

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

SALTIRE INDUSTRIAL, INC.,

Debtor.

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: Chapter 11
: Case No. 04-15389 [BRL]
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**ORDER CONFIRMING MODIFIED FIRST AMENDED
PLAN OF LIQUIDATION OF SALTIRE INDUSTRIAL,
INC. UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

The Modified First Amended Plan of Liquidation of Saltire Industrial, Inc. under Chapter 11 of title 11, United States Code (the “Bankruptcy Code”), dated December 28, 2005 (the “Plan”), having been filed with this Court by Saltire Industrial, Inc. (the “Debtor”) and assigned docket number 201, and the Debtor’s Modified First Amended Disclosure Statement pursuant to section 1125 of the Bankruptcy Code for the Plan, dated December 28, 2005 (the “Disclosure Statement”), having been approved by Order of this Court, dated December 28, 2005 (the “Disclosure Statement Order”), as containing “adequate information” as such term is defined under section 1125 of the Bankruptcy Code; and certificates of service and/or certifications of publication having been filed with the Court demonstrating compliance with the notice, solicitation and publication requirements of the Disclosure Statement Order; and acceptances and rejections of the Plan by those holders of Claims that voted thereon having been duly received and tabulated by the Debtor with the assistance of The Garden City Group,

Inc. (“GRG”), the Debtor’s Court retained voting agent; and certifications by GRG of ballots accepting or rejecting the Plan having been filed with the Court; and upon the Affidavit of Robert A. Bertellotti submitted in support of confirmation of the Plan; and the Court having considered the objections to confirmation of the Plan filed by (i) Schrader-Bridgeport International, Inc. and (ii) Century Indemnity Company on behalf of itself and certain related companies (collectively the “Objections”); and all such Objections to the Plan having been voluntarily withdrawn, overruled or denied by the Court; and upon all of the evidence presented and the arguments of counsel made at the March 8, 2006 hearing to consider, *inter alia*, confirmation of the Plan (the “Confirmation Hearing”); and upon the entire record of the Debtor’s Chapter 11 case; and after due deliberation, and sufficient cause appearing therefor; and

IT HAVING BEEN FOUND AND DETERMINED by this Court that:

A. Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Plan.

B. This Court has jurisdiction over the Case pursuant to 28 U.S.C. § 1334 and the “Standing Order of Referral of Cases to Bankruptcy Judges” for the Southern District of New York, dated July 10, 1984 (Ward, Acting C.J.).

Confirmation of the Plan is a “core proceeding” pursuant to 28 U.S.C. § 157(b)(2) and this Court has jurisdiction to enter a Final Order with respect thereto. Venue of this Case is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

C. This Court takes judicial notice of the docket of the Case maintained by the Clerk of the Court and/or its duly appointed agent, including,

without limitation, all pleadings 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 pendency of the Case.

D. The classification of Claims and Equity Interests in Article IV of the Plan is necessary and reasonable to implement the Plan, and satisfies the requirements of section 1122(a) of the Bankruptcy Code in that each Claim or Equity Interest in each particular Class is substantially similar to other Claims or Equity Interests in such Class.

E. Article IV of the Plan adequately and properly identifies and classifies all Claims and Equity Interests, thereby satisfying the requirements of section 1123(a)(1) of the Bankruptcy Code.

F. Article V of the Plan identifies the Classes of Claims and Equity Interests which are not impaired and which are impaired. Therefore, the Plan satisfies the requirements of section 1123(a)(2) of the Bankruptcy Code.

G. Article V of the Plan specifies the treatment of each impaired Class of Claims and Equity Interests and thereby satisfies the requirements of section 1123(a)(3) of the Bankruptcy Code.

H. The Plan provides for the same treatment for each Claim or Equity Interest in a particular Class and thereby satisfies the requirements of section 1123(a)(4) of the Bankruptcy Code.

I. The Plan provides adequate means for its implementation, thereby satisfying section 1123(a)(5) of the Bankruptcy Code, including, among other things:

(a) the creation of the Liquidating Trust and the appointment of the Liquidating Trustee

to, *inter alia*, liquidate the Assets of the Debtor being transferred under the Plan to the Liquidating Trust (the “Trust Assets”) and perform such other duties as provided in the Liquidating Trust Agreement; (b) the transfer to the Liquidating Trust of all the Debtor’s right, title and interest in all of the Trust Assets; (c) the creation of a Disputed Claims Reserve; and (d) the procedures specified in the Plan under which Distributions will be made to Holders of Allowed Claims.

J. The Plan does not provide for the issuance of new equity securities and section 1123(a)(6) of the Bankruptcy Code is, therefore, inapplicable to the Debtor.

K. The provisions of the Plan are consistent with the interests of the Holders of Claims and Equity Interests and public policy and, therefore, satisfy the requirements of section 1123(a)(7) of the Bankruptcy Code.

L. In accordance with section 1123(b)(1) of the Bankruptcy Code, Article V of the Plan impairs Class 3, Class 4 and Class 5 under the Plan and leaves unimpaired Class 1 and Class 2 under the Plan.

