Hearing Date: October 29, 2024 at 1:00 p.m.
Objections Due By: October 22, 2024 at 4:00 p.m.

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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

SHELTERING ARMS CHILDREN AND FAMILY SERVICES, INC.

Debtor.

Chapter 11

Case No. 24-41037 (JMM)

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DEBTOR'S MOTION FOR ENTRY OF AN ORDER APPROVING THE STIPULATION RESOLVING THE CLAIMS OF THE PENSION BENEFIT GUARANTY CORPORATION

Sheltering Arms Children and Family Services, Inc. ("**Sheltering Arms**" or the "**Debtor**")[1], as debtor and debtor-in-possession in this chapter 11 case (the "**Chapter 11 Case**"), by and through its attorneys, Garfunkel Wild, P.C., hereby brings this motion (the or this "**Motion**") for the entry of an order approving the stipulation, a copy of which is annexed hereto as **Exhibit A** (the "**Stipulation**"), by and between the Debtor and PBGC ("**PBGC**", and together with the Debtor, each a "**Party**" and, collectively, the "**Parties**") regarding the claims of the PBGC relating to the Sheltering Arms Children and Family Services, Inc. Defined Benefit Plan (the "**DB Plan**") and the termination thereof. In support of this Motion, the Debtor respectfully represents as follows:

[1] The last four digits of the Debtor's federal tax identification number are 9095.

SUMMARY OF RELIEF REQUESTED

1. Prior to the commencement of this Chapter 11 Case, the Debtor sponsored the DB Plan and remains the sponsor of that plan today. In an effort to efficiently resolve all outstanding issues and claims related to the DB Plan and the ultimate termination thereof, without the need to engage in uncertain, complex, and costly litigation, the Debtor engaged in extensive arms-length negotiations with PBGC. The Parties have reached an agreement and seek approval of the Stipulation which embodies that agreement. As set forth in further detail below, the Stipulation generally provides for: (a) the consensual termination of the DB Plan, (b) a mechanism for the appointment of PBGC as Trustee of the DB Plan, (c) the resolution of the claims asserted by PBGC, and (d) the dismissal of an action currently pending in the District Court related to the proposed termination of the DB Plan.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this case and this Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are sections 105(a) of Title 11 of the United States Code (the "**Bankruptcy Code**") and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**").

BACKGROUND

3. As previously noted, the Debtor sponsors the DB Plan for the benefit of its employees. The DB Plan is a defined benefit pension plan covered under section 4021 of title IV of the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1321. On or about December 18, 2023, PBGC issued a Notice of Determination ("**Notice**") under section

4042(a)(2) of the Employment Retirement Income Security Act of 1974, as amended ("ERISA"), stating that PBGC intended to have the DB Plan terminated, PBGC appointed as its statutory trustee, and March 31, 2023, established as the DB Plan's termination date, and provided to Sheltering Arms an Agreement for Appointment of Trustee and Termination of Plan (the "**Termination and Trusteeship Agreement**"), a copy of which is annexed as Exhibit A of the Stipulation. For a number of reasons, Sheltering Arms did not immediately sign the Termination and Trusteeship Agreement and PBGC thus commenced an action, also pre-petition, against Sheltering Arms as plan administrator of the DB Plan, in the United States District Court for the Eastern District of New York (Case No. 1:24-cv-01608-NRM-TAM) (the "**District Court Action**"). The District Court Action sought to terminate the DB Plan with a March 31, 2023, termination date and appoint PBGC as statutory trustee of the DB Plan under ERISA Section 4042(c). The Parties have entered into three stipulations extending the time for Sheltering Arms to Answer the Complaint in the District Court Action while pursuing settlement. The current deadline for Sheltering Arms to answer or otherwise respond to the Complaint in the District Court Action is December 2, 2024.

4. On March 7, 2024 (the "**Petition Date**"), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. Since that time, the Debtor has remained in possession of its assets and operations and continues to manage its business as a debtor-in-possession pursuant to section 1107 and 1108 of the Bankruptcy Code. No examiner, trustee, or creditors' committee has been appointed.

