

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 11
AUTOMOTIVE PROFESSIONALS,)
INC.,) Case No. 07 B 6720
Debtor.) Honorable Carol A. Doyle
)

**ORDER APPROVING FIRST AMENDED DISCLOSURE
STATEMENT AND CONFIRMING JOINT LIQUIDATION PLAN
OF AUTOMOTIVE PROFESSIONALS, INC., AS MODIFIED**

This matter comes before the Court for the Combined Hearing On Adequacy Of The First Amended Disclosure Statement And Confirmation Of The Proposed Joint Plan Of Liquidation Of Automotive Professionals, Inc., upon the request of Frances Gecker (the "Trustee"), Chapter 11 trustee of Automotive Professionals, Inc. ("API" or the "Debtor"), and the Official Committee of Unsecured Creditors of Automotive Professionals, Inc. (the "Committee," and together with the Trustee, the "Plan Proponents"), for an order approving the First Amended Disclosure Statement With Respect To Joint Liquidation Plan Of Automotive Professionals, Inc. (the "Disclosure Statement") and confirming the Joint Liquidation Plan Of Automotive Professionals, Inc. filed by the Plan Proponents on November 6, 2009, as modified by a modification filed by the Plan Proponents on January 26, 2010 (the "Plan");¹

The Plan or a summary thereof having been transmitted to creditors and equity security holders; and

It having been determined after hearing on notice that the requirements for confirmation set forth in 11 U.S.C. § 1129(a) have been satisfied;

¹ Unless otherwise indicated, capitalized terms used herein shall have the meanings ascribed to them in the Plan, or if applicable, the Bankruptcy Code or the Bankruptcy Rules.

IT IS ORDERED THAT:

1. **Approval of Disclosure Statement.** The Disclosure Statement is hereby approved as containing adequate information pursuant to 11 U.S.C. § 1125.

2. **Plan Confirmation.** The Plan, as filed on November 6, 2009, and modified on January 26, 2010, and each of its provisions are hereby confirmed under 11 U.S.C. § 1129. The terms of the Plan and the exhibit thereto are incorporated by reference into, and are an integral part of, the Plan and this Order. A copy of the Plan is attached hereto as Exhibit A.

3. **Approval of Marathon Settlement.** The Settlement, Release and Policy Buyback Agreement, dated June 25, 2009, between and among the Trustee, Marathon Financial Insurance Co., Inc., RRG ("Marathon"), Allen Kreke ("Kreke") and James P. Bryan ("Bryan"), a copy of which is attached to the Plan as Exhibit 1, is approved.

4. **Allowance of Goldman Sachs' Secured Claim.** The secured claim that Goldman, Sachs & Co. ("Goldman Sachs") filed against the Debtor's bankruptcy estate (the "GS Claim"), which Goldman Sachs alleged was secured by certain Reserve Accounts deposited by the Debtor at Goldman Sachs (the "GS Reserves"), is hereby allowed. The GS Claim shall be deemed paid in full as set forth in the Plan, as follows: Goldman Sachs shall retain all GS Reserves currently in its possession pursuant to this Court's Cash Collateral Order entered on October 1, 2008, including interest earned thereon, and the Trustee shall pay Goldman Sachs the additional amount of \$2,000,000.00.

5. **Marathon Injunction.** Upon entry of this Confirmation Order, the Plan will operate as an injunction prohibiting and enjoining the commencement or continuation of any action, the employment of process or any act to collect, recover from, or offset any claim or demand by any Dealers, API consumers or parties in interest against the Marathon Parties with

respect to the Marathon Policies, the Marathon-Related Reserve Accounts or any VSCs, including GPR Options, insured by Marathon; provided that, such injunction does not extend to claims for which Marathon expressly assumes liability pursuant to the terms of the Marathon Settlement Agreement.