M. The Plan constitutes a motion by the Debtor to reject, as of the Effective Date, all Executory Contracts to which the Debtor is a party except for any Executory Contract that: (a) has been assumed pursuant to an order of this Court; (b) is the subject of a separate motion by the Debtor to assume or assume and assign pursuant to section 365 of the Bankruptcy Code and is pending as of the Effective Date; or (c) is the subject of a stipulation or other written agreement between the Debtor and the other party to a particular Executory Contract, either approved or to be approved by this Court.

N. The Debtor's decision regarding the assumption or rejection of Executory Contracts, as authorized by section 1123(b)(2) of the Bankruptcy Code and as provided for in Article X of the Plan, is a reasonable exercise of sound business judgment and is in the best interests of the Debtor and the Estate.

O. The Debtor has provided sufficient notice of its intention to abandon, pursuant to section 554 of the Bankruptcy Code, all of its right, title and interest in, and to, two parcels of real property consisting of approximately 37 acres located in Dickson, TN (the "Dickson Parcels") that are identified on the Dickson County Tax Map as Parcel 91.00, consisting of 30.10 acres, and Parcel 91.03, consisting of 6.37 acres, which parcels lie to the south of State Highway 47, and to the north of Marshall Stuart Road, located between Tennsco Drive and Printwood Drive.

P. The Debtor's proposed abandonment of the Dickson Parcels is in the best interests of the Debtor and the Estate because such parcels are burdensome, and of inconsequential value and benefit, to the Debtor's Estate.

Q. Pursuant to section 1123(b)(3) of the Bankruptcy Code, the Plan provides that the Debtor shall transfer to the Liquidating Trust the right to prosecute, on behalf of itself and its estate, any avoidance or recovery actions under sections 542, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code or any other Causes of Action, or rights to payment of claims, that belong to or could have been raised by or on behalf of the Debtor or the Estate.

R. The Plan complies with all applicable provisions of the Bankruptcy Code, thereby satisfying the requirements of section 1129(a)(1) of the Bankruptcy Code

and, as required by Bankruptcy Rule 3016(a), is dated and specifically identifies the Debtor as the proponent of the Plan.

S. The Debtor, as proponent of the Plan, has complied with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and orders of this Court with respect to the Plan. Good, sufficient and timely notice of the Confirmation Hearing has been given to holders of Claims and Equity Interests and to other parties-in-interest to whom notice is required to be given in accordance with the Disclosure Statement Order. The solicitation of votes was made in good faith and in compliance with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules and all other rules, laws and regulations. Ballots of Holders of Claims entitled to vote on the Plan were properly solicited and tabulated in accordance with the Disclosure Statement Order. Holders of at least two-thirds (2/3) in amount and one-half (1/2) in number of the Claims actually voting in Class 3 have accepted the Plan. Holders of Claims in Classes 1 and 2 are not impaired under the Plan and were not entitled to vote to accept or reject the Plan. Holders of Claims in Class 4 and holders of Equity Interests in Class 5 are conclusively presumed to have rejected the Plan, and were not entitled to vote on the Plan. Therefore, the Debtor has satisfied the requirements of section 1129(a)(2) of the Bankruptcy Code.

T. The Plan, and the compromises and settlements embodied therein, has been proposed in good faith and not by any means forbidden by law, as evidenced by, among other things, the totality of the circumstances surrounding the formulation of the Plan, the record of the Case, and the recoveries of Holders of Claims thereunder.

Therefore, the Plan satisfies the requirements of section 1129(a)(3) of the Bankruptcy Code.

U. Any payment made or to be made under the Plan or by any Person acquiring property under the Plan, for services or for costs and expenses in, or in connection with, the Case, or in connection with the Plan and incident to the Case, has been approved by, or will be subject to the approval of, the Court as reasonable, thereby satisfying the requirements of section 1129(a)(4) of the Bankruptcy Code.

V. The Debtor's current officers and current members of its board of directors shall serve in their respective capacities, pending the Debtor's formal dissolution under applicable state law. Therefore, the Debtor has satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code.

W. Section 1129(a)(6) of the Bankruptcy Code is inapplicable to the Case because the Plan does not contain rate changes for which a governmental regulatory commission has jurisdiction after confirmation.

X. Section 1129(a)(7) of the Bankruptcy Code requires each Holder of a Claim or Equity Interest in an impaired Class to either accept the Plan, or receive or retain under the Plan property having a value, as of the Effective Date of the Plan, that is not less than the amount that such Holder would receive on account of such Claim or Equity Interest if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code. The following Classes are impaired under the Plan: Class 3, Class 4, and Class 5. Each Holder of a Claim or Equity Interest in such Classes has either accepted the Plan, or will receive or retain under the Plan property having a value, as of the Effective Date of the

Plan, that is not less than the amount that such holder would receive or retain if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code on such date. The Plan, therefore, satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code.

Y. Section 1129(a)(8) of the Bankruptcy Code requires that for each Class of Claims or Equity Interests under the Plan, such Class has either accepted the Plan or is not impaired under the Plan. Impaired Class 3 has accepted the Plan. Unimpaired Classes 1 and 2 are conclusively presumed to have accepted the Plan without the solicitation of acceptances or rejections pursuant to section 1126(f) of the Bankruptcy Code. Impaired Classes 4 and 5 are deemed to have rejected the Plan. Because the impaired Classes 4 and 5 have not accepted the Plan, the requirements of section 1129(a)(8) have not been met, thereby requiring application of section 1129(b) of the Bankruptcy Code. As is more fully set forth below in paragraph EE of this Confirmation Order, the Plan satisfies section 1129(b) of the Bankruptcy Code with respect to Classes 4 and 5.

