COMPROMISED PURSUANT TO THE PLAN; PROVIDED THAT NOTHING CONTAINED IN THE PLAN SHALL PRECLUDE AN ENTITY FROM OBTAINING BENEFITS DIRECTLY AND EXPRESSLY PROVIDED TO SUCH ENTITY PURSUANT TO THE TERMS OF THE PLAN; PROVIDED, FURTHER, THAT NOTHING CONTAINED IN THE PLAN SHALL BE CONSTRUED TO PREVENT ANY ENTITY FROM DEFENDING AGAINST CLAIMS, OBJECTIONS OR COLLECTION ACTIONS WHETHER BY

ASSERTING A RIGHT OF SETOFF OR OTHERWISE TO THE EXTENT PERMITTED BY LAW. ENTRY OF THIS ORDER SHALL CONSTITUTE THIS COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE FOREGOING INJUNCTIONS, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS CONTAINED IN THE PLAN, AND, FURTHER, SHALL CONSTITUTE THIS COURT'S FINDING THAT THE INJUNCTIONS ARE FAIR, EQUITABLE, AND REASONABLE, AND GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING.

(h) Injunction Regarding Matheny Civil Litigation.

AS OF THE EFFECTIVE DATE, THE PLAINTIFFS LUCAS M. MATHENY AND DEBORAH LOVELAND AND THEIR RESPECTIVE ASSIGNS, HEIRS, SUCCESSORS AND ATTORNEYS IN THE MATHENY CIVIL LITIGATION ARE PERMANENTLY ENJOINED FROM TAKING ANY OF THE FOLLOWING ACTIONS AGAINST THE DEBTORS, THE LIQUIDATING TRUSTEE, MEDCO, THE PURCHASER, OR ANY OF THE PRESENT OR FORMER OFFICERS AND DIRECTORS OF THE DEBTORS OR THEIR PROPERTY ON ACCOUNT OF THE CLAIMS MADE IN THE MATHENY CIVIL LITIGATION OR ANY OF THE ALLEGATIONS OR FACTS ALLEGED THEREIN INCLUDING, WITHOUT LIMITATION: (I) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY PLACE, ANY ACTION OR OTHER PROCEEDING OF ANY KIND; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING IN ANY MANNER ANY JUDGMENT, AWARD, DECREE, OR ORDER AGAINST ANY SUCH PARTY; (III) CREATING, PERFECTING, OR ENFORCING ANY LIEN OR ENCUMBRANCE;

(IV) ASSERTING A RIGHT OF SETOFF, RECOUPMENT OR SUBROGATION OF ANY KIND AGAINST ANY DEBT, LIABILITY, OR OBLIGATION DUE TO ANY SUCH PARTY; OR (V) COMMENCING OR CONTINUING ANY ACTION, IN EACH SUCH CASE IN ANY MANNER, IN ANY PLACE, OR AGAINST SUCH PARTY ON ACCOUNT OF THE CLAIMS AND CAUSES OF ACTION ASSERTED OR THAT COULD HAVE BEEN ASSERTED IN THE MATHENY CIVIL LITIGATION.

11. Notwithstanding any provision to the contrary in the Plan, this Order, and any implementing Plan documents, nothing shall: (1) affect the rights of the Internal Revenue Service (“IRS”) to assert setoff and recoupment and such rights are expressly preserved; or (2) require the IRS to file an administrative claim in order to receive payment for any liability described in 11 U.S.C. Section 503(b)(1)(B) and (C). To the extent the IRS Priority Tax Claims (including any penalties, interest or additions to tax entitled to priority under the Bankruptcy Code), if any, are not paid in full in cash on the Effective Date, the IRS Priority Tax Claims shall accrue interest commencing on the Effective Date at the rate set forth in Section 511 of the Bankruptcy Code. IRS administrative expense claims allowed pursuant to the Plan or Section 503 of the Bankruptcy Code shall accrue interest and penalties as provided by non-bankruptcy law until paid in full. Moreover, (1) nothing in the Plan shall be deemed to expand the relief available to the Debtors, the Estate or the Liquidating Trustee under Section 505 of the Bankruptcy Code with respect to claims and interests of the IRS; and (2) the provisions of Article XII, section 12.01 of the Plan shall not apply to the claims and interests of the United States. The foregoing provision shall not apply to any claims, liability or other rights or causes of action asserted in or otherwise relating to the Matheny Civil Action, and shall not in any way override or supersede any provisions of the Plan that apply to the same.

