

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
North Atlantic Life Insurance Company of America		08/14/2003	CORPORATION: NEW YORK
Northern Life Insurance Company		08/14/2003	CORPORATION: WASHINGTON
Northwestern National Life Insurance Company		08/14/2003	CORPORATION: MINNESOTA

RECEIVING PARTY DATA

Name:	ADS Properties Corp.
Street Address:	5 Burlington Square
City:	Burlington
State/Country:	VERMONT
Postal Code:	05401
Entity Type:	CORPORATION: VERMONT

PROPERTY NUMBERS Total: 12

Property Type	Number	Word Mark
Registration Number:	1605633	POLARTUFF
Registration Number:	1489404	POLARCAP
Registration Number:	1297628	POLARFLEECE
Registration Number:	1241219	POLARPILE
Registration Number:	1440011	POLARPLUS
Registration Number:	1461958	POLARPLUSH
Registration Number:	1460960	POLARPRO
Registration Number:	1686482	POLARQUEST
Registration Number:	1585741	POLARSYSTEM
Registration Number:	1687907	POLARTEC
Registration Number:	1455383	POLARTWEED

CH \$315.00 1605633

Registration Number:

1489403

POLARWASH

CORRESPONDENCE DATA

Fax Number: (215)979-1020

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 215-979-1255

Email: swapicelli@duanemorris.com

Correspondent Name: Samuel W. Apicelli

Address Line 1: 30 S. 17th Street

Address Line 2: Duane Morris LLP

Address Line 4: Philadelphia, PENNSYLVANIA 19103-4196

ATTORNEY DOCKET NUMBER:

U1729-00003

NAME OF SUBMITTER:

Samuel W. Apicelli

Signature:

/samuel w. apicelli/

Date:

05/14/2007

Total Attachments: 43

source=U1729-00031006_0198North atlantic#page1.tif

source=U1729-00031006_0198North atlantic#page2.tif

source=U1729-00031006_0198North atlantic#page3.tif

source=U1729-00031006_0198North atlantic#page4.tif

source=U1729-00031006_0198North atlantic#page5.tif

source=U1729-00031006_0198North atlantic#page6.tif

source=u1729-0003Order Confirming Revised Fifth#page1.tif

source=u1729-0003Order Confirming Revised Fifth#page2.tif

source=u1729-0003Order Confirming Revised Fifth#page3.tif

source=u1729-0003Order Confirming Revised Fifth#page4.tif

source=u1729-0003Order Confirming Revised Fifth#page5.tif

source=u1729-0003Order Confirming Revised Fifth#page6.tif

source=u1729-0003Order Confirming Revised Fifth#page7.tif

source=u1729-0003Order Confirming Revised Fifth#page8.tif

source=u1729-0003Order Confirming Revised Fifth#page9.tif

source=u1729-0003Order Confirming Revised Fifth#page10.tif

source=u1729-0003Order Confirming Revised Fifth#page11.tif

source=u1729-0003Order Confirming Revised Fifth#page12.tif

source=u1729-0003Order Confirming Revised Fifth#page13.tif

source=u1729-0003Order Confirming Revised Fifth#page14.tif

source=u1729-0003Order Confirming Revised Fifth#page15.tif

source=u1729-0003Order Confirming Revised Fifth#page16.tif

source=u1729-0003Order Confirming Revised Fifth#page17.tif

source=u1729-0003Order Confirming Revised Fifth#page18.tif

source=u1729-0003Order Confirming Revised Fifth#page19.tif

source=u1729-0003Order Confirming Revised Fifth#page20.tif

source=u1729-0003Order Confirming Revised Fifth#page21.tif

source=u1729-0003Order Confirming Revised Fifth#page22.tif

source=u1729-0003Order Confirming Revised Fifth#page23.tif

source=u1729-0003Order Confirming Revised Fifth#page24.tif

TRADEMARK

REEL: 003541 FRAME: 0337

source=u1729-0003Order Confirming Revised Fifth#page25.tif
source=u1729-0003Order Confirming Revised Fifth#page26.tif
source=u1729-0003Order Confirming Revised Fifth#page27.tif
source=u1729-0003Order Confirming Revised Fifth#page28.tif
source=u1729-0003Order Confirming Revised Fifth#page29.tif
source=u1729-0003Order Confirming Revised Fifth#page30.tif
source=u1729-0003Order Confirming Revised Fifth#page31.tif
source=u1729-0003Order Confirming Revised Fifth#page32.tif
source=u1729-0003Order Confirming Revised Fifth#page33.tif
source=u1729-0003Order Confirming Revised Fifth#page34.tif
source=u1729-0003Order Confirming Revised Fifth#page35.tif
source=u1729-0003Order Confirming Revised Fifth#page36.tif
source=u1729-0003Order Confirming Revised Fifth#page37.tif

RELEASE OF SECURITY INTEREST IN TRADEMARKS

Whereas North Atlantic Life Insurance Company of America, a corporation organized and existing under the laws of the state of New York and Northern Life Insurance Company, a corporation organized and existing under the laws of the state of Washington (hereinafter referred to as the "Lien Holders"), were granted a security interest in certain Trademarks, Trademark Applications, Trademark Registrations, and the business and goodwill of the business associated therewith as set forth on **Schedule A**, attached hereto and made a part hereof (the "Trademarks"), by ADS Properties Corp., a corporation organized and existing under the laws of the state of Vermont (hereinafter referred to as "Trademark Owner");

Whereas, a security interest in the Trademarks was granted on March 2, 1993 and recorded with the United States Patent and Trademark Office at Reel/ Frame No.1006/0198 (the "Security Interest");

Whereas, the Lien Holders are desirous of releasing the Security Interest to Trademark Owner;

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Lien Holders have released and by these presents do hereby release, unto Trademark Owner, and the successors and assigns of Trademark Owner, the Security Interests, including without limitation any security interests which Lien Holders may have obtained to the Trademarks; and

The Lien Holders agree, at Trademark Owner's expense and request, to take all lawful acts which any Trademark Owner or assignee of the Trademarks may deem advisable or necessary in order to render this release fully effective and to make this release of record in the U.S. Patent and Trademark Office and corresponding government offices throughout the world where Lien Holders have recorded their security interests, and such other government offices as Trademark Owner may select, including without limitation, execution of lawful documents.

North Atlantic Life Insurance Company of
America

Dated: _____

By: _____
Name:
Title:

Northern Life Insurance Company

Dated: _____

By: _____
Name:
Title:

SCHEDULE A

REGISTRATION /APPLICATION. NO.	MARK
2,875,240	HEAT and Design
2,834,960	POLARTEC HEAT HEAT WARMTH ON DEMAND and Design
2,805,301	POLARTEC HEAT HEAT WARMTH ON DEMAND and Design
2,760,641	AIRCORE
2,690,707	AIRCORE
2,629,230	POWER SHIELD
1,605,633	POLARTUFF
1,412,401	SPORTFLEECE
2,567,829	MALDEN MILLS GENUINE ORIGINAL POLARFLEECE
2,352,623	AIR CORE TECHNOLOGY
2,840,085	AIRCORE TECHNOLOGY
2,443,460	AQUA SHELL
2,093,302	BELIEVE IN WHAT YOU WEAR
2,019,688	BIPOLAR TECHNOLOGY
2,033,125	BODY CLIMATE
78/865,546	BODY CLIMATE
2,054,817	BOUNDARY
2,409,428	BUNNY BELLY
2,095,343	ELEMENT CONTROL

REGISTRATION /APPLICATION. NO.	MARK
2,354,088	DYNAMIC CONTROL TECHNOLOGY
1,439,216	FEMINIQUE
2,362,708	FLASHBACK
1,838,709	MALDEN MILLS
2,063,455	MALDEN MILLS GENUINE ARTICLE POLARFLEECE AND DESIGN
1,101,535	MALDEN
2,214,596	LOGO (TRIANGLE)
1,101,536	M MALDEN
2,206,228	POLAR BABIES
2,018,325	POLAR EXTREME
1,489,404	POLARCAP
1,297,628	POLARFLEECE
2,043,717	POLARFLEECE
2,039,153	POLAR FORCE
2,102,281	POLARFUR
2,368,329	POLARKIDS
1,125,603	POLAR PAIRS
1,241,219	POLARPILE
1,440,011	POLARPLUS
1,461,958	POLARPLUSH
1,460,960	POLARPRO
1,686,482	POLARQUEST
1,014,728	POLAR SPORT

REGISTRATION /APPLICATION. NO.	MARK
78/781,734	POLAR SPORT
2,011,177	POLAR SPORT
78/781,717	POLAR SPORT
2,011,018	POLARSTRETCH
1,585,741	POLARSYSTEM
1,865,829	POLARTEC
2,055,241	POLARTEC
1,687,907	POLARTEC & Design
2,056,033	POLARTEC & Design
2,443,469	POLARTEC HEAT
2,046,104	POLARTEC PRO
2,460,383	POLARTEC WIND PRO
2,355,135	POLARTEX
2,016,064	POLAR 10
1,455,383	POLARTWEED
1,489,403	POLARWASH
2,368,328	POLAR WEAR
1,890,580	POLAR ZONE
2,112,494	POWER DRY
1,937,228	POWER STRETCH
2,486,100	POWER STRETCH-RX
2,375,752	POLAR TOUCH
1,573,455	SHERPATEK

