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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: :
TELECARRIER SERVICES, INC., :
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 Debtor. :
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undocketed
Chapter 11
Case No. 02-20379 (ASH)

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NOTICE OF (I) ORDER APPROVING THE CONFIRMATION OF THE AMENDED PLAN OF REORGANIZATION OF TELECARRIER SERVICES, INC., DATED FEBRUARY 18, 2004, (II) OCCURRENCE OF EFFECTIVE DATE, AND (III) RELATED DATES AND DEADLINES

PLEASE TAKE NOTICE that on April 8, 2004, an Order (the "Confirmation/Sale Order") confirming the "Amended Plan of Reorganization of Telecarrier Services, Inc.," dated February 18, 2004 (the "Amended Plan")¹ was signed by the Honorable Adlai S. Hardin, United States Bankruptcy Judge, and duly docketed and filed in the Office of the Clerk of the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") on 1 *Abnnye* April 9, 2004. A copy of the Confirmation/Sale Order is attached hereto.

¹ Unless otherwise defined herein, all capitalized terms shall have the same meanings ascribed to them in the Amended Plan.

PLEASE TAKE FURTHER NOTICE that the Effective Date of the Amended Plan occurred on **April 15, 2004**.

PLEASE TAKE FURTHER NOTICE that the Confirmation/Sale Order provides that any and all claims arising from the rejection of an executory contract or unexpired lease of Telecarrier Services, Inc. (the "Debtor") under the Amended Plan must be filed with the Clerk of the Bankruptcy Court, 300 Quarropas Street, White Plains, NY 10601, and served upon the undersigned counsel to the Debtor on or before **May 28, 2004 at 4:00 p.m. (ET)**. Any Claim arising from the rejection of an executory contract or unexpired lease that is not filed within such time frame shall be released, discharged and forever barred from assertion against the Debtor, its estate or property, the Reorganized Debtor, any of its affiliates, successors and assignees, and its properties, and shall be barred from receiving any distribution under the Amended Plan.

PLEASE TAKE FURTHER NOTICE that Jenkens & Gilchrist Parker Chapin LLP, the only professionals retained by the Debtor in this chapter 11 case, must file with the Bankruptcy Court an application for final compensation or reimbursement of expenses pursuant to section 328, 330 or 503(b) of the Bankruptcy Code, and shall serve said application upon the Reorganized Debtor and the Office of the United States Trustee, no later than **May 24, 2004 at 4:00 p.m. (ET)**.

PLEASE TAKE FURTHER NOTICE that the Confirmation/Sale Order contains other

provisions that may affect your rights. You are encouraged to review the Confirmation/Sale Order in its entirety.

Dated: April 21, 2004

JENKENS & GILCHRIST
PARKER CHAPIN LLP

By: 

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: :
TELECARRIER SERVICES, INC., : Chapter 11
: Case No. 02-20379 (ASH)
: Debtor. :
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ORDER PURSUANT TO SECTION 1129 OF THE BANKRUPTCY
CODE CONFIRMING THE CHAPTER 11 PLAN OF
REORGANIZATION OF TELECARRIER SERVICES, INC. AND
APPROVING THE ISSUANCE AND SALE OF STOCK OF THE
REORGANIZED DEBTOR

Telecarrier Services, Inc., the above captioned debtor and debtor-in-possession (the "Debtor") having filed with this Court on July 29, 2002 (the "Petition Date") a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code");

And the Debtor having filed a Motion, dated January 21, 2004, for an Order: (I) Approving Debtor's Disclosure Statement, (II) Approving Procedures For The Solicitation Of Votes For Or Against The Plan, (III) Scheduling An Auction And Approving Bidding Procedures For A Sale, Pursuant To The Plan, Of 100% Of The Stock Of The Reorganized Debtor; (IV) Scheduling A Hearing To Consider Confirmation Of Debtor's Plan And Approval Of The Aforesaid Stock Sale; And (V) Approving The Form And Manner Of Notices Of The