12. Notwithstanding section 10.03 of the Plan, after the Confirmation Date, the IRS may amend a previously filed Claim to increase or decrease the amount of such Claim without the prior authorization of the Bankruptcy Court; provided, however, that (1) the Debtors and Liquidating Trust (as applicable) shall have the right to object to the amendment of such Claim on any basis, including but not limited to the timeliness and any increase in the amount of such Claim, and (2) nothing in this Order shall limit the right of the Debtors or Liquidating Trust (as applicable) to object to any Claim filed before the Confirmation Date.

13. Government Releases. Except as otherwise provided herein, nothing in the Plan or the Confirmation Order shall (i) effect a release of any other claim by the IRS against the Released Parties, including without limitation any claim arising under the Internal Revenue Code, or any criminal laws of the United States, (ii) enjoin the IRS from bringing any claim, suit, action or other proceedings against the Released Parties asserting any other liability, including without limitation any claim, suit or action arising under the Internal Revenue Code or any criminal laws of the United States, and (iii) exculpate any of the Released Parties from any other liability to the IRS, including any liabilities arising under the Internal Revenue Code or any criminal laws of the United States. The foregoing provision shall not apply to any claims, liability or other rights or causes of action asserted in or otherwise relating to the Matheny Civil Action, and shall not in any way override or supersede any provisions of the Plan that apply to the same.

14. Objections. All objections, responses to, and statements and comments, if any, in opposition to, the Plan, including the Plan Supplement, other than those withdrawn with prejudice in their entirety prior to, or on the record at, the Confirmation Hearing, shall be, and hereby are, overruled in their entirety for the reasons stated on the record; provided,

however, that the United States Trustee's objection to the exculpation of Medco, the Medco Affiliates and Medco's professionals pursuant to Section 12.04 of the Plan is sustained for the reasons stated on the record at the Decision Hearing and is resolved by this Order.

15. Binding Effect. Pursuant to section 1141 and the other applicable provisions of the Bankruptcy Code, on or after entry of this Order and subject to the occurrence of the Effective Date, the provisions of the Plan (including the exhibits and schedules thereto and all documents and agreements executed pursuant thereto or in connection therewith, including those contained in the Plan Supplement) and this Order shall bind the Debtors, the Liquidating Trust, all Holders of Claims against and Equity Interests in the Debtors (irrespective of whether such Claims or Equity Interests are Allowed, Disallowed or Impaired under the Plan or whether the Holders of such Claims or Equity Interests accepted or are deemed to have accepted the Plan), each Entity receiving, retaining or otherwise acquiring property under the Plan, any and all non-Debtor parties to executory contracts and unexpired leases with any of the Debtors, ~~any Entity making an appearance in the Chapter 11 Cases~~, all parties (including the plaintiffs in the Matheny Civil Litigation, as defined in the Plan) that filed objections to confirmation of the Plan, any other party in interest in the Chapter 11 Cases, and the respective heirs, executors, administrators, successors, or assigns, if any, of any of the foregoing. LSS

16. Dissolution of Certain Debtors. On the Effective Date and without the need for further order of this Court, action or formality that otherwise might be required under non-bankruptcy law, the Dissolving Debtors will be deemed dissolved without any further filing with or action by any secretary of state or other governmental official in each of the Dissolving Debtors' respective states of incorporation or formation.

17. Compromise of Controversies. In consideration for the distributions and other benefits, including releases, provided under the Plan, the settlements embodied in the Plan, including but not limited to the Individual Party Settlement, Medco Settlement, settlement with respect to the post-petition interest rate applicable to Holders of Claims in Class 3 (Third-Party General Unsecured Claims), and settlement with respect to the post-petition interest payable to ABDC, are each (i) in the best interests of the Debtors and their Estates, (ii) fair, equitable and reasonable, (iii) within the range of reasonableness, and (iii) made at arm's length and in good faith. The entry of this Order constitutes approval of such compromise and settlement under section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, subject to the terms of the Plan.

18. Plan Distributions. The provisions of Article VII and X of the Plan regarding the distributions under the Plan and the procedures for resolving Disputed Claims, respectively, are hereby approved in all respects. From and after the Effective Date, the Liquidating Trust shall, subject to the terms of the Plan, have sole responsibility and authority for disputing, objecting to, compromising and settling, or otherwise resolving and making distributions with respect to all Claims. Notwithstanding applicable law, if the Debtors are already in possession of a tax identification number for a particular creditor, such creditor need not provide a signed W-9 or similar tax form prior to receiving distributions under the Plan.