REGISTRATION /APPLICATION. NO.	MARK
1,208,496	SNUGGLE BUNNY
2,413,228	THERMAL PRO
1,742,322	WINDBLOC
2,390,060	WINDBLOC-ACT
2,462,680	WIND PRO
1,869,644	POLARTEC THE CLIMATE CONTROL FABRIC AND DESIGN (Triangle)
2,982,559	POLARTEC THERMAL-FR
2,922,564	POLARTEC AIRCORE
1,590,953	NORTEK
2,842,427	HARDFACE
78/504,453	POLARTEC FORWARD FABRIC
78/504,323	POLARTEC FORWARD FABRIC
78/517,594	POLARTEC BODY MAPPING
78/517,588	POLARTEC BODY MAPPING
78/642,857	THE COLDEST TOWN
78/642,858	THE COLDEST TOWN
77/015,071	POLARTEC ECOENGINEERING
77/015,082	POLARTEC ECOENGINEERING
77/015,058	ECOENGINEERING BY POLARTEC
77/015,050	ECOENGINEERING BY POLARTEC
77/017,854	POLARTEC POWER SHIELD 02
77/017,855	POLARTEC POWER SHIELD 02

REGISTRATION /APPLICATION. NO.	MARK
77/066,490	POLARTEC ECO-ENGINEERING and Design
78/675,917	PASSAGE BY POLARTEC
78/675,932	PASSAGE BY POLARTEC

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
WESTERN DIVISION

In re:)	Chapter 11
)	
MALDEN MILLS INDUSTRIES, INC., et al.)	Case Nos. 01-47214- JBR
)	through 01-47217-JBR
)	(Jointly Administered)
Debtors.)	
)	

**ORDER CONFIRMING REVISED FIFTH AMENDED PLAN OF REORGANIZATION
OF MALDEN MILLS INDUSTRIES, INC., MALDEN MILLS DISTRIBUTORS CORP.,
ADS PROPERTIES CORP. AND AES PROPERTIES CORP. UNDER CHAPTER 11 OF
THE BANKRUPTCY CODE**

Background

A. On November 29, 2001 (the "Petition Date"), Malden Mills Industries, Inc., Malden Mills Distributors Corp., ADS Properties Corp. and AES Properties Corp. (collectively, the "Debtors") each filed petitions commencing proceedings (collectively, the "Bankruptcy Cases") under Chapter 11 of Title 11 of the United States Code. The Bankruptcy Cases have been consolidated for administrative purposes.

B. On June 27, 2003, the Debtors filed their Revised Fifth Amended Plan of Reorganization of Malden Mills Industries, Inc., Malden Mills Distributors Corp., ADS Properties Corp. and AES Properties Corp. (the "Fifth Amended Plan") and their Disclosure Statement for the Fifth Amended Plan of Reorganization of Malden Mills Industries, Inc.,



Certified to be a true and correct copy of the original
James M. Lynch, Clerk
U.S. Bankruptcy Court
District of Massachusetts

By: James M. Lynch
Deputy Clerk

Date: September 8, 2003

Malden Mills Distributors Corp., ADS Properties Corp. and AES Properties Corp. (the "Fifth Amended Disclosure Statement").¹

C. On June 27, 2003, the Court entered an order (the "Solicitation Procedures Order") that, among other things: (i) approved the Fifth Amended Disclosure Statement as containing adequate information within the meaning of Bankruptcy Code § 1125 and Fed. R. Bankr. P. 3017, (ii) fixed August 14, 2003 at 1:30 p.m. Eastern Time as the date and time for the commencement of the hearing to consider confirmation of the Fifth Amended Plan (the "Confirmation Hearing"); (iii) approved the form and method of notice of the Confirmation Hearing (the "Confirmation Notice"); and (iv) established certain procedures for soliciting and tabulating votes with respect to the Fifth Amended Plan.

D. Prior to the mailing of solicitation packages, the Debtors made minor, non-substantive changes to the Fifth Amended Plan and Fifth Amended Disclosure Statement. These documents, as modified and served on counsel to the Agent and the Committee, shall herein be referred to as the "Plan" and the "Disclosure Statement".

E. In accordance with the Solicitation Procedures Order and Fed. R. Bankr. P. 3017(d), the Debtors timely mailed solicitation packages including the Confirmation Notice, the Disclosure Statement (with the Plan annexed as Exhibit A thereto), the Solicitation Procedures Order and, where appropriate, a ballot and return envelope (the "Ballots"), all as set forth in the affidavit of service of the Voting Agent, Trumbull Services, LLC (the "Voting Agent"), sworn to July 17, 2003 (the "Voting Agent Affidavit (Solicitation)").

¹ Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Plan. Any term used in the Plan or this Confirmation Order that is not defined in the Plan or this Confirmation Order, but that is used in the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, as amended (the "Bankruptcy Code"), or the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules.

F. The Voting Agent has certified the method and results of the ballot tabulation for the Class 2 Senior Lender Secured Claims, Class 3 Secured Equipment Claim of BTM Capital Corporation, Class 4 Claim of First Essex, Class 5 Secured Equipment Claim of Vanguard Supreme, Class 6 Miscellaneous Secured Claims, Class 7 Senior Lender Deficiency Claims, Class 8 SCIL Lender Claims, Class 9 General Unsecured Claims, Class 11 Claims of Görlitz and Class 12 Equity Interests, as set forth in the Declaration of Wendy E. Cappola, Certifying Tabulation of Ballots Regarding Vote on Revised Fifth Amended Plan for Malden Mills Industries, Inc., Malden Mills Distributors Corp., ADS Properties Corp. and AES Properties Corp. sworn to August 13, 2003 (the "Voting Agent Affidavit (Voting)" and, together with the Voting Agent Affidavit (Solicitation), the "Voting Agent Affidavits").

G. On August 13, 2003, counsel to the Debtors submitted a memorandum of law in support of confirmation of the Plan (the "Memorandum of Law").

H. On August 14, 2003, the Bankruptcy Court held the Confirmation Hearing to consider confirmation of the Plan, as amended by the record of the Confirmation Hearing and this Confirmation Order.

I. The Court has reviewed and considered the Plan, the Affidavit of David S. Orlofsky in Support of Confirmation of Revised Fifth Amended Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the "Confirmation Affidavit"), the Voting Agent Affidavits, the Memorandum of Law, all objections to confirmation of the Plan, as well as the evidence proffered or adduced and the exhibits admitted into evidence at the Confirmation Hearing and the representations and the arguments of counsel made at the Confirmation Hearing.

NOW, THEREFORE, based upon: (i) the Court's review of the Confirmation Affidavit, and the Voting Agent Affidavits; (ii) all of the evidence proffered or adduced at, exhibits

admitted into evidence at, objections filed in connection with, and arguments of counsel, including the Memorandum of Law, made at, the Confirmation Hearing; and (iii) the entire record of the Bankruptcy Cases; and after due deliberation thereon and good cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT²

Findings of Fact and Conclusions of Law

1. Exclusive Jurisdiction; Venue; Core Proceeding (28 U.S.C. §§ 157 (b)(2) and 1334(a)). This Court has jurisdiction over the Bankruptcy Cases pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is a core proceeding under 28 U.S.C. § 157(b)(2), and this Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed.
2. Judicial Notice. This Court takes judicial notice of the docket of the Bankruptcy Cases maintained by the Bankruptcy Court and/or the Voting Agent, including, without limitation, all pleadings and other documents filed, all orders entered, and the transcripts of, and all evidence and arguments made, proffered or adduced at, the hearings held before the Court during the pendency of the Bankruptcy Cases.
3. Transmittal and Mailing of Materials; Notice. All due, adequate, and sufficient notices of the Disclosure Statement, the Plan, and the Confirmation Hearing, along with all deadlines for voting on, or filing objections to, the Plan, have been given to all known holders of Claims and/or Equity Interests in accordance with the Bankruptcy Rules and the procedures set out in the Solicitation Procedures Order. The Disclosure Statement, Plan, Ballots, Solicitation

² Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

Procedures Order and Confirmation Notice were transmitted and served in substantial compliance with the Bankruptcy Rules and the Solicitation Procedures Order, and such transmittal and service were adequate and sufficient. Adequate and sufficient notice of the Confirmation Hearing was given in substantial compliance with the Bankruptcy Rules and the Solicitation Procedures Order, and no other or further notice is or shall be required.

4. Solicitation. The solicitation of votes for acceptance or rejection of the Plan complied with Bankruptcy Code §§ 1125 and 1126, Fed. R. Bankr. P. 3017 and 3018, the Disclosure Statement, all other applicable provisions of the Bankruptcy Code, and all other rules, laws, and regulations and the Solicitation Procedures Order. Based upon the record before the Court in these bankruptcy cases, the Debtors, their financial advisors, restructuring consultants and attorneys and the Committee and its financial advisors and attorneys acted in good faith in the solicitation of votes and are entitled to the protections afforded by Bankruptcy Code § 1125(e).

5. Distribution. All procedures used to distribute the solicitation materials to the applicable holders of Claims and Equity Interests, and to tabulate the Ballots were fair and conducted in substantial compliance with the Solicitation Procedures Order, the Bankruptcy Code, the Bankruptcy Rules, the local rules of the Bankruptcy Court, and all other rules, laws, and regulations.