Foregoing Relief; And (B) An Additional Order Confirming The Debtor's Plan Of Reorganization And Approving The Sale Of 100% Of The Stock Of The Reorganized Debtor Pursuant To The Plan;

And the Debtor having filed with this Court on February 23, 2004, its Amended Disclosure Statement dated February 18, 2004 (the "Disclosure Statement"), together with the Amended Plan of Reorganization of Telecarrier Services, Inc., dated February 18, 2004 (the "Plan");²

And this Court having signed an order on February 18, 2004 (the "Disclosure Statement/Bidding Procedure Order"),³ approving the Disclosure Statement and the Debtor's solicitation of votes with respect to the Plan, and also approving the notice, bidding and auction procedures for the sale of one hundred (100%) percent of the stock of the Reorganized Debtor (the "New Stock"), such sale (the "Stock Sale") to be conducted pursuant to the Plan and for the express purpose of funding the Plan;

And the Debtor having distributed the Plan and Disclosure Statement with related solicitation materials in accordance with the Disclosure Statement/Bidding Procedures Order to all holders of impaired Claims against, and impaired Interests in, the Debtor, that were entitled to vote, for the solicitation of votes to accept or reject the Plan;

And the Debtor having provided notice of the Stock Sale, including the bidding and auction procedures, to over one hundred and twenty (120) companies within the telecommunication industry, and having caused publication of such notice in the February 26, 2004 national edition of the New York Times;

² Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Plan.

³ The Disclosure Statement/Bidding Procedure Order was entered on the docket by the Clerk of the Bankruptcy Court on February 19, 2004.

And the deadline for the submission of Bids for the purchase of the New Stock having passed, and no Qualified Bids having been submitted in accordance with the terms and procedures set forth in the Disclosure Statement/Bidding Procedure Order;

And Jenkins and Gilchrist Parker Chapin LLP (the "Jenkins Firm"), counsel to the Debtor, having certified the receipt of the requisite Ballots voting to accept the Plan;

And the Disclosure Statement/Bidding Procedure Order also setting forth a date and time for a hearing, pursuant to section 1129 of the Bankruptcy Code, to consider confirmation of the Plan (the "Confirmation/Sale Hearing");

And after due notice, the Confirmation/Sale Hearing having been held before this Court on April 8, 2004, and all parties in interest having had an opportunity to appear and be heard at the Confirmation/Sale Hearing; and this Court having considered the Plan and the Disclosure Statement; and based upon all other pleadings and papers heretofore filed herein, all proceedings heretofore had herein, and the record of the Confirmation/Sale Hearing; and after due deliberation and sufficient cause appearing therefor; and

IT APPEARING AND the Court having found and determined that:⁴

A. Exclusive Jurisdiction; Venue; Core Proceeding. This Court has jurisdiction over the Debtor, this Chapter 11 Case, and this proceeding pursuant to 28 U.S.C. §§ 1334 and 157. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(L).

B. Judicial Notice. This Bankruptcy Court takes judicial notice of the docket of this Chapter 11 Case maintained by the Clerk of the Bankruptcy Court including, without limitation, all pleadings and other documents filed, all orders entered, and evidence and argument made, proffered, or adduced at the hearings held before the Bankruptcy Court during

⁴ This Order constitutes the Court's findings of fact and conclusions of law under Fed. R. Civ. P. 52, as made applicable to this proceeding by Bankruptcy Rules 9014 and 7052. Any and all findings of fact shall constitute findings of fact even if they are stated as conclusions of law, and any and all conclusions of law shall constitute conclusions of law even if they are stated as findings of fact.

the pendency of this Chapter 11 Case, including, but not limited to, the hearing to consider the adequacy of the Disclosure Statement.

C. Burden of Proof. The Debtor has satisfied the burden of proving the elements of section 1129(a) and (b) of the Bankruptcy Code by a preponderance of the evidence.