5. The additional factual background regarding the Debtor, including its current and historical business operations and the factors which precipitated the filing of the Debtor's Chapter 11 Case, are set forth in detail in the Affidavit of Judith Pincus Pursuant to Local Rule

1007-4 and in Support of First Day Motion (the "**Pincus Affidavit**") [**ECF 11**], which is relied upon in connection with the relief requested herein. In the interest of brevity, the facts and statements set forth in the Pincus Affidavit are incorporated herein by reference.

6. Subsequent to the Petition Date, the Debtor scheduled PBGC as having a non-priority general unsecured claim in the amount of $3,150,000.00, which claim was scheduled as contingent, unliquidated and disputed (the "**Scheduled Claim**"). PBGC filed three proofs of claim in this case: (a) Claim No. 17, which asserts an unsecured contingent claim of not less than $2,932,568.00 on account of unfunded benefit liabilities related to the DB Plan ("**POC 17**"); (b) Claim No. 18, which asserts an unsecured claim of not less than $1,145,737.03, an unliquidated amount of which is asserted to be entitled to both administrative priority and tax priority status on account of statutory liability under 29 U.S.C. § 1307 ("**POC 18**"); and (c) Claim No. 19, which asserts an unsecured contingent and unliquidated claim for contributions that may be owed to the DB Plan on account of minimum funding standards under ERISA ("**POC 19**" and, together with POC 17 and POC 18, the "**Filed Claims**" and the Filed Claims together with the Scheduled Claim, collectively the "**Claims**").

RELIEF REQUESTED

7. The Debtor and PBGC have engaged in extensive negotiations to resolve all matters relating to the DB Plan, the District Court Action, and the Claims and have reached a resolution whereby[2]:

(a) the Debtor, as the DB Plan administrator, and PBGC shall enter into a Termination and Trusteeship Agreement, a copy of which is annexed to Exhibit A

[2] In the case of a conflict between: (a) the following summary or any other description in this Motion of the Stipulation and (b) the Stipulation, the Stipulation shall control.

of the Stipulation, following which the PBGC shall dismiss the District Court Action;

(b) the Filed Claims shall be deemed withdrawn with prejudice, the Scheduled Claim shall be expunged, and the Claims shall collectively be replaced with: (a) an allowed general unsecured claim in the amount of $3,000,000.00 (the "**Allowed PBGC Unsecured Claim**"); and (b) an allowed administrative priority claim of $20,000.00 (the "**Allowed PBGC Administrative Claim**" and, together with the Allowed PBGC Unsecured Claims, the "**Allowed PBGC Claims**");

(c) the Allowed PBGC Unsecured Claim is subject to reduction by an amount equal to the value (determined as of March 31, 2023, pursuant to PBGC regulations at 29 CFR Part 4044, Subpart B) stemming from the possible cessation, prior to the March 31, 2023, termination date, of certain benefits related to a number of individuals, which the Parties believe to be approximately eight (8) (the "**PBGC Unsecured Claim Reduction Amount**"). Due to unusual circumstances, these were not reported to PBGC prior to the issuance of the Notice. If the Parties' respective actuaries cannot agree to the PBGC Unsecured Claim Reduction Amount the Parties may return to this court solely to present their respective actuarial findings and have this court determine the appropriate PBGC Unsecured Claim Reduction Amount. If no PBGC Unsecured Claim Reduction Amount is agreed to or ordered, the Allowed PBGC Unsecured Claim is as described in paragraph 7(b) above; and

(d) the Allowed PBGC Administrative Claim shall be paid only after the payment to general unsecured creditors in an amount equal to one percent (1.00%) of their allowed general unsecured claims in this case, but the Allowed PBGC Administrative Claim shall be paid in full prior to any further distributions being made on account of allowed general unsecured claims beyond the first one percent (1.00%).

8. Accordingly, the Debtor and PBGC have entered into the Stipulation providing for such relief and, by this Motion, the Debtor is seeking entry of an order approving the Stipulation pursuant to Bankruptcy Rule 9019.

BASIS FOR RELIEF REQUESTED

9. Federal Rule of Bankruptcy Procedure 9019(a) provides in pertinent part that "[o]n motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement." Fed. R. Bankr. P. 9019(a). In approving a settlement, a court must "review the reasonableness of the proposed settlement [and]…make an informed judgment as to whether the settlement is fair and equitable and in the best interests of the estate." *In re Worldcom, Inc.*, 347 B.R. 123, 137 (Bankr. S.D.N.Y. 2006) (citations omitted); *see also Air Line Pilots Ass'n, Int'l v. Am. Nat'l Bank & Trust Co. (In re Ionosphere Clubs, Inc.)*, 156 B.R. 414, 426 (S.D.N.Y. 1993).