Z. The Plan satisfies the requirements of section 1129(a)(9) of the Bankruptcy Code since, except to the extent that the Holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that (i) the Holder of each Allowed Administrative Expense Claim shall be paid in full, in Cash; and (ii) the Holders of Allowed Priority Tax Claims and Allowed Priority Non-Tax Claims shall be paid in full, in Cash, or in such amounts and on such other terms as may be agreed to by the Holders of such Claims and the Debtor, or according to the ordinary business terms of the Debtor and such Holders.

AA. The provisions of section 1129(a)(10) of the Bankruptcy Code are satisfied because at least one impaired Class of Claims (*i.e.*, Class 3) has accepted the Plan, determined without inclusion of any acceptance of the Plan by any insider.

BB. Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization of, the Debtor, except as proposed by the Plan. The Plan provides for the liquidation and distribution of all of the Debtor's remaining Assets and, therefore, satisfies section 1129(a)(11) of the Bankruptcy Code.

CC. The Debtor has paid, or shall pay as provided by the Plan, all amounts due under 28 U.S.C. § 1930, thereby satisfying the requirements of section 1129(a)(12) of the Bankruptcy Code.

DD. As a consequence of this Court's Order dated April 21, 2005, there are no current and/or continuing "retiree benefit" obligations of the Debtor, as that term is defined in section 1114 of the Bankruptcy Code, as to any current or former employees. Thus, section 1129(a)(13) of the Bankruptcy Code is inapplicable to the Case.

EE. Neither Holders of Intercompany Claims in Class 4 nor Holders of Equity Interests in Class 5 will receive any Distribution or retain any value under the Plan and, accordingly, are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. These are the only Classes which have not accepted, or have been deemed to have rejected, the Plan. Pursuant to section 1129(b) of the Bankruptcy Code, the Court finds that the Plan does not discriminate unfairly and is fair and

equitable with respect to the treatment of Claims and Equity Interests in Classes 4 and 5. With respect to Classes 4 and 5, as required by section 1129(b)(2)(B) of the Bankruptcy Code, (i) there is no Holder of a Claim or Equity Interest (as the case may be) junior to the Holders of Claims in Class 4 or Equity Interests in Class 5 (as the case may be) which is to receive or retain under the Plan any property on account of such junior Claim or Equity Interest. Thus, the Plan satisfies section 1129(b) of the Bankruptcy Code.

FF. The principal purpose of the Plan is not the avoidance of taxes or avoidance of the requirements of section 5 of the Securities Act of 1933. No Governmental Unit has requested that the Court deny confirmation on such basis. Therefore, the Plan satisfies the requirements of section 1129(d) of the Bankruptcy Code.

GG. The Plan constitutes and embodies a good faith compromise and settlement of certain disputed claims and issues (including, but not limited to, those claims and issues encompassed by the Alper Settlement Agreement), which compromise and settlement is fair, equitable and within the range of reasonableness, is in the best interests of the Debtor, the Estate and its creditors, and was entered into in good faith, at arms' length and otherwise satisfies the requirements of Bankruptcy Rule 9019.

HH. Each of the discharge and injunctive provisions of Article XII and XIII of the Plan:

- i. falls within the jurisdiction of this Court under 28 U.S.C. § 1334(a), (b), (d) and (e);

- ii. is an essential means of implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code;
- iii. is an integral element of the transactions incorporated into the Plan;
- iv. confers a material benefit on, and is in the best interests of, the Debtor, the Estate, and its creditors;
- v. is important to the overall objectives of the Plan; and
- vi. is consistent with sections 105, 1123, 1129, and other applicable provisions of the Bankruptcy Code.

II. All Entities which are benefited by the discharge and injunctive provisions of the Plan have contributed and/or will contribute value to the Debtor and/or the Estate under the Plan.

JJ. The failure to effect the discharge and injunctive provisions of the Plan would impair the Debtor's ability to confirm the Plan.

KK. All conditions precedent to confirmation set forth in Article XI of the Plan have been satisfied, will be satisfied by entry of this Confirmation Order, or have been duly waived.

Accordingly, it is hereby **ORDERED, ADJUDGED AND DECREED** that:

1. The Plan is confirmed as having satisfied all of the applicable requirements of Chapter 11 of the Bankruptcy Code.

2. The Alper Settlement Agreement is hereby incorporated by reference into, and is an integral part of, this Confirmation Order.

3. Any Objection to the Plan and any response or request for continuance regarding confirmation of the Plan not resolved by the terms of this

Confirmation Order, by the terms of a separate order entered contemporaneously herewith, or by a statement announced on the record of the Confirmation Hearing and not otherwise withdrawn, waived or settled, is overruled and denied.