D. Notice. Notice of (i) the time fixed for filing objections to confirmation of the Plan and (ii) the Confirmation/Sale Hearing, in each case, was given in accordance with the Disclosure Statement/Bidding Procedures Order and Rule 2002(b)(2) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). The Debtor has provided adequate and sufficient notice of the Stock Sale, including all bidding and sales procedures, in accordance with the Disclosure Statement/Bidding Procedures order and Rule 2002(b)(2).

E. Voting and Acceptance of the Plan. The procedures by which the Ballots for acceptance or rejection of the Plan were distributed and tabulated were fair and were properly conducted. The Plan has been duly accepted in accordance with sections 1125 and 1126 of the Bankruptcy Code, in writing, by holders of Class 2 Claims the only Claim or Interest holder entitled to vote on the Plan.

F. Plan Compliance with Bankruptcy Code (§1129(a)(1)). The Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code.

1. Proper Classification (§§1122, 1123(a)(1)). In accordance with Bankruptcy Code sections 1122(a) and 1123(a)(1), Article II of the Plan designates separate classes of Claims and Interests (other than Administrative Expenses and Priority Tax Claims which are treated in Article III of the Plan), each of which class contains only Claims or Interests that are substantially similar to the other Claims or Interests within that class.

2. Specified Treatment of Impaired and Unimpaired Classes of Claims (§§ 1123(a)(2), (3), & (4)). In accordance with Bankruptcy Code sections 1123(a)(2), 1123(a)(3), and 1123(a)(4), Articles IV and V of the Plan identify each class

of Claims or Interests that is not impaired under the Plan, specifies the treatment of each class that is impaired under the Plan, and provides the same treatment for each Claim or Interest within a particular class, unless the holder of a particular Claim or Interest agrees to a less favorable treatment of such particular Claim or Interest.

3. Implementation of the Plan (§ 1123(a)(5)). In accordance with Bankruptcy Code section 1123(a)(5), Article VI provides adequate means for the Plan's implementation, to wit, the sale of the New Stock.

4. Charter Provisions (§ 1123(a)(6)). The Plan provides that the charter provisions required pursuant to Bankruptcy Code section 1123(a)(6) will be contained in the charter of the Reorganized Debtor.

5. Designation of Officers and Directors (§ 1123(a)(7)). Section 6.6 of the Plan, regarding the designation of officers and directors, is consistent with the interests of creditors, equity security holders, and public policy in accordance with section 1123(a)(7) of the Bankruptcy Code.

6. Additional Plan Provisions (§ 1123(b)). The Plan's provisions are appropriate and not inconsistent with the applicable provisions of the Bankruptcy Code.

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

G. Debtor's Compliance with Bankruptcy Code (§ 1129(a)(2)). The Debtor has complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code. Specifically:

1. The Debtor is a proper debtor under section 109 of the Bankruptcy Code.

2. The Debtor has complied with the applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of the Bankruptcy Court.

3. The Debtor has satisfactorily complied with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Disclosure Statement/Bidding Procedures Order in transmitting the Plan, the Disclosure Statement, the Ballots, and related documents and notices and in soliciting and tabulating votes on the Plan.

H. Plan Proposed in Good Faith (§ 1129(a)(3)). The Debtor has proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code. The Debtor's good faith is evident from the facts and records of this Chapter 11 Case, the Disclosure Statement and the hearing thereon, and the record of the Confirmation/Sale Hearing and other proceedings held in this Chapter 11 Case. The Plan was proposed with the legitimate and honest purpose of maximizing the value of the Debtor's estate by providing the means through which the Reorganized Debtor may emerge from chapter 11 as a viable operating enterprise.