10. In approving a settlement Court's consider a number of factors, including:

> (1) the balance between the possibility of success in litigation and the settlement's future benefits; (2) the likelihood of complex and protracted litigation, with its attendant expense, inconvenience, and delay, including the difficulty in collecting on the judgment; (3) the paramount interests of the creditors, including each affected class's relative benefits and the degree to which creditors either do not object to or affirmatively support the proposed settlement; (4) whether other parties in interest support the settlement; (5) the competency and experience of counsel supporting the settlement; (6) the nature and breadth of releases to be obtained by officers and directors; and (7) the extent to which the settlement is the product of arm's length bargaining.

Fjord v. AMR Corp. (In re AMR Corp.), 502 B.R. 23, 43 (Bankr. S.D.N.Y. 2013) (citing *In re Iridium Operating LLC*, 478 F.3d 452, 462 (2d Cir. 2007)).

11. Moreover, settlements should be approved if they fall above the lowest point of reasonableness. *In re W.T. Grant Co.*, 699 F.2d 599, 608 (2d Cir. 1983) (citations omitted) ("[The] responsibility of the bankruptcy judge…is not to decide the numerous questions of law and fact raised by the appellants, but rather, to canvass the issues and see whether the settlement fall[s] below the lowest point in the range of reasonableness.") (internal quotation marks omitted); *In re Planned Protective Servs., Inc.*, 130 B.R. 94, 99 n.7 (Bankr. C.D. Cal. 1991) (citations omitted).

12. The Court, however, need not "conduct a 'mini trial' on the issue." *Worldcom*, 347 B.R. at 137 (citations omitted). "The Court need only 'canvass the issues' to determine if the 'settlement falls below the lowest point in the range of reasonableness.'" *Id*. (quoting *In re Teltronics. Serv., Inc.*, 762 F.2d 185, 189 (2d Cir. 1985)); *In re Adelphia Communs. Corp.*, 368 B.R. 140, 225-26 (Bankr. S.D.N.Y. 2007) (citations omitted) ("[T]he court only need be apprised of those facts that are necessary to enable it to evaluate the settlement and to make a considered and independent judgment about the settlement. In doing so, the court is permitted to rely upon opinions of the trustee, the parties, and their attorneys."). Thus, the question is not whether a "settlement is the best possible compromise or that the parties have maximized their recovery", instead, the court should approve settlements that meet a minimal threshold of reasonableness. *Nellis v. Shugrue*, 165 B.R. 115, 123 (S.D.N.Y. 1994); *In re Tech. for Energy Corp.*, 56 B.R. 307, 311-312 (Bankr. E.D. Tenn. 1985); *In re Mobile Air Drilling Co., Inc.*, 53 B.R. 605, 608 (Bankr. N.D. Ohio 1985). Moreover, settlements and compromises are favored and encouraged in bankruptcy. *Adelphia*, 368 B.R. at 226 (quoting *Protective Committee for Independent Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968)) ("[I]n administering reorganization proceedings in an economical and practical manner it will often be

wise to arrange the settlement of claims as to which there are substantial and reasonable doubts.") (additional citations omitted).

13. As the Sponsor and plan administrator of the DB Plan, the Debtor, who is utilizing these Chapter 11 proceedings to liquidate its remaining assets and ultimately dissolve, must terminate the DB Plan. The Debtor has thoroughly explored the available ways in which it could terminate the DB Plan, keeping in mind its obligations to the participants in the DB Plan as well as the various creditor constituencies in this Chapter 11 Case. Simultaneously, the Debtor engaged in extensive negotiations with PBGC to resolve all matters relating to the DB Plan, the District Court Action and the Claims. Ultimately, the Debtor determined that entering into the settlement and signing the Termination and Trusteeship Agreement is in the best interest of the various constituents in this Chapter 11 Case, including the DB Plan participants (the Debtor's former employees).