4. The record of the Confirmation Hearing is closed.

5. The findings of fact and conclusions of law of the Court set forth herein and at the Confirmation Hearing shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, as made applicable herein by Bankruptcy Rule 9014, and the findings and conclusions of the Court at the Confirmation Hearing are incorporated herein by reference. To the extent any finding of fact shall be determined to be a conclusion of law, it shall be so deemed, and *vice versa*.

6. Pursuant to section 554 of the Bankruptcy Code, the Debtor's abandonment of its right, title and interest in, and to, the Dickson Parcels is approved.

7. Except as otherwise provided in section 1141(d) of the Bankruptcy Code, on and after the Confirmation Date, the provisions of the Plan shall bind any holder of a Claim against, or Equity Interest in, the Debtor and its successors and assigns, including, without limitation, the Liquidating Trust, or in the assets of the Debtor, its successors and assigns or the Liquidating Trust, in each case regardless of whether the Claim or Equity Interest of such Holder is impaired under the Plan and whether such Holder has accepted the Plan.

8. The Liquidating Trust Agreement, substantially in the form filed with the Bankruptcy Court on February 24, 2006, is approved and will be effective as of the Effective Date of the Plan.

9. The initial Liquidating Trustee shall be Mr. Wayne Smith.

10. Subject to the terms of the Plan and the Liquidating Trust Agreement, the Debtor and the Liquidating Trustee are duly and validly authorized to issue, execute, deliver, file or record any and all documents necessary to implement the Plan, and to take any action reasonably necessary or appropriate to implement the Plan, in accordance with its terms.

11. In accordance with sections 1141 and 1142 of the Bankruptcy Code and Section 7.1 of the Plan, which is incorporated herein by reference as if set forth herein in extenso, the Debtor shall and hereby does transfer, convey and assign to the Liquidating Trust all of the Debtor's right, title and interest in all of the Trust Assets, free and clear of any Lien, Claim or Interest in such property of any other Person, which transfer, conveyance and assignment shall be effective only upon the Effective Date of the Plan. Following such transfer, the Liquidating Trust shall hold valid title to all such Trust Assets. The Trust Assets shall not include those assets otherwise assigned or transferred pursuant to the Plan or this Confirmation Order or retained by the Debtor. The Liquidating Trustee shall administer the Liquidating Trust and the Liquidating Trustee shall be deemed the Estate's representative in accordance with section 1123 of the Bankruptcy Code for purposes of administering and liquidating the Trust Assets, and the Disputed Claims Reserve and resolving Claims, and shall have all the powers, authority and responsibilities specified in the Liquidating Trust Agreement.

12. On the Effective Date, and after making all Distributions required to be made on the Effective Date, including, without limitation, Distributions pursuant

to Sections 5.2.1., 5.2.2 and 5.2.3 of the Plan, the Debtor and/or the Liquidating Trustee (as the case may be) shall establish the Disputed Claims Reserve, which shall be funded in an amount to be determined by the Debtor or the Liquidating Trustee as required by the terms of the Plan. Distribution(s) on account of a Disputed Claim and/or an Administrative Expense Claim, to the extent that such Claim ultimately becomes an Allowed Claim, shall be made solely from the Disputed Claims Reserve in accordance with the provisions of the Plan governing the Class of Claims in which such Claim is classified, and in accordance with the terms of the Liquidating Trust Agreement. Any Disputed Claim and/or Administrative Expense Claim that becomes an Allowed Claim prior to the Effective Date shall receive such treatment as the Plan prescribes for Claims in the Class in which the Allowed Claim is classified. As for Disputed Claims and/or Administrative Expense Claims that become Allowed Claims subsequent to the Effective Date, as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim or Administrative Expense Claim becomes a Final Order or the parties otherwise agree, the Debtor and/or the Liquidating Trustee, as the case may be, shall distribute to the holder of such Allowed Claim any payment that would have been distributed to such holder if the Claim had been Allowed on the Effective Date, plus any payments that would have been made on account of such Allowed Claim after the Effective Date, without any interest thereon. Any Distributions held in the Disputed Claims Reserve for the benefit of a Holder of a Disputed Claim, which is subsequently disallowed, in whole or in part, shall be distributed in accordance with the Plan.

13. The Liquidating Trustee may settle any Disputed Claim (including without limitation claims based on the rejection of executory contracts) without notice, a hearing or an order of the Bankruptcy Court. Notwithstanding the foregoing, the Liquidating Trustee may of his own discretion, seek and obtain an order of the Bankruptcy Court compromising or settling any Disputed Claims.

14. As set forth in Section 13.2 of the Plan, except as otherwise provided in the Plan, pursuant to section 1123 of the Bankruptcy Code, the Debtor shall and hereby does transfer, convey and assign to the Liquidating Trust the right to prosecute, on behalf of itself and its Estate, any avoidance or recovery actions under sections 542, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code or any other Causes of Action, or rights to payment of claims, that belong to or could have been raised by or on behalf of the Debtor or the Estate, which transfer, conveyance and assignment shall be effective only upon the Effective Date of the Plan. In pursuing any claim, right or Cause of Action, the Liquidating Trustee, as representative of the Estate, shall be entitled to the extensions provided under section 108 of the Bankruptcy Code, if any.