I. Payments for Services or Costs and Expenses (§ 1129(a)(4)). Any payment made or to be made by the Debtor for services or for costs and expenses in or in connection with this Chapter 11 Case, or in connection with the Plan and incident to this Chapter 11 Case, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

J. Directors, Officers, and Insiders (§ 1129(a)(5)). The Debtor has complied with section 1129(a)(5) of the Bankruptcy Code. The Debtor has disclosed the identity and affiliations of the persons proposed to serve as initial directors or officers of the Reorganized Debtor after confirmation of the Plan. In addition, the appointment to, or continuance in, such offices of such persons is consistent with the interests of holders of Claims against and Interests in the Debtor and with public policy. The identity of any insider that will be employed or retained by the Reorganized Debtor and the nature of such insider's compensation have also been fully disclosed.

K. No Rate Changes (§ 1129(a)(6)). The Plan does not provide for any rate changes requiring the approval of a governmental regulatory commission and, thus, section 1129(a)(6) of the Bankruptcy Code is not applicable.

L. Best Interests of Creditors (§ 1129(a)(7)). The Plan satisfies section 1129(a)(7) of the Bankruptcy Code. The Liquidation Analysis attached to the Disclosure Statement as Appendix “D” and other evidence proffered or adduced at the Confirmation/Sale Hearing (a) are persuasive and credible, (b) have not been controverted by other evidence, and (c) establish that each holder of an impaired Claim or Interest either has accepted the Plan or will receive or retain under the Plan, on account of such Claim or Interest, property of a value, as of the Effective Date, that is not less than the amount that such holder would receive or retain if the Debtor was liquidated under chapter 7 of the Bankruptcy Code.

M. Acceptance by Certain Classes (§ 1129(a)(8)). In accordance with section 1129(a)(8) of the Bankruptcy Code, with respect to each class of Claims and each class of Interests under the Plan, each such class of Claims or Interests has accepted the Plan, or such class is not Impaired under the Plan.

N. Treatment of Administrative and Priority Claims (§ 1129(a)(9)). The Plan provides for treatment of Administrative Expense Claims, Priority Tax Claims, Priority Non-Tax Claims and all other Claims entitled to priority pursuant to section 507(a) of the Bankruptcy Code in the manner required by section 1129(a)(9) of the Bankruptcy Code.

O. Acceptance by Impaired Classes (§ 1129(a)(10)). The only class of Claims (Class 2 Claims – Allowed General Unsecured Claims) that is impaired under the Plan has accepted the Plan, determined without including any acceptance of the Plan by any insider, thus satisfying section 1129(a)(10) of the Bankruptcy Code.

P. Feasibility (§ 1129(a)(11)). The Disclosure Statement and the evidence proffered or adduced at the Confirmation/Sale Hearing (a) are persuasive and credible, (b) have not been controverted by other evidence, and (c) establish that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the

Reorganized Debtor, thus satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

Q. Payment of Fees (§ 1129(a)(12)). In accordance with section 1129(a)(12) of the Bankruptcy Code, the Plan provides for the payment of all fees payable to the Office of the United States Trustee under section 1930(a)(6) of title 28 of the United States Code ("U.S. Trustee Fees") on the Effective Date of the Plan by the Debtor. In addition, the Plan will be deemed to be modified to provide that U.S. Trustee Fees due following the Effective Date shall be paid by eLEC Communications Corp. ("eLEC") as Disbursing Agent.

R. Retiree Benefits (§ 1129(a)(13)). The Debtor is not party to any retiree benefit plan and has never obligated itself to pay any "retiree benefits" (as that term is defined in section 1114 of the Bankruptcy Code), and accordingly section 1129(a)(13) of the Bankruptcy Code is not applicable.

S. Fair and Equitable; No Unfair Discrimination (§ 1129(b)). Based upon the evidence proffered, adduced, or presented by the Debtor at the Confirmation/Sale Hearing, the Plan does not discriminate unfairly and is fair and equitable as required by section 1129(b)(1) and (2) of the Bankruptcy Code.