19. Assumption or Rejection of Contracts and Leases.

(a) Pursuant to Article VII of the Plan, each Executory Contract and Unexpired Lease not previously rejected, assumed, or assumed and assigned shall be deemed automatically rejected pursuant to Sections 365 and 1123 of the Bankruptcy Code, unless such Executory Contract or Unexpired Lease: (1) is specifically described in the Plan as to be

assumed in connection with Confirmation of the Plan, or is specifically scheduled to be assumed or assumed and assigned pursuant to the Plan or the Plan Supplement; (2) is subject to a pending motion to assume such Unexpired Lease or Executory Contract as of the Effective Date; (3) was previously assumed or assumed and assigned to the Purchaser or another third party, as applicable, during the pendency of the Chapter 11 Cases; (4) is a contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan; (5) is a D&O Policy or an insurance policy, as set forth in Section 7.07 of the Plan; or (6) is the Asset Purchase Agreement. The Liquidating Trustee shall assume any outstanding responsibility of the Debtors under the Plan and the Transition Services Agreements.

(b) Subject to the Plan, the Debtors and the Liquidating Trust reserve the right to assert that any license, franchise, and partially performed contract is a property right and not an Executory Contract.

20. Conditions to Effective Date. The Plan shall not become effective unless and until the conditions set forth in Article XIII of the Plan have been satisfied or waived pursuant to Article XIII of the Plan. Prior to the Effective Date, the Debtors and their officers, directors, agents, affiliates and advisors are authorized to take any and all actions necessary to cause the satisfaction of all conditions to the Effective Date.

21. Professional Compensation. All final requests for payment of Professional Fee Claims pursuant to Sections 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code must be made by application Filed with this Court and served on the Debtors, their counsel, the Liquidating Trustee and its counsel, counsel to the Creditors' Committee, Medco and its counsel, and other necessary parties-in-interest no later than sixty (60) days after the Effective Date, unless otherwise ordered by this Court. Objections to such applications

must be Filed and served on the Debtors, their counsel, Liquidating Trustee and its counsel, counsel to the Creditors' Committee, Medco and its counsel, and the requesting Professional or other Entity on or before the date that is thirty (30) days (or such longer period as may be allowed by order of this Court) after the date on which the applicable application was served. The Liquidating Trustee and the Plan Oversight Committee may, subject to the Plan and Liquidating Trust Budget, without application to or approval by this Court, retain professionals and pay reasonable professional fees and expenses in connection with services rendered to them after the Effective Date.

22. Compensation of Plan Oversight Committee Member. Pursuant to section 6.03 of the Plan, on the Effective Date, Monty Kehl of Mesirow Financial Consulting, LLC ("MFC"), shall be designated as the Creditors' Committee's appointee to the Plan Oversight Committee. Mr. Kehl will be serving in this capacity individually, not MFC. Mr. Kehl will be compensated for his time in this capacity at the rate of \$650.00 per hour and his fees will be paid via wire transfer to MFC by the Liquidating Trust and Liquidating Trustee subject to the Liquidating Trust Budget without the need for an order of or approval by the Bankruptcy Court fifteen (15) days after the submission of an invoice to the Liquidating Trustee and the other members of the Plan Oversight Committee. Mr. Kehl will maintain time records with general block time entries on a daily basis which he will submit with monthly invoices redacted as deemed appropriate for confidential matters. In addition, Mr. Kehl shall be reimbursed for all reasonable expense incurred in connection with his services, including, without limitation, travel, photocopying (both in-house and third-party providers), delivery services, postage, vendor charges, and other expenses. Pursuant to section 9.06 of the Plan, the Liquidating Trust shall purchase insurance to cover all of the members of the Plan Oversight Committee with

terms of such coverage acceptable to the members of the Plan Oversight Committee for the entire duration of the term of the Plan Oversight Committee. Notwithstanding the stated duration of Mr. Kehl's service as otherwise provided in the Plan and Liquidating Trustee Agreement, Mr. Kehl is hereby granted the right, at any time and for any basis or reason, to resign as a member of the Plan Oversight Committee, including in the event that an invoice issued by MFC is not timely paid.