15. As set forth in Section 12.4 of the Plan, except as otherwise provided in the Plan or this Confirmation Order, on the Effective Date, all Liens against any property of the Debtor shall be deemed extinguished and discharged, and the Debtor will be revested with the assets, if any, of the Debtor not distributed or otherwise transferred under the Plan, free and clear of all Liabilities and Liens;

provided, however, that upon the dissolution of the Debtor, any remaining assets shall be contributed to the Liquidating Trust.

16. Pursuant to section 1141(d)(3) of the Bankruptcy Code and as set forth in Section 12.5 of the Plan, occurrence of the Effective Date will not discharge the Claims against the Debtor; provided, however, that no Holder of a Claim against the Debtor may, on account of such Claim, seek or receive any payment from, or seek recourse against, the Debtor, the Liquidating Trust, the Liquidating Trustee, Alper, or their property, successors and assigns, except as expressly provided in the Plan or this Confirmation Order.

17. As set forth in Section 13.1 of the Plan, as of the Effective Date, all Entities shall be permanently enjoined and restrained from: (a) commencing or continuing any action or proceeding respecting any claim or interest against the Debtor or its property (other than abandoned property); (b) enforcing, attaching, collecting or recovering by any manner or means of any judgment, award, decree or order against the Debtor or its property (other than abandoned property); (c) creating, perfecting, or enforcing any encumbrance of any kind against the Debtor or its property (other than abandoned property); (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due the Debtor from any such Entity; and (e) performing any act, in any manner, in any place whatsoever, that does not conform to, or comply with, the provisions of the Plan or this Confirmation Order.

18. As of the Effective Date, the Debtor, on its own behalf, and on behalf of its Estate, subject to the Debtor's receipt of payment pursuant to the Alper

Settlement Agreement, releases, acquits and forever discharges Alper and its principals, shareholders, subsidiaries, affiliates, and their respective employees, agents, representatives, officers, directors, members, partners, professionals (all solely in their capacities as such), successors and assigns, and any Entity claimed to be liable derivatively through the Debtor, or any of the foregoing (each such party, a “Released Party”) from any and all actions, causes of action, liabilities, obligations, rights, suits, accounts, covenants, contracts, agreements, promises, damages, judgments, claims, debts, remedies and demands whatsoever, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in contract or in law, at equity or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the commencement of this Case or during the course of the Case (including through the Effective Date), in any way relating to the Debtor, this Case, or the ownership, management, and operation of the Debtor, that the Debtor could assert directly or any Holder of a Claim or Interest or other Entity could assert derivatively or on behalf of the Debtor or its Estate (the “Released Claims”); provided that the foregoing release shall not operate as a waiver of or release of (i) any liability, claim, or cause of action arising out of any express contractual obligation owing by any current or former, director, officer or employee of the Debtor, (ii) any reimbursement obligation of any current or former, director, officer, or employee with respect to a loan or advance made by the Debtor to such director, officer, or employee, or (iii) any liability, claim or cause of action against Grupo and its employees, agents, representatives, officers,

directors, members, partners, professionals, successors and assigns (all solely in their capacities as such). The releases as set forth in Section 13.1(b) of the Plan shall be enforceable as a matter of contract and are in addition to, and not in lieu of, any other release or discharge provided by applicable law, including section 1141 of the Bankruptcy Code, or separately given, conditionally or unconditionally, by the Debtor or any other Entity. Notwithstanding the foregoing, the above release does not release claims any nondebtor third party may hold against any of the Released Parties, except to the extent any nondebtor third party is asserting a claim that is property of the Debtor's Estate.

19. From and after the Effective Date, the Debtor and its Estate, subject to the Debtor's receipt of payment pursuant to the Alper Settlement Agreement, shall be permanently enjoined from asserting any and all Claims and Causes of Action that may lie against Alper with respect to the releases granted to it pursuant to the Plan and this Confirmation Order.

20. The provisions of the Plan and this Confirmation Order shall not diminish or impair in any manner the enforceability and coverage of any insurance policies that may cover Claims against the Debtor or any other Person.

Notwithstanding any other terms or provisions in the Plan, this Confirmation Order (i) is without prejudice to the rights, remedies, claims, exclusions, limitations and/or defenses of Century Indemnity Company, Pacific Employers Insurance Company and/or any other of their related insurance companies (collectively, the "Insurers") under any insurance policies issued by Insurers that may provide coverage for the

Debtor and/or under any agreements relating to such insurance policies (collectively, the “Agreements”) and/or any of the reservations of rights by Insurers as to any issues relating to the Agreements (as such issues are set forth in Insurers’ Objections to Debtor’s First Amended Disclosure Statement (Doc. No. 197)), provided, however, that nothing in the Plan or this Confirmation Order shall be deemed to constitute a rejection of the Agreements under section 365 of the Bankruptcy Code to the extent the Agreements exist and are executory; (ii) confirms that all of the terms, provisions, conditions, limitations and/or exclusions contained in the Agreements shall remain in full force and effect; (iii) confirms that the Debtor and/or the Liquidating Trust shall remain as the insured under the Agreements, and that the Debtor and the Liquidating Trust shall remain bound by all of the terms, provisions, conditions, limitations and/or exclusions contained in the Agreements; (iv) confirms that the Agreements shall not be assigned by the Debtor, except to the Liquidating Trust pursuant to the Plan, without Insurers’ prior express written consent, which consent shall not be unreasonably withheld; (v) confirms that nothing in the Plan shall be deemed to create any insurance coverage that does not otherwise exist, if at all, under the terms of the Agreements, or create any direct right of action against Insurers; (vi) is without prejudice to any of Insurers’ rights, claims and/or defenses in any subsequent litigation in any appropriate forum in which Insurers may seek a declaration regarding the nature and/or extent of any insurance coverage under the Agreements; (vii) confirms that the Debtor and/or the Liquidating Trust shall satisfy all continuing duties and obligations of the insureds under the Agreements to the extent any such duties and obligations