T. Principal Purpose of the Plan (§ 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, as amended.

U. Modifications to the Plan. The modifications to the Plan set forth in this Order constitute technical changes and/or changes with respect to particular Claims by agreement with holders of such Claims, and do not adversely change the treatment of any other Claims or Interests. Accordingly, pursuant to Bankruptcy Rule 3019, these modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or resolicitation of votes under section 1126 of the Bankruptcy Code, nor do they require that holders of Claims or Interests be afforded an opportunity to change previously cast acceptances or rejections of the Plan.

V. Good Faith Solicitation (§ 1125(e)). Based on the record before the Bankruptcy Court in this Chapter 11 Case, the Debtor, its officers, directors, employees, agents, counsel or other professionals have acted in “good faith” within the meaning of section 1125(e) of the Bankruptcy Code in compliance with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules in connection with all their respective activities relating to the solicitation of acceptances to the Plan and their participation in the activities described in section 1125 of the Bankruptcy Code, and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Section 12.6 of the Plan.

W. Documentation. All documents necessary to implement the Plan are duly authorized and shall, upon execution and delivery, be valid, binding and enforceable agreements and not in conflict with any federal or state law.

X. Conditions Precedent. All conditions precedent to the Confirmation of the Plan set forth in Article XIII of the Plan have been satisfied or waived by the Debtor.

Y. Satisfaction of Confirmation Requirements. All requirements for confirmation of the Plan set forth in section 1129(a) of the Bankruptcy Code have been satisfied.

Z. Retention of Jurisdiction. The Bankruptcy Court may properly retain jurisdiction over the matters set forth in Article XI of the Plan and section 1142 of the Bankruptcy Code.

THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED that:

1. Findings of Fact and Conclusions of Law. The findings of this Court as set forth above shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, which is applicable to this matter by reason of Bankruptcy Rule 9014.

2. Technical Amendments. The modifications and clarifications to the Plan set forth herein meet the requirements of sections 1127(a) and (c) of the Bankruptcy Code and such modifications and clarifications do not adversely change the treatments of the Claim of any creditor or Interest of any holder thereof within the

meaning of Bankruptcy Rule 3019, and no further disclosure, solicitation or voting is required.

3. Confirmation. The Plan is approved and confirmed under section 1129 of the Bankruptcy Code. The terms of the Plan are incorporated by reference into and are an integral part of this Confirmation/Sale Order.

4. Objections. All Objections that have not been withdrawn, waived, or settled, and all reservations of rights pertaining to Confirmation of the Plan included therein, are overruled on the merits.

5. No Rule 3020(e) Stay. This Order is not stayed under Bankruptcy Rule 3020(e) and shall be effective immediately upon the entry hereof.

6. Rejection. As provided for under the Plan and without in any way limiting the provisions of the Plan, any prepetition executory contract or unexpired lease of the Debtor which has not expressly been assumed by motion, or which is not the subject of a pending application to assume on the Confirmation Date, shall be deemed rejected by the Reorganized Debtor on the Effective Date.

7. Authorization to Implement Plan Including Stock Sale. The Debtor and all parties in interest herein are authorized, empowered and directed forthwith to take any and all actions and to execute and, if appropriate, acknowledge any and all documents necessary to implement the provisions of the Plan, including, without limitation, the sale of the New Stock.

8. Approval of Stock Sale. Subject to the closing of the Stock Sale, the sale of the New Stock to eLEC is hereby approved, in all respects, subject to the following terms and conditions:

- The purchase of the New Stock shall be free and clear of any and all liens, claims, encumbrances and other interests;
- Upon the closing of the Stock Sale, all assets and property of the Debtor's estate shall vest in the Reorganized Debtor, in accordance with the Plan;