6. Burden of Proof. The Debtors, as proponents of the Plan, have met their burden of proving the elements of sections 1129(a) and (b) of the Bankruptcy Code as more fully set forth below, by a preponderance of the evidence, which is the applicable evidentiary standard in this Court for Confirmation of the Plan.

7. Plan Complies with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). The Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying Bankruptcy Code § 1129(a)(1).

i. Proper Classification (11 U.S.C. §§ 1122, 1123 (a)(1)). In addition to Allowed Administrative Claims, U.S. Trustee's Fees, SVBF Expense Reimbursement Claim, Disputed Görlitz Income Tax and Allowed Priority Tax Claims, which are not classified under the Plan, the Plan designates 11 Classes of Claims and 1 Class of Equity Interests. The Claims or Equity Interests placed in each Class are substantially similar to other Claims or Equity Interests 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 Classes do not unfairly discriminate between holders of Claims or Equity Interests. Thus, the Plan satisfies Bankruptcy Code §§ 1122 and 1123(a)(1).

ii. Specify Unimpaired Classes (11 U.S.C. § 1123(a)(2)). The Plan specifies that Classes 1, 6 and 10 are not impaired and, thus, Bankruptcy Code § 1123(a)(2) is satisfied.

iii. Specify Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)). Classes 2, 3, 4, 5, 7, 8, 9, 11 and 12 are designated as impaired under the Plan. Article IV of the Plan specifies the treatment of impaired Claims and Equity Interests, thereby satisfying Bankruptcy Code § 1123(a)(3).

iv. No Discrimination (11 U.S.C. § 1123(a)(4)). The Plan provides for the same treatment by the Debtors for each Claim and Equity Interest in each respective Class unless the holder of a particular Claim or Interest has agreed to less favorable treatment with respect to such Claim or Equity Interest, thereby satisfying Bankruptcy Code § 1123(a)(4).

v. Implementation Of Plan (11 U.S.C. § 1123(a)(5)). The Plan provides adequate and proper means for implementation of the Plan, thereby satisfying Bankruptcy Code § 1123(a)(5).

vi. Required Corporate Charter Provisions (11 U.S.C. § 1123(a)(6)). In accordance with section 1123(a)(6) of the Bankruptcy Code, Section 5.7 of the Plan provides that on and after the Effective Date, each of the Reorganized Debtors will continue to exist as separate corporate entities, and shall on the Effective Date reincorporate in the State of Delaware, under their respective articles of incorporation and bylaws, as may be amended or modified to satisfy the requirements of this Plan and the Bankruptcy Code in effect on the Effective Date and which will comply in all respects with section 1123(a)(6) of the Bankruptcy Code including, without limitation, the prohibition of the issuance of non-voting securities to the extent required by section 1123(a)(6) of the Bankruptcy Code. Equity to be issued pursuant to the Plan will comply

with Bankruptcy Code 1123(a)(6) since it is either voting stock or stock convertible into voting stock.

vii. Selection Of Officers And Directors (11 U.S.C. § 1123(a)(7)). At or prior to the Confirmation Hearing, the Debtors properly and adequately disclosed or otherwise identified the procedures for determining the identity and affiliations of all individuals or entities proposed to serve on or after the Effective Date as officers or directors of the Reorganized Debtors, and the appointment of such individuals or entities is consistent with the interests of holders of Claims and Equity Interests and with public policy and, accordingly, satisfies the requirements of Bankruptcy Code § 1123(a)(7).

viii. Additional Plan Provisions (11 U.S.C. § 1123(b)). In accordance with section 1123(b)(6) of the Bankruptcy Code, the Plan does not include any provision inconsistent with the applicable provisions of the Bankruptcy Code. The provisions of the Plan are appropriate and consistent with the applicable provisions of the Bankruptcy Code including, without limitation, provisions for (a) certain Classes of Claims to be unimpaired (b) distributions to Creditors, (c) the release and exculpation of various Persons, and permanent injunctions prohibiting certain actions against the Debtors, (d) the rejection or assumption of certain executory contracts and unexpired leases, and (e) the retention of, and right to enforce, sue on, settle or compromise (or to refuse to do any of the foregoing with respect to) certain claims or causes of action against third parties, to the extent not waived or released under the Plan.

ix. Fed. R. Bankr. P. 3016(a). The Plan is dated and identifies the entities submitting it, thereby satisfying Fed. R. Bankr. P. 3016(a).

8. Debtors Have Complied with Bankruptcy Code (11 U.S.C. § 1129(a)(2)). The Debtors have complied with the applicable provisions of the Bankruptcy Code, thereby satisfying Bankruptcy Code § 1129(a)(2).

i. The Debtors are proper debtors under Bankruptcy Code § 109 and proper proponents of the Plan under Bankruptcy Code § 1121(a).

ii. The Debtors have complied with the applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of this Court.

iii. The Debtors have complied with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Solicitation Procedures Order, and other orders of the Court in transmitting the Plan, the Disclosure Statement, the Ballots and related documents and notices, and in soliciting and tabulating votes on the Plan.

9. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Debtors have proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying

Bankruptcy Code § 1129(a)(3). In determining that the Plan has been proposed in good faith, the Court has examined the totality of the circumstances surrounding the filing of the Bankruptcy Cases and the formulation of the Plan. The Debtors filed the Bankruptcy Cases and proposed the Plan with the legitimate and honest purposes of, among other things: (i) the reorganization of the Debtors' ongoing businesses; (ii) the preservation and maximization of the Debtors' business enterprise value through an expeditious reorganization under Chapter 11; (iii) restructuring of the Debtors' finances; (iv) maximization of the recovery to creditors; (v) preserving jobs of the Debtors' employees in connection with the Debtors' go-forward operations; and (vi) affording holders of certain Claims and Equity Interests the opportunity to participate in the potential long-term growth and appreciation in value of the Reorganized Debtors' businesses. The Debtors, the Committee, each of the members of the Committee in their capacity as an individual creditor of the Debtors and their capacity as a member of the Committee, and each of the respective present or former members, attorneys, investment bankers, restructuring consultants and financial advisors of the foregoing, has acted in good faith, as applicable, in connection with the management and operation of the Debtors and the formulation, negotiation, proposal and implementation of the Plan and every contract, instrument, document or other agreement related thereto.

10. Payments For Services Or Costs And Expenses (11 U.S.C. § 1129(a)(4)). Any payment made or to be made by the Debtors for services or for costs and expenses in or in connection with the Bankruptcy Cases, including all fees and expenses incurred by Professionals, or in connection with the Plan and incident to the Bankruptcy Cases, has been approved by, or is subject to the approval of, the Court as reasonable, thereby satisfying Bankruptcy Code § 1129(a)(4).

11. Directors, Officers, And Insiders (11 U.S.C. § 1129(a)(5)). As set forth in the Disclosure Statement, the Debtors have disclosed the identity and other information with respect to the individuals proposed to serve, after confirmation of the Plan, as directors or officers of the Reorganized Debtors (or, if such individuals are not identified in the Disclosure Statement, the mechanisms for filling such positions have been disclosed), and have further disclosed the identity of any Insiders who will be employed or retained by the Reorganized Debtors and the nature of such Person's compensation. Such appointments or the continuance of the individuals in such positions are consistent with the interests of the holders of Claims and Equity Interests and with public policy. Therefore, the Debtors have complied with Bankruptcy Code § 1129(a)(5).

12. No Rate Changes (11 U.S.C. § 1129(a)(6)). Bankruptcy Code § 1129(a)(6) is satisfied because the Plan does not provide for any change in rates over which a governmental regulatory commission has jurisdiction.

13. Best Interests of Creditors Test (11 U.S.C. § 1129(a)(7)). The Plan satisfies Bankruptcy Code § 1129(a)(7). The testimony, documentary evidence, and proffers adduced at the Confirmation Hearing: (a) are persuasive and credible as of the dates such evidence was prepared, presented or proffered; (b) either have not been controverted by other persuasive evidence or have not been challenged; (c) are based upon reasonable and sound assumptions; and (d) provide a reasonable estimate of the liquidation values to be realized upon conversion to a Chapter 7 case, and establish that each holder of a Claim or Equity Interest in a Class which is impaired that has not accepted the Plan will receive or retain under the Plan, on account of such Claim or Equity Interest, property of a value, as of the Effective Date, that is not less than the

amount that it would receive if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code on such date.

14. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)). Classes 1, 6 and 10 are unimpaired under the Plan within the meaning of Bankruptcy Code § 1124. Classes 2, 3, 4, 5, 7, 8, 9, 11, and 12 are impaired under the Plan within the meaning of Bankruptcy Code § 1124.

a. Voting by Impaired Classes. All impaired Classes were entitled to vote on the Plan. As evidenced by the Voting Agent Affidavits, and evidence adduced at the Confirmation Hearing, each impaired Class entitled to vote under the Plan has accepted the Plan pursuant to the Solicitation Procedures Order and the requirements of Bankruptcy Code §§ 1124 and 1126, other than Class 5.