23. Payment of Statutory Fees. The Debtors or the Liquidating Trustee, as applicable, shall pay all U.S. Trustee Fees for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

24. Exemption from Transfer Taxes. To the maximum extent provided by Section 1146(a) of the Bankruptcy Code, any post-Confirmation transfer from any Entity pursuant to, in contemplation of, or in connection with the Plan or pursuant to: (1) the issuance, Distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors; or (2) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instruments of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, or other similar tax or governmental assessment, in each case to the extent permitted by applicable bankruptcy law, and the appropriate state or local government officials or agents shall forego collection of any such tax or governmental assessment and accept for filing and recordation any

of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

25. Notice of Entry. Pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c), as soon as reasonably practicable after the Effective Date, the Debtors shall serve notice of this Order on all Holders of Claims or Interests and any other persons on whom the notice of Confirmation Hearing was served. Such actual notice of entry of this Order shall have the effect of an order of the Court and shall constitute good and sufficient notice of the entry of this Order and of the relief granted herein pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c), and no other or further notice of entry of this Order need be given.

26. Reversal or Vacatur. If any or all of the provisions of this Order are hereafter reversed, modified or vacated by subsequent order of this Court or any other court, such reversal, modification or vacatur shall not affect the validity of the acts or obligations incurred or undertaken under or in connection with the Plan prior to the Debtor's receipt of written notice of any such order. Notwithstanding any such reversal, modification, or vacatur of this Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Order prior to the effective date of such reversal, modification or vacatur shall be governed in all respects by the provisions of this Order and the Plan or any amendments or modifications thereto.

27. Authorization to Consummate the Plan. **This Order is a final order and the period in which an appeal must be filed shall commence upon the entry hereof. The 14-day stay of this Order under Bankruptcy Rule 3020(e) shall commence upon its entry.** The Debtors are authorized to consummate the Plan at any time after the entry of this Order and expiration of the 14-day stay of this Order under Bankruptcy Rule 3020(e), subject to

the satisfaction or waiver of the conditions precedent to occurrence of the Effective Date as set forth in Article XIII of the Plan.

28. Retention of Jurisdiction. Under Sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, and except as otherwise ordered by this Court, this Court shall retain exclusive jurisdiction over all matters arising out of, and related to, these Chapter 11 Cases and the Plan to the fullest extent permitted by law (provided, however, that notwithstanding the foregoing, with respect to all civil proceedings arising under the Bankruptcy Code or arising in or related to these Chapter 11 Cases and the Plan, this Court shall have original but not exclusive jurisdiction, in accordance with Section 1334(b) of Title 28 of the United States Code), including, among other things, jurisdiction over the matters enumerated in Section 11.01(II) of the Plan.

29. Modifications. After the Effective Date, the Liquidating Trustee can modify the Plan only upon the consent of all of the Plan Proponents and in accordance with Section 1127 of the Bankruptcy Code and applicable law.

30. Severability of Plan Provisions. This Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

31. Governing Law. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), the laws of (a) the State of Delaware shall govern the construction and implementation of the Plan and (except as may be provided otherwise in any such agreements, documents, or instruments) any agreements,

documents, and instruments executed in connection with the Plan and (b) the laws of the state of incorporation of the Debtors shall govern corporate governance matters with respect to the Debtor; in each case without giving effect to the principles of conflicts of law thereof.

32. Applicable Non-bankruptcy Law. Pursuant to section 1123(a) and 1142(a) of the Bankruptcy Code, the provisions of this Order, the Plan and related documents or any amendments or modifications thereto shall apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

33. Governmental Approvals. Each federal, state, commonwealth, local, foreign or other Governmental Authority is hereby ~~directed and~~ authorized to accept any and all documents, mortgages, deeds of trust, security filings, financing statements and instruments necessary or appropriate to effectuate, implement or consummate the transactions contemplated by the Plan and this Order. This Order shall constitute all approvals and consents required, if any, by the laws, rules or regulations of any governmental authority with respect to the implementation or consummation of the Plan and any other acts that may be necessary or appropriate for the implementation or consummation of the Plan. LSS

34. ~~Substantial Consummation. On the Effective Date, the Plan shall be deemed to be substantially consummated under sections 1101 and 1127 of the Bankruptcy Code.~~ LSS

35. Inconsistency. To the extent of any inconsistency between this Order and the Plan, this Order shall govern and control.

36. No Waiver. The failure to specifically include any particular provision of the Plan in this Order will not diminish the effectiveness of such provision nor constitute a

waiver thereof, it being the intent of this Court that the Plan is confirmed in its entirety and incorporated herein by this reference.

Dated: July 15, 2015



THE HONORABLE LAURIE SELBER SILVERSTEIN
UNITED STATES BANKRUPTCY JUDGE