- The Purchase Price to be paid by eLEC shall consist of \$325,000 in Cash, to be paid at the Closing, in addition to the assumption of liabilities by the Reorganized Debtor, as set forth below;
- The eLEC Offer is subject to higher and better offers;
- the eLEC Offer is not subject to any financing or due diligence contingencies;
- No break-up fee shall be payable to eLEC if it is not the Successful Bidder at the Auction;
- it shall be a condition to closing of the Stock Sale that the Debtor's Plan be confirmed by order of the Bankruptcy Court, which order shall not have been reversed, modified or stayed as of the Closing Date;
- the Reorganized Debtor shall not be liable for any of the Debtor's pre-petition liabilities or any post-petition liabilities relating to the administration of the Debtor's Chapter 11 case, such as professional fees, court filing fees and fees of the Office of the United States Trustee; and
- The Reorganized Debtor shall be responsible for all unpaid, ordinary course debts and obligations of the Debtor incurred in the operation of the Debtor's business between the Petition Date and the Effective Date.

9. Cancellation of Debtor's Existing Common Stock and Issuance of New Stock. The Debtor's existing common stock shall be deemed canceled upon the closing of the Stock Sale. The Reorganized Debtor is hereby authorized and directed to issue to eLEC two hundred (200) shares of common stock (previously defined as the New Stock).

10. Distributions. All distributions of cash or other consideration required to be made by the Debtor or the Disbursing Agent pursuant to the Plan shall be made within such time as provided by the Plan and all such distributions shall be timely and proper if mailed by first class mail on or before the distribution dates set forth in the Plan to the last known address of the person entitled thereto.

11. Professional Fees. The Jenkens Firm, as the only retained professionals in this case, shall file with the Court an application for final compensation or reimbursement of expenses pursuant to section 328, 330 or 503(b) of the Bankruptcy Code, and shall serve said application upon the Debtor and the Office of the United States Trustee, no later than forty-five (45) days after entry of this Order.

12. Plan Classification Controlling. The classifications of Claims and Interests for purposes of the distributions to be made under the Plan shall be governed solely by the terms of the Plan.

13. Binding Effect. The Plan and its provisions shall be binding upon the Debtor, the Reorganized Debtor, the Disbursing Agent, any entity acquiring or receiving property as a distribution under the Plan, and any holder of a Claim against or Interest in the Debtor, including all governmental entities, whether or not the Claim or Interest of such holder is impaired under the Plan and whether or not such holder or entity has accepted the Plan.

14. Transmittal of Materials; Notice. The transmittal and service of the Disclosure Statement, the Plan, the Ballots and the Confirmation/Sale Hearing Notice, together with the publication of the Confirmation/Sale Hearing Notice, are hereby approved as proper notice of the relief provided in this Order.

15. Vesting of Assets. Except as otherwise explicitly provided in the Plan, on the Effective Date, all property comprising the Estate shall vest in the Reorganized Debtor as of the Effective Date, free and clear of all Claims, liens, charges, encumbrances, rights and interests of creditors and equity security holders; provided, however, that if incurred in the ordinary course of business or otherwise assumed by the Reorganized Debtor pursuant to this Plan, an Allowed Administrative Expense Claim shall be the responsibility of the Reorganized Debtor on the Effective Date and paid, performed or settled by the Reorganized Debtor when due in accordance with the terms and conditions of the particular agreement(s) governing such obligation or liability.

Nothing contained in this Order or the Plan provides the Reorganized Debtor with any right, title or interest in the Stock Sale Proceeds.

16. Corporate Existence. Consistent with Section 6.5 of the Plan, as of the Effective Date, the Debtor will survive as the Reorganized Debtor. Except as provided otherwise herein, any and all obligations of the Debtor's estate arising under the Plan shall be the responsibility of the Disbursing Agent.