15. Treatment of Allowed Administrative Expense Claims and Priority Tax Claims (11 U.S.C. § 1129(a)(9)). The Plan satisfies the requirements of Bankruptcy Code § 1129(a)(9) because, except to the extent the holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that Allowed Administrative Expense Claims pursuant to Bankruptcy Code § 507(a)(1), Priority Claims pursuant to Bankruptcy Code § 507(a)(2) through § 507(a)(7), and Priority Tax Claims pursuant to Bankruptcy Code § 507(a)(8), shall be treated in accordance with the provisions of Bankruptcy Code § 1129(a)(9).

16. Acceptance by at Least One Impaired Class (11 U.S.C. § 1129(a)(10)). Classes 2, 3, 4, 7, 8, 9, and 11 are impaired Classes of Claims that have voted to accept the Plan, and the acceptance of at least one of such accepting impaired Classes has been determined without including the votes of any Insiders, thus satisfying Bankruptcy Code § 1129(a)(10).

17. Feasibility (11 U.S.C. § 1129(a)(11)). The Plan is feasible and is not likely to be followed by a liquidation or the need for further financial reorganization. The Debtors have

presented credible and persuasive evidence that they will be able to make all payments required to be made under the Plan, and will otherwise be able to satisfy all of their obligations under the Plan.

18. Payment of Fees (11 U.S.C. § 1129(a)(12)). All fees payable under 28 U.S.C. § 1930 have been paid or will be paid on or before the Effective Date pursuant to Section 2.3(d) of the Plan, thereby satisfying Bankruptcy Code § 1129(a)(12).

19. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). The Debtors have agreed that payment of any Retiree Benefits shall be continued solely to the extent, if any, required by Section 1129(a)(13) of the Bankruptcy Code and for the duration of the period the Debtors are contractually or legally obligated to provide such benefits, subject to any and all rights of the Debtors or the Reorganized Debtors under applicable law. Accordingly, the Plan satisfies Bankruptcy Code § 1129(a)(13).

20. Fair and Equitable; No Unfair Discrimination (11 U.S.C. § 1129(b)). Vanguard, the holder of the sole Class 5 Claim, did not vote to accept or reject the Plan; therefore, it is deemed to have rejected the Plan. Vanguard has filed a proof of claim asserting that the value of its collateral exceeds the amount of its debt and, therefore, it has no unsecured deficiency claim. The Debtors have agreed to return to Vanguard the collateral securing Vanguard's Allowed Secured Claim. Pursuant to Bankruptcy Code § 1129(b)(2)(A)(iii), Vanguard is deemed to have received the indubitable equivalent of its claim. Accordingly, the Plan satisfies Bankruptcy Code § 1129(b).

21. No Other Plan (11 U.S.C. § 1129(c)). No other plan of reorganization has been filed in connection with the Bankruptcy Cases.

22. Principal Purpose of 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 (15 U.S.C. § 77e). Therefore, the Plan satisfies the requirements of Bankruptcy Code § 1129(d).

23. No Liquidation. Because the Plan does not provide for the liquidation of all or substantially all of the property of the Debtors, and the Reorganized Debtors will engage in business following consummation of the Plan, Bankruptcy Code § 1141(d)(3) is inapplicable.

24. Modifications to Plan. The modifications to the Plan set forth in this Confirmation Order or the record of the Confirmation Hearing, if any, and the modifications to the Plan Documents do not materially and adversely affect or change the treatment of the holder of any Claim against the Debtors. In accordance with Bankruptcy Code § 1127 and Fed. R. Bankr. P. 3019, these modifications and amendments do 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 and all holders of Claims who voted to accept the Plan are hereby deemed to have accepted the Plan as amended. No holder of a Claim who has voted to accept the Plan shall be permitted to change its acceptance to a rejection as a consequence of such modifications. Disclosure of any modifications on the record at the Confirmation Hearing or in this Confirmation Order constitute due and sufficient notice thereof under the circumstances of the Bankruptcy Cases.

25. Releases, Discharges, and Injunctions. Pursuant to Fed. R. Bankr. P. 9019 and in consideration for the distributions and other benefits described in the Plan, the releases, discharges and injunctions described in Article X and Section 5.6 of the Plan constitute good faith compromises and settlements of the matters covered thereby. Such releases, discharges and

injunctions are made in exchange for consideration and are in the best interests of creditors, are fair, equitable and reasonable, and are integral elements of the restructuring and resolution of the Bankruptcy Cases in accordance with the Plan. Each of the releases, discharges, and injunctions set forth in the Plan as to the Debtors, the Committee, and their respective professionals:

- i. falls within the jurisdiction of this Court under 28 U.S.C. §§ 1334(a), (b), and (d);
- ii. is an essential means of implementing the Plan pursuant to Bankruptcy Code § 1123(a)(5);
- iii. is an integral element of the transactions incorporated into the Plan;
- iv. confers material benefit on, and is in the best interest of, the Debtors, their estates and their creditors;
- v. is important to the overall objectives of the Plan to finally resolve the claims among or against the parties in interest in the Bankruptcy Cases with respect to the Debtors, their organization, operation, and reorganization to the extent provided in the Plan; and
- vi. is consistent with sections 105, 524, 1123, 1129 and other applicable provisions of the Bankruptcy Code.

Any contrary language in the Plan notwithstanding, including without limitation Sections 10.3 and 13.9, nothing herein is intended to or does release any party, other than the Debtors, the Committee, and their respective professionals, (the "Non-Released Parties") from any liability, obligation, claim, action, or the like which any party may have against such Non-Released Party, including without limitation, any rights that any of the SCIL Lenders have or may have against other SCIL Lenders, the Agent, the Senior Lenders, or the Senior Agent, except to the extent that the Debtors and their estates are releasing claims pursuant to Sections 4.12.7 and 5.6 of the Plan.

There is currently pending in litigation styled Galaxy CLO 1999-1, LTD. et al. v. General Electric Capital Corporation, et al., pending in the Superior court of the State of California, County of Los Angeles (Case No. BC279543) (the "Litigation"). In the Litigation the plaintiffs allege that they hold claims against the defendants arising under that certain Credit Agreement dated as of October 28, 1999, as amended from time to time (as so amended, the "Pre-Petition Credit Agreement") among Malden Mills Industries, Inc., a Massachusetts corporation (the "Borrower"), the other Credit Parties (as that term is defined in the Pre-Petition Credit Agreement), the Lenders (as that term is defined in the Pre-Petition Credit Agreement) and General Electric Capital Corporation, a

Delaware corporation, a agent for the Lenders (in such capacity, the "Agent"). The plaintiffs in the Litigation have objected to confirmation of the "Fifth Amended Plan of Reorganization of Malden Mills Industries, Inc., Malden Mills Distributors Corp., ADS Properties Corp. and AES Properties Corp." (the "Debtors" and the "Plan"), and the Plan Documents (as defined in the Plan), based in part on the plaintiff's contention that the Plan and Plan Documents may release or discharge the claims they have asserted in the Litigation. Pursuant to Bankruptcy Code § 524(e), none of the terms of the Plan, confirmation of the Plan, the findings of fact or conclusions of law entered in connection with this Confirmation Order or the execution (actual or deemed) of the Plan Documents shall release, discharge, waive, or constitute a novation of the claims, counterclaims, or defenses between or among the Senior Lenders or the SCIL Lenders.

26. Pursuant to the Plan and the letter agreement dated May 19, 2003 (the "GE/SVBF Settlement Letter") between General Electric Capital Corporation ("GE") and Special Value Bond Fund ("SVBF"), GE has agreed that 90% of the distributions to which GE would otherwise be entitled under the Plan on account of its Class 8 distributions shall be distributed to SVBF.

DECREES

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

27. Confirmation. The Plan, as modified by the record of the Confirmation Hearing and this Confirmation Order, is hereby approved and confirmed with respect to each of the Debtors pursuant to Bankruptcy Code § 1129. If there is any direct conflict between the terms of the Plan and the terms of this Confirmation Order, the terms of this Confirmation Order shall control. Unless otherwise provided herein, the terms of the Plan and the exhibits thereto, as modified hereby, are incorporated by reference into, and are an integral part of, this Confirmation Order.

28. Objections. All Objections to confirmation of the Plan that have not been withdrawn, waived or settled, and all reservations of rights included in such Objections, are overruled in their entirety on the merits (except as otherwise provided in this Order) and all

withdrawn objections are deemed withdrawn with prejudice. In addition, the Motion for Order Designating Certain Votes Cast in Favor of the Fifth Amended Plan filed by Galaxy CLO 1999-1, Ltd., KZH Soleil LLC, ING Prime Rate Trust and Van Kampen Senior Income Trust [Docket No. 1674] is overruled in its entirety.

29. Modifications to Plan. The Plan is hereby modified pursuant to Bankruptcy Code § 1127(a) as set forth in the record of the Confirmation Hearing and in this Confirmation Order. The modifications are either technical or non-material and do not adversely change the treatment of the Claim of any creditor who has not consented to such modification. The Debtors are not required to solicit acceptances or rejections to the Plan as modified and the modifications are hereby specifically approved. The Plan and such modifications together constitute the Plan. The Debtors, the Reorganized Debtors and their respective affiliates, subsidiaries, directors, officers, agents and attorneys are hereby authorized, empowered and directed to issue, execute, deliver, file or record any document, and to take all other actions necessary or appropriate, in their sole discretion, to implement, effectuate and consummate the Plan in accordance with its terms, all without further corporate action or action of the directors or stockholders of the Debtors or the Reorganized Debtors and further order of this Court, and on and after the Effective Date, any such document will be legal, valid and binding in accordance with its terms.