6. **Travelers Injunction.** Upon entry of this Confirmation Order, the Plan will operate as an injunction prohibiting and enjoining the commencement or continuation of any action, the employment of process or any act to collect, recover from, or offset any claim or demand by any Dealers, API consumers or parties in interest against the Travelers Parties with respect to the Travelers Policies, the Travelers-Related Reserve Accounts or any VSCs, including GPR Options, insured by Travelers; provided that, such injunction does not extend to (a) any valid covered repair claims that have been asserted by the Travelers-Backed Consumers under the terms of the relevant VSC that remain unpaid, or that will be asserted in the future, or (b) any claim with respect to any valid cancellation of a VSC made by any Travelers-Backed Consumer other than cancellation charges owed by BPI, API's Agents or Dealers.

7. **Ohio Indemnity Injunction.** Upon entry of this Confirmation Order, the Plan will operate as an injunction prohibiting and enjoining the commencement or continuation of any action, the employment of process or any act to collect, recover from, or offset any claim or demand by any Dealers, API consumers or parties in interest against Ohio Indemnity with respect to the Ohio Indemnity Policies, the Ohio Indemnity-Related Reserve Accounts or any VSCs, including GPR Options, insured by Ohio Indemnity; provided that, such injunction does not extend to (a) any valid covered repair claims and GPR Claims made under VSCs insured under Ohio Indemnity Policies (the "Covered OIC-Backed VSCs") that are not the subject of the Trustee's settlement agreements with certain Dealers, agents and claims administrators that may

have included OIC-Backed VSCs, and either have been timely asserted by Consumers with Covered OIC-Backed VSCs ("OIC-Backed Consumers") and remain unpaid, or will be timely asserted by OIC-Backed Consumers in the future, or (b) any claim with respect to any valid cancellation of Covered OIC-Backed VSCs other than cancellation charges due from any other persons or entities.

8. **Continuation of Prior Stays and Injunctions.** All of the injunctions and/or automatic stays provided for in or in connection with the Chapter 11 Case, whether pursuant to section 105, section 362 or any other provision of the Bankruptcy Code or other applicable law, in existence immediately prior to Confirmation shall remain in full force and effect until the Plan Injunctions become effective, and thereafter, if so provided by the Plan, this Order or by their own terms. In addition, all actions in the nature of those to be enjoined by the Plan Injunctions shall be enjoined during the period between the Confirmation Date and the Effective Date. The Trustee may seek such further orders as she may deem necessary to preserve the *status quo* during the time between the Confirmation Date and the Effective Date.

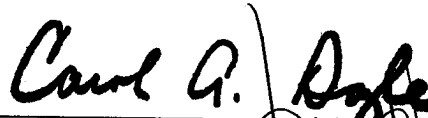
9. **Retention of Jurisdiction.** This Court shall retain jurisdiction to the fullest extent permissible with respect to all matters arising from or related to the implementation of this Order, including without limitation, (a) to enforce the Plan Injunctions, and (b) to impose costs and sanctions on any entity found to have violated the Plan Injunctions.

10. **Immediate Effect of the Confirmation Order.** Notwithstanding the possible applicability of Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, pursuant to Bankruptcy Rule 3020(e), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry on the docket.

11. **Calculation of Time.** All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

12. **Notice of Entry of Confirmation Order.** On or before the date that is thirty (30) days after this Court enters an order confirming the Plan, the Trustee shall serve by first class mail a notice of the entry of this Confirmation Order (the "Confirmation Notice") to each of the following at their respective addresses last known to the Trustee: (i) the Office of the United States Trustee, (ii) the attorneys for the Committee, and (iii) all professionals retained by the Trustee and the Committee pursuant to 11 U.S.C. § 327. The Trustee shall also cause the Confirmation Notice to be published as promptly as practicable after the Effective Date once in The USA Today (National Edition). Such service shall constitute good and sufficient notice pursuant to Bankruptcy Rule 2002(f)(7) and 2002(l) of the confirmation of the Plan and the entry of this Confirmation Order.

Dated: March 26, 2010
Chicago, Illinois



Hon. Carol A. Doyle
United States Bankruptcy Judge