exist; and (viii) confirms that nothing in the Plan shall be construed as an acknowledgment either that the Agreements cover or otherwise apply to any Claims or that any Claims are eligible for payment under any of the Agreements.

21. As of the Effective Date, and subject to paragraph 20 above, all Executory Contracts of the Debtor shall be deemed rejected by the Debtor pursuant to the provisions of section 365 of the Bankruptcy Code, except: (a) any Executory Contract that has been assumed or assumed and assigned pursuant to an Order of the Bankruptcy Court prior to the Effective Date; and (b) any Executory Contract to be assumed or assumed and assigned pursuant to a separate motion of the Debtor pending on the Effective Date; or (c) is the subject of a stipulation or other written agreement between the Debtor and the other party to a particular Executory Contract, either approved or to be approved by the Court.

22. As set forth in Section 10.2 of the Plan, if the rejection of any Executory Contract under the Plan or otherwise, results in damages to the other party or parties to such contract, a Claim for such damages, if not heretofore evidenced by a filed proof of Claim, shall be forever barred and shall not be enforceable against the Debtor, and the Liquidating Trust or their respective properties or interests in property or agents, successors, or assigns, unless a proof of Claim is filed with the Bankruptcy Court and served upon the Debtor and the Liquidating Trustee and their respective counsel, on or before thirty (30) days after the earlier to occur of: (a) the Confirmation Date and (b) the entry of an Order by the Bankruptcy Court authorizing rejection of a

particular Executory Contract. Payment of Allowed Claims based on such rejection damages, if any, shall be made solely from the Disputed Claims Reserve.

23. Except for Administrative Expense Claims of Professionals requesting compensation or reimbursement of expenses, requests for payment of Administrative Expense Claims must be filed no later than twenty (20) days after the notice of entry of this Confirmation Order (the “Administrative Bar Date”) is served in accordance with Paragraph 24 below. Holders of such Administrative Expense Claims who are required to file a request for payment of such Claims and who do not file such requests by the Administrative Bar Date, shall be forever barred from asserting such Claims against the Debtor, or the Liquidating Trust, the Liquidating Trustee or their respective property. To the extent not paid on or prior to the Effective Date, payments on account of Allowed Administrative Expense Claims shall be made solely from the Operating Reserve Account contemplated by the Plan.

24. Unless otherwise ordered by the Court, all Professionals or other Entities requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code for services rendered before the Confirmation Date (including compensation requested by any Professional or other Entity for making a substantial contribution in the Case) shall file with the Bankruptcy Court (with a courtesy copy to Judge Lifland’s Chambers) an application for final allowance of compensation and reimbursement of expenses no later than thirty (30) days after the Confirmation Date and serve such application upon: (a) counsel for the Debtor, Togut, Segal & Segal LLP, One Penn Plaza, Suite 3335, New York, New York

10119, Attn: Scott E. Ratner, Esq.; (b) Mr. Wayne Smith, Liquidating Trustee for the Saltire Industrial, Inc. Creditors Liquidating Trust, 274 Riverside Avenue, Suite 1, Westport, CT 06880; and (c) the United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Tracy Hope Davis, Esq. Objections to final applications of Professionals or other Entities for compensation or reimbursement of expenses must be filed with the Bankruptcy Court and served on the applicable Professionals or Entity no later than fifty (50) days after the Confirmation Date. All compensation and reimbursement of expenses allowed by the Bankruptcy Court by a Final Order and not previously paid by the Debtor shall be paid by the Debtor or the Liquidating Trustee, as the case may be, to the applicable Professional immediately thereafter from Available Cash set aside and reserved for such purpose in the Operating Reserve Account on or before the Effective Date.

25. Payment obligations incurred after the date and time of entry of this Confirmation Order, including, without limitation, the fees and expenses of Professionals incurred from the Confirmation Date (a) shall not be subject to application or proof of Claim and may be paid by the Debtor in the ordinary course of business and without further Bankruptcy Court approval, as Administrative Expense Claims, and (b) shall be paid by the Debtor to the applicable Professional from Available Cash set aside and reserved for such purpose by the Debtor on or before the Effective Date.

26. All fees payable pursuant to section 1930 of title 28 of the United States Code, as determined by the Bankruptcy Court on the Confirmation Date, shall be paid on the Effective Date. Any statutory fees accruing after the Confirmation Date

shall be paid by the Debtor or, if the Debtor has dissolved, by the Liquidating Trust, when due and owing.