30. Post-Confirmation Revolver. Notwithstanding anything to the contrary contained in the Plan or in this Confirmation Order, the DIP Facility and the DIP Approval Orders shall extend and continue in full force and effect until the later to occur of (i) the Effective Date and (ii) payment in full of all obligations under the DIP Facility. On the Effective Date, the Reorganized Debtors shall enter into the Post-Confirmation Revolver with the respective Lenders thereunder. Pursuant to Bankruptcy Code § 1142(b), without further action of the

Bankruptcy Court, the Debtors' or the Reorganized Debtors' shareholders or Boards of Directors, the Reorganized Debtors are hereby authorized to execute, deliver, file or record the Post-Confirmation Loan Documents and any and all other documents or instruments that are necessary or advisable to obtain the Post-Confirmation Revolver.

31. Revesting of Debtors' Property. Except as otherwise provided in the Plan or in this Confirmation Order (including without limitation with respect to the Term Loans and the Trust Assets, which, pursuant to the definition of Trust Assets in the Plan, includes the Avoidance Actions and the proceeds thereof and the proceeds from the Acordia Avoidance Litigation distributed or to be distributed in accordance with the Settlement Agreement between Acordia Northeast, Inc. and the Debtors approved by this Court), as of the Effective Date, all property of the respective Estates of the Debtors, and any property acquired by a Debtor or Reorganized Debtor under the Plan, will vest in the applicable Reorganized Debtor free and clear of all Claims, liens, charges and other encumbrances.

32. Discharge.

A. Except as provided for in this Confirmation Order, the Plan or the Plan Documents, the rights afforded under the Plan and the treatment of Claims and Equity Interests under the Plan will be in exchange for, and in complete satisfaction, discharge and release of, all Claims and will effect the cancellation of all Equity Interests, including any interest accrued on Claims from the Petition Date. Except as provided for in this Confirmation Order, the Plan or the Plan Documents, as of the Effective Date: (i) the Debtors will be discharged from all Claims or other debts that arose before the Effective Date and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (x) a proof of claim based on such debt is filed or deemed filed pursuant to section 501 of the Bankruptcy Code, (y) a Claim

based on such debt is allowed pursuant to section 502 of the Bankruptcy Code, or (z) the holder of a Claim based on such debt has accepted the Plan; and (ii) all Equity Interests will be terminated and of no further force and effect without any further action on the part of the Court or any other Person; provided, however, that the foregoing shall not release and discharge the Debtors from their obligations under the Plan, this Confirmation Order or the Plan Documents.

B. As of the Effective Date, except as provided in the Plan, this Confirmation Order or the Plan Documents, all Persons will be precluded from asserting against the Debtors, the Reorganized Debtors or their respective affiliates, successors or property, any other or further Claims, demands, debts, rights, causes of action, liabilities or equity interests against the Debtors based upon any act, omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date. In accordance with the foregoing, except as provided in the Plan, this Confirmation Order or the Plan Documents, as of the Effective Date, all such Claims and other debts and liabilities against the Debtors shall be discharged and all Equity Interests shall be satisfied, terminated or cancelled pursuant to sections 524 and 1141 of the Bankruptcy Code. Such discharge and termination will void any judgment obtained against the Debtors or the Reorganized Debtors to the extent that such judgment relates to a discharged Claim or terminated Equity Interest.

C. Except as provided in the Plan, this Confirmation Order or the Plan Documents, as of the Effective Date, all Persons that have held, currently hold or may hold a Claim or other demand, debt, right, cause of action or liability that is discharged or an Equity Interest that is terminated pursuant to the terms of the Plan are permanently enjoined from taking any of the following actions on account of any such discharged Claims, debts or liabilities or terminated Equity Interests: (i) commencing or continuing in any manner any action or other proceeding

against the Debtors, the Reorganized Debtors or their respective property; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Debtors, the Reorganized Debtors or their respective property; (iii) creating, perfecting or enforcing any lien or encumbrance against the Debtors, the Reorganized Debtors or their respective property or any released entity; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtors, the Reorganized Debtors or their respective property; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

33. Injunction. All injunctions or stays, whether imposed by operation of law or by Order of this Court, provided for in the Bankruptcy Cases pursuant to sections 105 or 362 of the Bankruptcy Code or otherwise that are in effect on the Confirmation Date, shall remain in full force and effect until the Effective Date. As of the Effective Date, all Persons are hereby permanently enjoined from commencing or continuing, in any manner or in any place, any action or other proceeding, whether directly, indirectly, derivatively or otherwise against the Debtors, their Estates or the Reorganized Debtors, on account of, or respecting any Claims, Equity Interests, debts, rights, Causes of Action or liabilities discharged pursuant to the Plan, except to the extent expressly permitted under the Plan.

34. No Discrimination; Corporate Good Standing. In accordance with Bankruptcy code § 525(a), a governmental unit may not deny, revoke, suspend, or refuse to renew a license, permit, franchise, or other similar grant to, condition such a grant to, or discriminate with respect to such a grant against, the Debtors or the Reorganized Debtors, solely because of the commencement, continuation, or termination of the Bankruptcy Cases or because of any

provision of the Plan or the legal effect of the Plan. To the extent the Debtors are not in compliance as of the Effective Date with any state or local law requirements necessary to remain a corporation in good standing and/or remain authorized as a corporation to conduct business in any jurisdiction, the Debtors and/or the Reorganized Debtors, as the case may be, shall be deemed in compliance with any such laws if they comply with such laws within six months after the Effective Date.

35. Creditor Trust.

A. Section 6 of the Plan provides for the establishment of the Creditor Trust, to which certain property of the Debtors will be assigned or otherwise transferred on or after the Effective Date. As more fully described in the Plan, including without limitation sections 4.9 and 6.2 of the Plan, on or after the Effective Date and as soon as the Creditor Trust is established, the Trust Assets, including, without limitation, pursuant to the definition of "Trust Assets" as set forth in the Plan, the Avoidance Actions and the proceeds thereof (including, without limitation, the proceeds from the Acordia Avoidance Litigation distributed or to be distributed in accordance with the Settlement Agreement between the Debtor and Acordia Northeast, Inc. approved by this Court) shall be, and hereby are, assigned or otherwise transferred from the Debtors or the Reorganized Debtors to the Creditor Trust, and shall be deemed to have been so assigned or otherwise transferred in all respects to the Creditor Trust, without any further act or deed of the Debtors, the Reorganized Debtors, the Creditor Trustees or the Bankruptcy Court, free and clear of all liens, claims, encumbrances, and interests of any Person except for the first priority lien described in Paragraph 36(B) of this Confirmation Order and shall become the corpus of the Creditor Trust to be held for the benefit of the holders of General Unsecured Claims. The Creditor Trust will comply with Treasury Regulation § 301.7701-4(d).

B. On the latter of the Effective Date or the establishment of the Creditor Trust, and in accordance with the Settlement Agreement approved or to be approved by the Court between the Debtors and Acordia Northeast, Inc., the Debtors, the Reorganized Debtors and/or Goulston Storrs P.C. will pay or cause to be paid to the Creditor Trust the Escrow Funds less those amounts paid to Acordia Northeast, Inc. (as described in the Settlement Agreement).

C. On or after the Effective Date, the Debtors or the Reorganized Debtors shall execute and deliver such instruments and other documents as are necessary, appropriate or deemed to be advisable by the Creditor Trustees, in order to assign or otherwise transfer title to the Trust Assets to the Creditor Trust (including, without limitation, the Malden Mills Creditors Agreement of Trust by and among the Debtor and the Creditor Trustees which the Reorganized Debtor shall execute and deliver to the Creditor Trustees on the Effective Date), which assignment or transfer may, at the request of the Creditor Trustees, be deemed to have occurred on or be effective as of the Effective Date or such other date prior to the execution and delivery of such instrument and other document.

D. The Creditor Trustees shall be responsible for liquidating and reducing to cash the Trust Assets and making distributions of cash to General Unsecured Creditors in accordance with the Plan. Without limiting the foregoing, the Creditor Trustees shall have the full authority to convert to Cash any Trust Assets which are not cash provided, however, that the Creditor Trustees may only sell, transfer, assign, exchange or otherwise dispose of the Common Equivalent Shares and Class B Preferred Stock included within the Trust Assets for Cash or other consideration (including, without limitation, securities) if such sale, transfer, assignment, exchange or disposition is required by (pursuant to the exercise of the Acquisition Option or otherwise), or does not contravene, the terms of the Shareholder Agreement. The Creditor

Trustees also shall have the authority to invest the Cash held by the Creditor Trustees in Cash Equivalents having maturities consistent with the Creditor Trustees' obligation to make distributions as and at times required by the Plan.