14. The benefits of the settlement contained in the Stipulation are clear. By entering into the Stipulation, the Debtor avoids the uncertainty, expense, and delay of litigation attendant to the termination of the DB Plan while simultaneously cutting off the accrual of any administrative expenses that would otherwise be incurred in connection therewith. The Debtor also avoids complex and protracted litigation regarding the Claims, as the Stipulation reduces and fixes PBGC's asserted administrative expense claim and significantly reduces PBGC's asserted unsecured claims. Moreover, PBGC's agreed treatment of the PBGC Allowed Administrative Claim not only protects a recovery to general unsecured claimants, but also ensures that such claim will not become an obstacle to the ultimate confirmation of a plan of liquidation in this Chapter 11 Case.

15. Accordingly, the Debtor maintains that the Stipulation falls well within the range of reasonableness necessary for Court approval and is in the best interests of the Debtor, its Estate, creditors, and parties in interest. Specifically, the Stipulation, which was negotiated at arm's length with the assistance of experienced counsel, will resolve all issues related to the termination of the DB Plan, the District Court Action, and the Claims and will ultimately aid the Debtor in proposing a chapter 11 plan. Accordingly, for the foregoing reasons, the Debtor asserts that the Stipulation and the agreements set forth therein should be approved.

NOTICE

16. Notice of this Motion shall be provided to the Master Service List (as defined in the Case Management Order), Principal Financial Group, and the Parties to the Stipulation. The Debtor submits that no other notice need be given.

NO PRIOR REQUEST

17. No previous request for the relief sought herein has been made to this or any other court.

WHEREFORE, the Debtor respectfully requests that the Court enter an order, substantially in the form annexed hereto as **Exhibit B**, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: Great Neck, New York
October 1, 2024

GARFUNKEL WILD, P.C.

By: /s/ Adam T. Berkowitz
Adam T. Berkowitz, Esq.
Michael D. Goldberg, Esq.
111 Great Neck Road
Great Neck, New York 11021
Telephone: (516) 393-2200
Facsimile: (516) 466-5964

Counsel for the Debtor
and Debtor-in-Possession

Exhibit A

Stipulation

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

SHELTERING ARMS CHILDREN AND FAMILY SERVICES, INC.	Chapter 11
	Case No. 24-41037 (JMM)
Debtor.	

---x

STIPULATION RESOLVING THE CLAIMS OF
THE PENSION BENEFIT GUARANTY CORPORATION

THIS STIPULATION (the or this "**Stipulation**") is made by and between: (a) Sheltering Arms Children and Family Services, Inc. ("**Sheltering Arms**" or the "**Debtor**")[1] as debtor and debtor-in-possession in this chapter 11 case (the "**Chapter 11 Case**"); and (b) the Pension Benefit Guaranty Corporation ("**PBGC**" and, together with the Debtor, each a "**Party**" and, collectively, the "**Parties**").

RECITALS

WHEREAS, on March 7, 2024 (the "**Petition Date**"), the Debtor filed a voluntary petition for relief under chapter 11 of Title 11 of the United States Code (the "**Bankruptcy Code**");

WHEREAS, the Debtor sponsors the Sheltering Arms Children and Family Services, Inc. Defined Benefit Plan for its employees (the "**DB Plan**");

WHEREAS, on or about December 18, 2023, PBGC issued a Notice of Determination ("**Notice**") under section 4042(a)(2) of the Employment Retirement Income Security Act of 1974,

[1] The last four digits of the Debtor's federal tax identification number are 9095.

as amended ("**ERISA**") informing Sheltering Arms of PBGC's intention to seek to terminate and be appointed trustee of the DB Plan.

WHEREAS, prior to the Petition Date, PBGC commenced an action in the United States District Court for the Eastern District of New York seeking to terminate and be appointed statutory trustee of the DB Plan (Case No. 1:24-cv-01608-NRM-TAM) (the "**District Court Action**");

WHEREAS, the Debtor scheduled PBGC as having a non-priority general unsecured claim in the amount of $3,150,000.00, which claim was scheduled as contingent, unliquidated and disputed (the "**Scheduled Claim**");

WHEREAS, PBGC filed three proofs of claim in this case:

- Claim No. 17, which asserts an unsecured contingent claim of not less than $2,932,568.00 on account of unfunded benefit liabilities related to the DB Plan ("**POC 17**");
- Claim No. 18, which asserts an unsecured claim of not less than $1,145,737.03, an unliquidated amount of which is asserted to be entitled to both administrative priority and tax priority status on account of statutory liability under 29 U.S.C. § 1307 ("**POC 18**");
- Claim No. 19, which asserts an unsecured contingent and unliquidated claim for contributions that may be owed to the DB Plan on account of minimum funding standards under ERISA ("**POC 19**" and, together with POC 17 and POC 18, the "**Filed Claims**" and the Filed Claims together with the Scheduled Claim, collectively the "**Claims**");

WHEREAS, the Parties hereto have engaged in extensive negotiations to resolve all matters relating to the DB Plan, the District Court Action, and the Claims and have reached a resolution as detailed herein;

NOW, **THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed by and between the Parties as follows:

1. This Stipulation shall be deemed effective as to the Parties upon the execution of this Stipulation by the Parties hereto and the so ordering of this Stipulation by the Bankruptcy Court (the "**Effective Date**").

2. As soon as practicable, but no later than ten (10) days following the Effective Date, the Debtor shall sign the Agreement for Appointment of Trustee and Termination of Plan (the "**Termination and Trusteeship Agreement**"), a copy of which is annexed hereto as **Exhibit A**, which PBGC shall countersign as soon as practicable thereafter.

3. Within five (5) days following the Debtor's execution of the Termination and Trusteeship Agreement, PBGC shall file a motion to dismiss the District Court Action.

4. The Filed Claims shall be deemed withdrawn with prejudice, the Scheduled Claim shall be expunged, and the Claims shall collectively be replaced with: (a) an allowed general unsecured claim in the amount of $3,000,000.00 (the "**Allowed PBGC Unsecured Claim**"); and (b) an allowed administrative priority claim of $20,000.00 (the "**Allowed PBGC Administrative Claim**" and, together with the Allowed PBGC Unsecured Claim, the "**Allowed PBGC Claims**").

5. The Allowed PBGC Unsecured Claim is subject to reduction by an amount equal to the value (determined as of March 31, 2023, pursuant to PBGC regulations at 29 CFR Part 4044, Subpart B) stemming from the possible cessation, prior to the March 31, 2023, termination date, of certain benefits related to a number of individuals, which the Parties believe to be approximately

eight (8) (the "**<u>PBGC Unsecured Claim Reduction Amount</u>**"). Due to unusual circumstances, these were not reported to PBGC prior to the issuance of the Notice. If the Parties' respective actuaries cannot agree to the PBGC Unsecured Claim Reduction Amount, the Parties may return to this court solely to present their respective actuarial findings and have this court determine the appropriate PBGC Unsecured Claim Reduction Amount. If no PBGC Unsecured Claim Reduction Amount is agreed to or ordered, the Allowed PBGC Unsecured Claim is as described in paragraph 4.

6. The Allowed PBGC Administrative Claim shall be paid only after payment to general unsecured creditors in an amount equal to one percent (1.00%) of the allowed general unsecured claims in this case, but the Allowed PBGC Administrative Claim shall be paid in full prior to any further distributions being made on account of allowed general unsecured claims beyond the first one percent (1.00%).

7. The Parties represent that this Stipulation constitutes the entire agreement among them in this matter and that this Stipulation may not be changed, modified, or altered in any way or manner, except in a writing signed by that Party against which such change, modification, or alteration is sought to be enforced.

8. Each person signing below represents and warrants that he/she has the authority to enter into this Stipulation on behalf of the Party on whose behalf such person so signs.

9. To the extent permitted by applicable law, the Court shall retain jurisdiction to hear and determine matters related to compliance with this Stipulation.

10. This Stipulation may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document. A signature to this

Stipulation transmitted by facsimile or e-mail shall be deemed an original, valid and binding signature to this Stipulation.

SHELTERING ARMS CHILDREN AND FAMILY SERVICES, INC.

By: /s/ Adam T. Berkowitz
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Counsel for Sheltering Arms Children and Family Services, Inc.

Dated: Great Neck, New York
October 1, 2024

PENSION BENEFIT GUARANTY CORPORATION

By: /s/ Zoe C. Wadge

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Counsel for the Pension Benefit Guaranty Corporation

Dated: Washington, D.C.
October 1, 2024

<u>Exhibit A</u>

Termination and Trusteeship Agreement

AGREEMENT FOR APPOINTMENT OF TRUSTEE AND TERMINATION OF PLAN

This is an AGREEMENT between the Pension Benefit Guaranty Corporation ("PBGC") and Sheltering Arms Children and Family Services, Inc. (the "Company").