27. As of the Effective Date, each Holder of a Claim or Equity Interest, each party-in-interest and each Entity acting or claiming or purporting to act or claim by, through under or on behalf of any of the foregoing, shall forever be enjoined from the commencement or continuation of any action, the employment of process, or any act to assert a claim for relief against the Debtor, the Official Committee, Alper, and their respective officers, directors, attorneys or other professionals (the "Plan Releasees") in respect of: (a) any actions taken or not taken in connection with the Case; (b) the Plan; (c) the Disclosure Statement; (d) Distributions, payments or transfers made under this Plan; (e) acts performed pursuant to this Plan; (f) any contract, release, or other agreement or document created or entered into, or any other action taken or omitted to be taken, in connection with this Plan; or (g) any Claim compromised, settled or released under or pursuant to this Plan; provided, however, that the foregoing release shall not release the Plan Releasees (i) from their obligations under the Plan, and (ii) for any acts, or omissions to act, evidencing and/or constituting gross negligence, willful misconduct, breach of fiduciary duty or malpractice. Notwithstanding the foregoing, under no circumstances shall a nondebtor third party be enjoined from the assertion of any claim, or the continuation or commencement of any derivative action, against a Released Party, except to the extent such claim or derivative action is property of the Debtor's Estate.

28. Notwithstanding confirmation of the Plan or the occurrence of the Effective Date, the Bankruptcy Court shall retain jurisdiction for all purposes permitted under applicable law, including, without limitation, the following purposes:

- (a) To hear and determine pending applications for the assumption or rejection of Executory Contracts, if any are pending, and the allowance of Claims resulting therefrom;
- (b) To determine any and all adversary proceedings, applications and contested matters;
- (c) To ensure that Distributions to Holders of Allowed Claims are accomplished as provided herein;
- (d) To hear and determine any timely objections to Administrative Expense Claims, Priority Claims or to proofs of Claim filed, both before and after the Confirmation Date, including any objections to the classification of any Claim, and to allow or disallow any Disputed Claim, in whole or in part;
- (e) To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, or vacated;
- (f) To issue such orders in aid of execution of this Plan in accordance with section 1142 of the Bankruptcy Code;
- (g) To consider any modifications of this Plan, to cure any defect or omission, or to reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order;
- (h) To hear and determine all applications of Professionals for final awards of compensation for services rendered and reimbursement of expenses relating to the implementation and effectuation of this Plan;
- (i) To hear and determine disputes arising in connection with the interpretation, implementation or enforcement of this Plan;

- (j) To hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;
- (k) To compel the conveyance of property and other performance contemplated under this Plan and documents executed in connection herewith;
- (l) To enforce remedies upon any default under the Plan;
- (m) To enforce all orders, judgments and rulings entered in connection with the Case (whether or not the Case has been closed);
- (n) To resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of this Plan, or any Person's or Entity's obligations incurred in connection herewith;
- (o) To issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with the occurrence of the Effective Date or enforcement of this Plan;
- (p) To determine any other matters that may arise in connection with, or relate to, this Plan, the Disclosure Statement, or the Confirmation Order; and
- (q) To enter a final decree closing the Case.

29. To the extent this Confirmation Order and/or the Plan is inconsistent with the Disclosure Statement, or any other agreement entered into by the Debtor and any third party (excluding, however, the Liquidating Trust Agreement), (i) the Plan shall control (x) the Disclosure Statement and (y) any such agreements between the Debtor and any third party and (ii) this Confirmation Order (and any other orders of the Court) controls the Plan.

30. The principal purpose of the Liquidating Trust Agreement is to aid in the implementation of the Plan and therefore the Plan incorporates the provisions of

the aforesaid agreement, and the provisions of the Liquidating Trust Agreement are hereby approved. To that end, the Liquidating Trustee shall have the full power and authority to take any action consistent with the purpose and provisions of the Plan, and to seek any orders from the Bankruptcy Court in furtherance of the implementation of the Plan or the Liquidating Trust Agreement, as the case may be. If any provision of the Liquidating Trust Agreement is found to be inconsistent with the provisions of the Plan or this Confirmation Order, the provisions of this Confirmation Order shall control.

31. After the entry of this Confirmation Order and prior to substantial consummation of the Plan, as defined in section 1101(2) of the Bankruptcy Code, the Debtor, or the Liquidating Trustee acting on behalf of the Debtor after the Effective Date, may propose in writing to modify the Plan in order to remedy any defect or omission or to reconcile any inconsistencies in the Plan, the Disclosure Statement and/or the Confirmation Order, but such modifications shall not be effective without the consent of the Official Committee and Alper; provided that: (i) the Debtor obtains approval of the Bankruptcy Court for such modification, after notice and a hearing; and (ii) such modification shall not materially and adversely affect the interests, rights, treatment, or Distributions of any Class under the Plan.

32. The failure specifically to include or reference any particular provision of the Plan in this Confirmation Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Bankruptcy Court that the Plan be confirmed in its entirety.

33. To the extent that any provisions of this Confirmation Order could be construed as modifications to the Plan, such modifications do not materially or adversely affect or change the treatment of any Claims against or Equity Interest in the Debtor. Accordingly, such modifications would not require additional disclosure under section 1125 of the Bankruptcy Code or the resolicitation of acceptances or rejections under section 1126 of the Bankruptcy Code, nor do they require that Holders of Claims against the Debtor be afforded an opportunity to change previously cast acceptances or rejections of the Plan as filed with the Bankruptcy Court.