E. On the Effective Date, in addition to the Trust Assets, the Reorganized Debtors shall distribute the Cash and Distributed Securities comprising the Disputed Claims Reserve to the Creditors Trust in accordance with the Plan. Cash in the Disputed Claims Reserve may be invested by the Creditor Trust only in Cash Equivalents having maturities sufficient to enable the Creditor Trust to make all necessary payments to holders of Disputed Claims if, and when, such Disputed Claims become Allowed Claims. For the purpose of this Confirmation Order, "Cash Equivalents" shall mean the equivalent of Cash in the form of readily marketable obligations of, or obligations guaranteed by, the United States of America, commercial paper of domestic corporations carrying a Moody's rating of "A" or better, or equivalent rating of other nationally recognized rating service, interest bearing certificates of deposit, or other similar obligations of domestic banks or other financial institutions having a shareholders' equity or equivalent capital of not less than Two Hundred Million Dollars (\$200,000,000). Any interest, income, distributions or accretions on account of such investment in Cash Equivalents shall be for the sole benefit and account of the Reorganized Debtors, and the Reorganized Debtors shall be solely responsible for the payment of any income or other taxes arising therefrom. The Creditor Trust shall forward any interest, income, distributions or accretions on account of such investment to the Reorganized Debtors as soon as practicable after it is received.

F. At such time or times as is required by the Plan, or if no time is specified, as soon as practicable, the Creditor Trust shall pay Allowed Claims of General Unsecured Creditors as set forth in the Plan and this Confirmation Order. Until the earlier to

occur of a Liquidity Event and the Acquisition Option Closing Date, the Creditor Trust shall hold that share of the Post-Confirmation Common Equity and Class B Preferred Stock distributed by the Debtors to the Creditor Trust for the benefit of holders of Allowed General Unsecured Claims pursuant to the Plan and shall, in its sole discretion, issue depositary receipts or other appropriate evidence of ownership of beneficial interests in the Creditor Trust to the holders of Allowed General Unsecured Claims. No beneficial interests in the Creditor Trust may be Transferred by the owner of such beneficial interest following the Effective Date except (a) with the approval of at least 70% of the directors of the Board of the Reorganized Malden Mills; (b) upon the occurrence of any event (including the death of the owner of such beneficial interest in the Trust ("Beneficiary")) described in Section 382(l)(3)(B) of the IRC; (c) upon the pro rata distribution to the beneficial owners of the Beneficiary following the dissolution of such Beneficiary; or (d) at any time following the second anniversary of the Effective Date, (i) to any relative, spouse or relative of the spouse of the Beneficiary; (ii) to any trust or estate in which such Beneficiary holds a majority of the beneficial interests (excluding contingent interests); (iii) to any corporation, partnership or other entity in which such Beneficiary owns a majority of the equity interests; or (iv) to any person or entity that owns, directly or indirectly, a majority of the voting securities of such Beneficiary; or (e) at any time following the second anniversary of the Effective Date, in the event that the Creditor Trustees obtain an opinion of counsel or "no-action" letter issued by the staff of the Securities and Exchange Commission reasonably satisfactory in form and substance to the

Creditor Trustees and the Reorganized Debtor to the effect that the Transfer can be permitted without requiring the registration of any of the beneficial interests of the Creditor Trust or any of the capital stock of the Reorganized Debtor under the Securities Act of 1933 or the Exchange Act. The costs and expenses (including the fees and expenses of counsel) incurred by the Creditor Trust in connection with obtaining the required opinion or no-action letter shall be paid out of the Trust Assets. The Reorganized Debtors shall reimburse the Creditor Trust for all reasonable fees and out-of-pocket costs incurred by the Creditor Trust in connection with issuance of evidence of ownership of beneficial interests in the Creditor Trust and other reasonably necessary actions taken by the Creditor Trust with respect to the Common Stock and Class B Preferred Stock distributed to the Creditor Trust, other than fees and costs arising from or relating to the transferability of beneficial interests in the Creditor Trust (including any fees and costs incurred in connection with (i) any transfers of such beneficial interests and (ii) registration of such beneficial interests under the Exchange Act or establishing an exemption from such registration solely in connection with the transferability of beneficial interests in the Creditor Trust).

- G. Each Creditor Trustee will execute the Shareholder Agreement on behalf of the Creditor Trust, and each holder of a Class 9 Claim will be bound by the provisions of the Shareholder Agreement.
- H. The Creditor Trust shall obtain a surety bond to be filed with the Court in an amount to be approved by the Court. The surety bond shall only apply with respect to the cash assigned, transferred, or distributed to the Creditor Trust as

part of the Trust Assets and may be reduced upon agreement of the United States Trustee. The cost of the surety bond shall be borne by the Reorganized Debtor.

36. Prosecution of Avoidance Actions.

A. As more fully described in the Plan, including without limitation sections 4.9 and 6.6 of the Plan, on and after the Effective Date, the Creditor Trust through its counsel shall have the right to investigate and prosecute all Avoidance Actions (including, to the extent necessary, the Acordia Avoidance Litigation), on behalf of the Creditor Trust to the extent that the Creditor Trustees consider reasonably required and advisable, and on or after the Effective Date and as soon as the Creditor Trust is established all Avoidance Actions shall be and hereby are assigned or otherwise transferred to the Creditor Trust, and shall be deemed to have been so assigned and transferred in all respects, for the benefit of those holders of General Unsecured Claims who do not elect the Cash-Out Option or who hold General Unsecured Deemed Non-Elected Claims.

B. The Reorganized Debtors shall advance up to \$250,000 of the costs and expenses (including counsel fees) reasonably incurred by the Creditor Trust in connection with its investigation and prosecution of the Avoidance Actions following the Effective Date; provided, however, that any monies so advanced by the Reorganized Debtors shall be repaid and repayable as soon as practicable after receipt only from Avoidance Action Recoveries, if any (other than any proceeds from the Acordia Avoidance Litigation as a result of any settlement thereof on or prior to the Effective Date) and the obligation to repay shall be secured by a first priority lien on all Avoidance Action Recoveries, if any (other than any proceeds from the Acordia Avoidance Litigation as a result of any settlement of the Acordia Avoidance Litigation on or prior to the Effective Date). The Debtors and the Reorganized Debtors shall provide reasonable cooperation

and assistance to the Creditor Trust and its counsel in connection with any efforts of the Creditor Trust to investigate or prosecute Avoidance Actions.

37. Books and Records, Rule 2004 Powers. The Reorganized Debtors shall extend reasonable cooperation and assistance to the Creditor Trust and its counsel in connection with any efforts of the Creditor Trust to investigate or prosecute Avoidance Actions, including providing access to all of the Debtors' and Reorganized Debtors' books and records, and making personnel (including witnesses) available. In connection with the foregoing, the Reorganized Debtors shall not charge the Creditor Trust for the time of company employees made available to the Creditor Trust as fact witnesses or in lending reasonable assistance in any factual investigation of actual or potential actions. In addition, the Creditor Trust shall be authorized, without the need to file a motion or otherwise seek further authority of this Court, to subpoena people, things and documents pursuant to Bankruptcy Rule 2004 in connection with actual or potential Avoidance Actions. Upon termination of the Creditor Trust, the Creditor Trustees may, without further order of the Bankruptcy Court, but subject to any applicable non-bankruptcy law relating to the retention of books and records, destroy any books and records that the Creditor Trustees determine are no longer necessary for the implementation of the Plan.

38. Rejected Executory Contracts And Unexpired Leases. Any prepetition executory contract or unexpired lease (other than an insurance policy) which: (i) has not expired by its own terms on or prior to the Confirmation Date; (ii) has not been assumed or assigned or rejected with the approval of the Bankruptcy Court on or prior to the Confirmation Date; (iii) is not the subject of a Court approved stipulation or Court order extending the time to assume or reject such contract or lease; (iv) is not the subject of a motion to assume or reject which is pending at the time of the Confirmation Date, which motion may be withdrawn prior to an order entered

approving it; or (v) is not designated in the Plan Documents as being an executory contract or unexpired lease to be assumed at the time of confirmation of the Plan, shall be deemed rejected as of the Confirmation Date in accordance with Bankruptcy Code § 365; provided however, the time to assume or reject that certain Commercial Lease, dated December 1, 2000, between Jack C. Alhadeff and Dina R. Alhadeff (as lessors) and Malden Mills Industries, Inc. (as lessee) shall be extended until that date which is ninety (90) days after the Effective Date.

39. Rejection Damages Claims. If the rejection of an executory contract or unexpired lease results in a Claim for damages to the other party or parties to such contract or lease, any 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 Estates, the Debtors, the Reorganized Debtors, the Creditor Trust or their respective properties or agents, successors, or assigns, unless a proof of claim is filed with the Court and served upon counsel for the Debtors on or before thirty (30) days following service of the Notice of Entry of the Confirmation Order, or such earlier date as this Court may or may have set with respect to any particular executory contract or unexpired lease. Unless otherwise ordered by this Court or provided in the Plan, all such Claims for which proofs of claim are timely filed will be treated as General Unsecured Claims subject to the provisions of the Plan. The Debtors, the Reorganized Debtors, the Creditor Trust or the Claims Committee shall have the right to object to any such rejection damage Claims filed in accordance with Section 9.2 of the Plan.