17. Rejection of Executory Contracts and Unexpired Leases and Rejection Damages Bar Date. In accordance with Section 9.2 of the Plan, if the rejection by the Debtor pursuant to the Plan of an executory contract or unexpired lease results in a Claim, then such Claim shall be forever barred and shall not be enforceable against the Debtor, the Reorganized Debtor, or such entities' properties unless a proof of claim is filed with the Bankruptcy Court and served upon counsel to the Debtor within thirty (30) days after service of the Confirmation/Sale Order. If an executory contract or unexpired lease has been rejected prior to the Confirmation Date by Order of the Bankruptcy Court, and such Order provides a deadline for the filing of any Claim resulting from such rejection, then the deadline provided in such Order shall govern with respect to the Executory Contract or unexpired lease which is the subject of such Order.

18. Releases for Acts Prior to the Effective Date. Section 12.7 of the Plan shall be amended to include the following:

Nothing in this section shall (i) be construed to release or exculpate any entity from fraud, gross negligence, wilful misconduct, malpractice, criminal conduct, unauthorized use of confidential information that causes damages, or ultra vires acts, or (ii) limit the liability of the professionals of the Debtor or the Reorganized Debtor to their respective clients pursuant to DR 6-102 of the Code of Professional Responsibility.

19. Governmental Approvals Not Required. This Confirmation/Sale Order shall constitute all approvals and consents required, if any, by the laws, rules, or regulations of any state or any other governmental authority with respect to the implementation or consummation of the Plan and any documents, instruments, or agreements, and any amendments or modifications thereto, and any other acts referred to in or contemplated by the Plan, the Disclosure Statement, and any documents, instruments, or agreements, and any amendments or modifications thereto.

20. Exemption from Certain Taxes. Pursuant to section 1146(c) of the Bankruptcy Code, the issuance, transfer or exchange of notes or equity securities under the Plan, the creation of any mortgage, deed of trust, or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, shall not be subject to any stamp, real estate transfer, sales, use, mortgage recording or other similar tax.

21. Injunction Against Interference With Plan. Upon the entry of this Order, all holders of Claims and Interests and other parties in interest, along with their respective present or former employers, agents, officers, directors, or principals, shall be permanently and forever barred, restrained and enjoined from taking any actions to interfere with the implementation or consummation of the Plan.

22. Notice of Entry of Confirmation/Sale Order. On or before the tenth (10th) Business Day following the date of entry of this Confirmation/Sale Order, the Debtor shall serve notice of entry of this Confirmation/Sale 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 notice of entry of the Confirmation/Sale Order (the "Notice of Confirmation"), to be delivered to such parties by first-class mail, postage prepaid. The notice described herein is adequate under the particular circumstances and no other or further notice is necessary.

23. Modification/Reversal. If any provision of this Order is hereafter modified, vacated or reversed by subsequent order of this Bankruptcy Court or any other court, such reversal, modification or vacation shall not affect the validity of the obligations incurred or undertaken under or in connection with the Plan prior to the Debtor's or Disbursing Agent's receipt of written notice of any such order; nor shall such reversal, modification or vacation hereof affect the validity or enforceability of such obligations. Notwithstanding any reversal, modification or vacation hereof, any such obligation incurred or undertaken pursuant to and in reliance on this Order prior to the effective date of such reversal, modification or vacation shall be governed in all respects by the provisions hereof and of the Plan, and all documents, instruments and agreements related thereto, or any amendments or modifications thereto.

24. Conflicts Between Confirmation/Sale Order and Plan. To the extent of any inconsistency between the provisions of the Plan and this Order, the terms and conditions contained in this Order shall govern. The provisions of this Order are integrated with each other and are nonseverable and mutually dependent unless expressly stated by further order of this Bankruptcy Court. The failure to reference or discuss all or part of any particular provision of the Plan herein shall have no effect on the validity, binding effect and enforceability of such provision, and such provision shall have the same validity, binding effect and enforceability as every other provision of the Plan.

Dated: White Plains, New York
April 8, 2004

/s/ Adlai S. Hardin
HONORABLE ADLAI S. HARDIN
UNITED STATES BANKRUPTCY JUDGE