34. The Debtor or its authorized agent shall serve notice of (a) entry of this Confirmation Order and (b) the last date to file (i) Administrative Expense Claims and (ii) Claims arising from the rejection of Executory Contracts, substantially in the form annexed hereto as Exhibit "1," which form is hereby approved, on all creditors of the Debtor as of the date hereof and other parties in interest within ten (10) Business Days from the date of entry of this Confirmation Order.

DATED: New York, New York
March 8, 2006

/s/Burton R. Lifland
HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT "1" TO CONFIRMATION ORDER

TOGUT, SEGAL & SEGAL LLP
Attorneys for Saltire Industrial, Inc.
Debtor and Debtor in Possession
One Penn Plaza - Suite 3335
New York, New York 10119
(212) 594-5000
Albert Togut (AT-9759)
Scott E. Ratner (SER-0015)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re: : Chapter 11
: Case No. 04-15389 [BRL]
SALTIRE INDUSTRIAL, INC., :
: Debtor. :
-----X

**NOTICE OF ENTRY OF ORDER (A) CONFIRMING MODIFIED FIRST
AMENDED CHAPTER 11 PLAN OF LIQUIDATION OF SALTIRE INDUSTRIAL,
INC.; AND (B) FIXING DEADLINES FOR THE FILING OF (i) ADMINISTRATIVE
CLAIMS AND (ii) CLAIMS RELATING TO REJECTED EXECUTORY CONTRACTS**

TO ALL KNOWN CREDITORS AND PARTIES-IN-INTEREST:

PLEASE TAKE NOTICE that:

1. Saltire Industrial, Inc., the above-captioned debtor and debtor in possession (the "Debtor"), filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code on August 14, 2004 (the "Petition Date") with the Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").

2. On March ____, 2006, the Bankruptcy Court issued an order (the “Confirmation Order”) confirming the Debtor’s Modified First Amended Plan of Liquidation, dated December 28, 2005 (the “Plan”).

3. Copies of the Confirmation Order, the Plan, and all pleadings filed, and orders entered, in the Debtor’s Chapter 11 case may be examined and inspected by interested parties at the Bankruptcy Court, The Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004, during regular business hours and are publicly available online in electronic format at the Bankruptcy Court’s general web site address at www.nysb.uscourts.gov.

4. **Administrative Claims Bar Date.** Except as provided in Paragraph 5 below, all holders of claims against the Debtor arising on or after the Petition Date, which are asserted to be entitled to a priority under sections 503(b) or 507(a)(1) of the Bankruptcy Code as expenses of administration (“Administrative Claims”), are required to file a proof of such Administrative Claim on or before [_____, 2006] (the “Administrative Bar Date”) as set forth in Paragraph 6 below.

5. You are not required to file a proof of an Administrative Claim on or before the Administrative Bar Date if: (a) you have already filed a proof of Administrative Claim against the Debtor; (b) your Administrative Claim was previously fixed by Stipulation and/or Order of the Bankruptcy Court; or (c) you are a professional retained by the Debtor pursuant to Bankruptcy Court Order and your Administrative Claim is for unpaid fees or expenses incurred after the Petition Date.

6. Each original proof of Administrative Claim must be filed on or before the Administrative Bar Date by delivering same: (i) if by mail, to Saltire Industrial, Inc., c/o The Garden City Group, Inc., P.O. Box 9000-#6256, Merrick, NY 11566-9000; or (ii) if by hand delivery or overnight courier, to the Clerk of the Bankruptcy Court, One Bowling Green, Room 534, New York, New York 10004-1408, Attn: Saltire Industrial, Inc. A copy only of any proof of Administrative Claim filed with the Bankruptcy Court should also be delivered to counsel to the Debtor at the address indicated below.

7. Any holder of an Administrative Claim against the Debtor who is required, but fails, to file a proof of Administrative Claim on or before the Administrative Bar Date in the manner set forth in Paragraph 6 above shall be forever barred, estopped and enjoined from asserting such Administrative Claim against the Debtor (or from filing a proof of claim with respect thereto), and the Debtor and its property shall be forever discharged from any and all indebtedness or liability with respect to such Administrative Claim and such holder shall not be permitted to participate in any distribution or payment in this Chapter 11 case on account of such Administrative Claim.

[concluded on the following page]

8. **Rejection of Executory Contracts.** If the rejection by the Debtor of an unexpired contract or lease pursuant to the Plan results in a claim, then such claim shall be forever barred and shall not be enforceable against the Debtor or its property unless a proof of claim is filed with the Clerk of the Bankruptcy Court and served upon counsel to the Debtor at the address indicated below so that it is received on or before [_____, 2006].

DATED: New York, New York
March __, 2006

BY ORDER OF THE COURT:

HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE

SALTIRE INDUSTRIAL, INC.
Liquidated Debtor,
By its attorneys,
TOGUT, SEGAL & SEGAL LLP,
One Penn Plaza - Suite 3335
New York, New York 10119
(212) 594-5000
Attention: Albert Togut, Esq.
Scott E. Ratner, Esq.