40. Professional Fee Claims. All entities seeking Professional fees shall file a fee application within 60 days after the Effective Date for the allowance of compensation for services rendered or reimbursement of expenses incurred through and including the Confirmation Date. Any award granted by this Court shall be paid by the Reorganized Debtors

(i) on the later of the Effective Date and the date such Administrative Claim becomes an Allowed Administrative Claim, or as soon thereafter as is practicable or (ii) upon such other terms as may be mutually agreed upon between such holder of an Allowed Administrative Claim and the Debtors or the Reorganized Debtors, as the case may be. Professional fees and expenses for services rendered after the Confirmation Date in connection with the Bankruptcy Cases and the Plan shall be paid by the Debtors or the Reorganized Debtors, as the case may be, upon the receipt of reasonably detailed invoices therefor in such amounts and on such terms agreed to by the parties, without the need for further Court authorization or entry of a Final Order. The Court will retain jurisdiction to adjudicate any dispute arising out of the payment of such Professional fees and expenses rendered after the Confirmation Date and in connection with the Bankruptcy Cases and the Plan.

41. Administrative Claims Bar Date: The Administrative Claims Bar Date for the filing of all Administrative Claims (not including Professional fee Claims, United States Trustee fees, the expenses of the members of the Committee or the SVBF Expense Reimbursement Claim), shall be thirty (30) days after the Effective Date. Holders of asserted Administrative Claims, other than Professional fee Claims, United States Trustee fees, the expenses of the members of the Committee or the SVBF Expense Reimbursement Claim, not paid prior to the Confirmation Date must submit proofs of Administrative Claim on or before such Administrative Claims Bar Date. Failure to file a proof of Administrative Claim on or before the Administrative Claims Bar Date shall cause such Administrative Claim to be disallowed and considered null and void and such creditors shall have no further Claim against, and will be forever barred from asserting such Administrative Claim against, the Debtors, their Estates, the Reorganized Debtors or the Creditors' Trust or their respective properties or agents, successors, or assigns, and such

Administrative Claim will be deemed discharged. The Claims Committee shall have ninety (90) days following the Administrative Claims Bar Date to review and object to such Administrative Claims. If no objection is made then the Reorganized Debtors shall pay such Administrative Claims in accordance with Section 2.3(a) of the Plan. Notwithstanding the above, the Debtors and the Reorganized Debtors (without creating any rights for any holder of an Administrative Claim) are authorized to pay Administrative Claims for goods and services used in the operations of the Debtors' business in the ordinary course.

42. SVBF Expense Reimbursement Claim. In accordance with an order of this Court dated July 31, 2003 (the "SVBF Reimbursement Order"), and notwithstanding any contrary provisions contained in the Plan, upon the occurrence of the Effective Date, SVBF shall be paid by the Debtors all amounts required to be paid in accordance with the provisions of the SVBF Reimbursement Order.

43. Claim Objection Deadline and Prosecution of Objections. As set forth fully in section 7.2 of the Plan, upon the Effective Date, and until such time as the Acquisition Option has been exercised and all required Exercise Prices paid, claim objections (i) will be settled or prosecuted at the direction of the Claims Committee and (ii) will be prosecuted on the Company's behalf by counsel determined by the Claims Committee and at the expense of the Company. If the Acquisition Option is exercised, the Claims Committee shall be dissolved; thereafter, claims objections will be settled or prosecuted at the direction and expense of the Company. Claims objections shall be made no later than one hundred twenty (120) days after the Confirmation Date; provided, however, that that such one hundred twenty (120) day period may be automatically extended by filing a notice with the Court, for an additional sixty (60) days. Nothing shall preclude the Debtors, the Reorganized Debtors, the Creditor Trust or the

Claims Committee from seeking further extensions from the Court. After the Effective Date, the Claims Committee or the Company, as the case may be, may settle Disputed Claims without the necessity of further approval by the Court.

44. Continuation of Retiree Benefits. The Debtors and Reorganized Debtors shall pay all Retiree Benefits to the extent, if any, required by Section 1129(a)(13) of the Bankruptcy Code for the duration of the period the Debtors are contractually or legally obligated to provide such benefits, subject to any and all rights of the Debtors or the Reorganized Debtors under applicable law.

45. Securities Law Exemption. The Distributed Securities issued under the Plan to the holders of Allowed Claims and Equity Interests and the beneficial interests issued under the Plan to the holders of General Unsecured Claims in the Creditor Trust are exempt from the requirements of Section 5 of the Securities Act of 1933, 15 U.S.C. § 77e, and any state or local law requiring registration for the offer or sale of a security pursuant to, without limitation, Section 1145 of the Bankruptcy Code.

46. Exemption from Transfer Taxes. In accordance with Section 1146(c) of the Bankruptcy Code: (a) the issuance, transfer or exchange of any security under the Plan or the making or delivery of any instrument of transfer pursuant to, in implementation of, or as contemplated by the Plan, including any merger agreements or agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan, or the re-vesting, transfer or sale of any real or personal property of the Debtors pursuant to, in implementation of, or as contemplated by the Plan, (b) the making, delivery, creation, assignment, amendment or recording of any note or other obligation for the payment of money or any mortgage, deed of trust or other security interest under, in furtherance

of, or in connection with the Plan, the issuance, renewal, modification or securing of indebtedness by such means, including, without limitation, the recording or filing of any of the Post-Confirmation Loan Documents, and (c) the making, delivery or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including, without limitation, the Confirmation Order, shall not be subject to any document recording tax, stamp tax, conveyance fee or other similar tax, mortgage tax, real estate transfer tax, mortgage recording tax or other similar tax or governmental assessment. Consistent with the foregoing, each recorder of deeds or similar official for any county, city or governmental unit in which any instrument hereunder is to be recorded shall, pursuant to this Confirmation Order, be ordered and directed to accept such instrument, without requiring the payment of any documentary stamp tax, deed stamps, transfer tax, intangible tax or similar tax.

47. Exculpation and Limitation of Liability. The Debtors, the Reorganized Debtors, the Committee, the members of the Committee in their capacities as such and any of such parties' respective present or former members, officers, directors, employees, advisors, attorneys, representatives, financial advisors, investment bankers, or agents and any of such parties' successors and assigns, shall not have or incur any claim, obligation, Cause of Action, or liability to any holder of a Claim or Equity Interest, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of the Chapter 11 Cases, negotiation and filing of the Plan, the pursuit of confirmation of the Plan, the consummation of the Plan, arising from and after the Petition Date except for their willful misconduct or gross negligence, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under the Plan;

provided, however, that nothing contained in this paragraph shall be deemed a waiver or release of any rights or obligations of any Person created pursuant to this Plan, by any such party against the Debtors, the Reorganized Debtors, or the Estates; further provided however nothing contained in this paragraph shall be deemed a waiver of any Avoidance Actions against any Person.

48. Claims. Temporary allowance of a Claim under the Plan for voting purposes shall not constitute an allowance or disallowance of the Claim for any other purpose under the Plan, including, but not limited to distributions under the Plan. The Debtors, the Reorganized Debtors, the Claims Committee and counsel to the Claim Committee reserve the right to object to temporarily allowed Claims on any and all bases. Final allowance of a Claim pursuant to the provisions of the Plan or an order of this Court shall not prejudice the rights of the Debtors, the Reorganized Debtors, the Creditor Trust and its counsel to investigate or prosecute Avoidance Actions, including objections to Claims pursuant to Bankruptcy Code Section 502(d), or to otherwise seek reconsideration of a Claim under Bankruptcy Code Section 502(j).

49. GE Assignment. The Reorganized Debtors shall withhold 90% of the distribution that GE would otherwise be entitled to under the Plan on account of its Class 8 Claim and shall distribute such property to SVBF in accordance with the SVBF/GE Settlement Letter when distributions to the holders of Class 8 Claims are made.

50. Implementation And Consummation Of Plan Documents. In accordance with Bankruptcy Code § 1142, the implementation and consummation of the Plan in accordance with its terms shall be, and hereby is, authorized and approved, and the Debtors, Reorganized Debtors, Creditor Trustees, or any other Person referenced in the Plan shall be, and they hereby are, authorized, empowered and directed to issue, execute, deliver, file and record any

documents, whether or not any such document is specifically referred to in the Plan, the Disclosure Statement or any exhibit thereto or this Confirmation Order, and to take any action necessary or appropriate to consummate the Plan in accordance with its terms. Without in any manner limiting the foregoing, the execution and delivery, performance, filing or recordation by the Debtors, Reorganized Debtors, Creditor Trustees or any other Person referenced in the Plan, of the Plan Documents including, without limitation, the Post-Confirmation Credit Agreement, the Post-Confirmation Security Agreement, the Certificate of Incorporation of Reorganized Debtors, the By-Laws of Reorganized Debtors, the Shareholder Agreement, the Malden Mills Retail Store Option, the Creditors Agreement of Trust, the Feuerstein Employment Agreement, the Feuerstein Consulting Agreement, the Springing Shareholder Agreement, the Görlitz Note, the Amendment to Görlitz Supply Agreement, the Agreement Among Lenders With Respect to Equity Interests, the Tolling and Standstill Agreement and each of the other documents, instruments and agreements contemplated by or necessary in connection with the consummation of the Plan, are hereby authorized and approved. No further action of this Court or the respective directors or shareholders of the Debtors or the Reorganized Debtors will be required to authorize the Reorganized Debtors to enter into, execute and deliver, or adopt, as the case may be, the documents necessary to implement the provisions of the Plan.

51. Release of Liens. Except as may otherwise be provided in the Plan or elsewhere in this Confirmation Order, on the Effective Date, all credit agreements, promissory notes, mortgages, security agreements, invoices, contracts, agreements and any other documents or instruments evidencing Claims against the Debtors, together with any and all Liens (including Liens on any and all Collateral) securing the same, shall be cancelled, discharged and released without further act or action by any Person under any applicable agreement, law, regulation,

order or rule, and the obligations of the Debtors thereunder shall be deemed cancelled, discharged and released. To the extent deemed necessary or advisable by the Reorganized Debtors, any holder of a Claim shall promptly provide the Reorganized Debtors with an appropriate instrument of cancellation, discharge or release, as the case may be, in suitable form for recording wherever necessary to evidence such cancellation, discharge or release, including the cancellation, discharge or release of any Lien securing such Claim.

52. Payment Of Statutory Fees; Final Decree. The Reorganized Debtors shall be responsible for the payment of any post-confirmation fees due pursuant to 28 U.S.C. §1930(a)(6) and the filing of post-confirmation reports, until a final decree is entered. A final decree shall be entered as soon as practicable after initial distributions have commenced under the Plan.

53. Provisions of Order Nonseverable and Mutually Dependent. The provisions of this Confirmation Order are nonseverable and mutually dependent.

54. Retention Of Jurisdiction. This Court shall retain exclusive jurisdiction, in accordance with Article XII of the Plan and in accordance with Bankruptcy Code §§ 105(a) and 1142, with respect to the following specified matters: (a) to hear and determine any and all objections to the allowance of any Claims or any controversies as to the classification of any Claims or estimate any Disputed Claim; (b) to hear and determine any and all applications by Professionals for compensation and reimbursement of expenses, pursuant to Section 2.3(c) of the Plan; (c) to hear and determine any and all pending applications for the rejection or assumption of executory contracts and unexpired leases, and fix and allow any Claims resulting therefrom; (d) to hear and determine any motions, adversary proceedings, contested or litigated matters and any other matter, including the Avoidance Actions and Causes of Action and grant or deny any application involving the Debtors or Creditor Trust that may be pending on the Effective Date or

brought thereafter; (e) to enforce the provisions of the Plan subject to the terms thereof; (f) to correct any defect, cure any omission, reconcile any inconsistency in the Plan, or interpret any provision of the Plan, the Plan Documents or this Confirmation Order as may be necessary to carry out the purpose and the intent of the Plan or to modify the Plan consistent with Section 1127 of the Bankruptcy Code; (g) to determine any Claim or liability to a governmental unit which may be asserted as a result of the transactions contemplated herein; (h) to hear and determine matters concerning state, local, and federal taxes in accordance with Sections 346, 505 and 1146 of the Bankruptcy Code; (i) to determine any matter relating to the Creditor Trust bond; (j) to determine such other matters as may be provided for in this Confirmation Order or the Plan; (k) to enter any order, including injunctions, necessary to enforce the terms of the Plan or the provisions of the Bankruptcy Code, as this Court deems appropriate; and (l) to enter a final decree closing the Bankruptcy Cases.

55. Post-Effective Date Operations. On and after the Effective Date, each Reorganized Debtor is authorized to (a) operate its business, and (b) use, acquire and dispose of property, in each case without supervision or approval of the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or by this Confirmation Order.

56. Binding Effect of Prior Orders. Pursuant to Bankruptcy Code § 1141, all prior orders entered in these Bankruptcy Cases and all documents and agreements executed by the Debtors during the pendency of these Bankruptcy Cases that were authorized by the Bankruptcy Court or permitted under the Bankruptcy Code, and all motions or requests for relief pending before the Bankruptcy Court as of the Effective Date shall be, and hereby are, binding upon and

shall inure to the benefit of the Debtors, the Reorganized Debtors and their respective successors and assigns.

57. Binding Effect of Plan. In accordance with Bankruptcy Code § 1141(a), the Plan (including the exhibits and schedules to, and all documents and agreements created pursuant to, the Plan) and all of its provisions shall be, and hereby are, binding upon the Debtors, the Reorganized Debtors, the Creditor Trustees, any Person acquiring or receiving property or a distribution under the Plan, any lessor or lessee of property to or from the Debtors, any party to a contract with the Debtors, any person who granted or is a beneficiary of the exculpations and releases contained in or provided for under the Plan, any creditor or equity security holder of the Debtors, including all governmental entities, whether or not the Claim or Equity Interest of such creditor or equity security holder is impaired under the Plan and whether or not such creditor, equity security holder or entity has accepted the Plan, any and all nondebtor parties to executory contracts and unexpired leases with any of the Debtors, any and all Persons that are parties to or are subject to the settlements, compromises, releases, discharges and injunctions described herein or in the Plan, any other party in interest, and the respective heirs, executors, administrators, successors or assigns, if any, of all of the foregoing.

58. Effect of Reference to the Plan in this Confirmation Order. The failure to reference or discuss any particular provision of the Plan in this Confirmation Order shall have no effect on the validity, binding effect and enforceability of such provision, and each provision of the Plan shall have the same validity, binding effect and enforceability as if fully set forth in this Confirmation Order.

59. Causes of Action. Except as otherwise provided in the Plan and in this Confirmation Order, or any documents entered into pursuant to the Plan (including, without

limitation, as to the Avoidance Actions, which shall be and hereby are assigned or otherwise transferred to the Creditor Trust as Trust Assets as of the Effective Date), in accordance with Section 1123(b) of the Bankruptcy Code, the Reorganized Debtors will retain and may enforce and pursue any Causes of Action that any Debtor or Estate may hold against any Person; provided, however, that consistent with the treatments set forth in the Plan, the occurrence of the Effective Date will effect a release of any claims (whether Avoidance Action claims, the suit captioned Official Committee of Unsecured Creditors v. General Electric Capital Corp., et al., Adv. Proc. No. 02-4120-JBR pending before the Bankruptcy Court (the “Committee Adversary”), or otherwise) that the Debtors or their respective estates may have against the DIP Lenders or the Senior Lenders based upon conduct occurring prior to the Effective Date, and provided further, however, that the occurrence of the Effective Date will effect a release of the SCIL Lenders from any and all claims or causes of action held by the Debtors and their Estates. On the Effective Date the Committee Adversary will be dismissed with prejudice without the need for further action of this Court or any of the parties.

60. Headings. Headings utilized in this Confirmation Order are for the convenience of reference only, and shall not constitute a part of the Plan or this Confirmation Order for any other purpose.

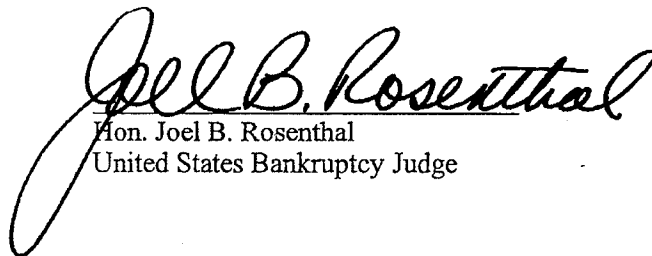
61. Notice of Entry of Confirmation Order. On or before the tenth Business Day following the date of entry of this Confirmation Order, the Debtors shall serve notice of entry of this Confirmation Order pursuant to Bankruptcy Rules 2002(f)(7), 2002(k), and 3020(c) on all creditors and interest holders, the United States Trustee, and other parties in interest, by causing such notice of entry to be delivered to such parties by first-class mail, postage prepaid. No other or further notice shall be necessary.

62. Notice of Effective Date. Within seven Business Days following the occurrence of the Effective Date, the Debtors shall file notice of the occurrence of the Effective Date and shall serve a copy of this notice on all creditors and interest holders, the United States Trustee, and other parties in interest, by causing such notice to be delivered to such parties by first-class mail, postage prepaid. No other or further notice of the Effective Date shall be necessary.

63. Nonoccurrence of Effective Date. In the event that the Effective Date does not occur, then (i) the Plan, (ii) assumption or rejection of executory contracts or unexpired leases pursuant to the Plan, (iii) any document or agreement executed pursuant to the Plan, (iv) any actions, releases, waivers, or injunctions authorized by this Confirmation Order or any order in aid of the consummation of the Plan, and (v) this Confirmation Order shall be deemed null and void *ab initio*. In such event, nothing contained in this Confirmation Order, any order in aid of consummation of the Plan, or the Plan, and no acts taken in preparation for consummation of the Plan, (a) shall be deemed to constitute a waiver or release of any Claims or Equity Interests by or against the Debtors or any other persons or entities, to prejudice in any manner the rights of the Debtors or any Person in any further proceedings involving the Debtors or otherwise, or to constitute an admission of any sort by the Debtors or any other Persons as to any issue, or (b) shall be construed as a finding of fact or conclusion of law in respect thereof.

64. Consummation Of Plan. Fed. R. Civ. P. 62(a) and Fed. R. Bankr. P. 3020(e) shall not apply to this Confirmation Order and the Court authorizes the Debtors to consummate the Plan immediately after entry of this Confirmation Order.

Dated: August 14, 2003


Hon. Joel B. Rosenthal
United States Bankruptcy Judge

TRA 1819565v4

37