RECITALS:

A. PBGC is a United States government agency established by Title IV of the Employee Retirement Income Security Act of 1974, *as amended*, 29 U.S.C. §§1301-1461 ("ERISA").

B. The Company is a corporation organized under the laws of New York, with its principal place of business located in Jamaica, NY.

C. The Company maintains the Sheltering Arms Children and Family Services, Inc. Defined Benefit Plan (the "Plan") to provide retirement benefits for certain of its employees. The Plan was established effective January 1, 1978.

D. The Plan is an employee pension benefit plan to which 29 U.S.C. § 1321(a) applies and is not exempt under 29 U.S.C. § 1321(b). The Plan is therefore covered by Title IV of ERISA.

E. The Company is the administrator of the Plan within the meaning of 29 U.S.C. §§ 1002(16) and 1301(a)(1).

F. On March 13, 2023, the Board of Directors of the Company passed a resolution authorizing the Company to transfer all its current program-related operations to other entities.

G. On March 31, 2023, the Company was a contributing sponsor of the Plan within the meaning of 29 U.S.C. § 1301(a)(13).

H. PBGC has issued to the Company a Notice of Determination under 29 U.S.C. § 1342(a) that the Plan will be unable to pay benefits when due, and that the Plan should be terminated under 29 U.S.C. § 1342(c).

NOW THEREFORE, the parties agree:

1. The Plan is terminated under 29 U.S.C. § 1342(c).

2. The Plan termination date is March 31, 2023, under 29 U.S.C. § 1348.

3. PBGC is appointed trustee of the Plan under 29 U.S.C. § 1342(c).

4. The Company and any other person having possession or control of any records, assets or other property of the Plan shall convey and deliver to PBGC any such records, assets or property in a timely manner. PBGC reserves all its rights to pursue such records, assets, and other property by additional means, including but not limited to issuance of administrative subpoenas under 29 U.S.C. § 1303.

5. PBGC will have, with respect to the Plan, all of the rights and powers of a trustee specified in ERISA or otherwise granted by law.

The persons signing this Agreement are authorized to do so. The Agreement will take effect on the date the last person signs below.

Sheltering Arms Children and Family Services, Inc., Plan Administrator

Dated: _____________ By: _________________________________

Kenneth Kramer
Board Chairman and President

PENSION BENEFIT GUARANTY CORPORATION

Dated: _____________ By: _________________________________

Exhibit B

Proposed Order

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

---x

In re:

SHELTERING ARMS CHILDREN AND FAMILY SERVICES, INC.

Debtor.

---x

Chapter 11

Case No. 24-41037 (JMM)

ORDER APPROVING THE STIPULATION RESOLVING THE CLAIMS OF THE PENSION BENEFIT GUARANTY CORPORATION

Upon consideration of the motion (the "**Motion**")[1] [**ECF __**] of Sheltering Arms Children and Family Services, Inc. ("**Sheltering Arms**" or the "**Debtor**"), seeking entry of an Order, pursuant to sections 105(a) of Title 11, the United States Code (the "**Bankruptcy Code**") and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") approving the stipulation, a copy of which is annexed to the Motion as Exhibit A (the "**Stipulation**"), by and between the Debtor and the Pension Benefit Guaranty Corporation ("**PBGC**", and together with the Debtor, each a "**Party**" and, collectively, the "**Parties**"), all as described more fully in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and due and appropriate notice of the Motion having been provided under the circumstances of this case and as set forth in the Motion, and it appearing that no other or further notice of the Motion need be provided; and the Court having determined that the relief sought in the Motion regarding PBGC's Claims is in the best interests of the Debtor, its estate and all parties in interest; and upon the record of the hearing held by the Court on the Motion on October 29, 2024 (the

[1] Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

"**Hearing**"); and just cause having been established at the Hearing; and all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is hereby granted to the extent provided herein.

2. The Stipulation is hereby approved in all respects as fair and equitable and in the best interests of the Debtor, its Estate, creditors, and all parties in interest.

3. All of the terms set forth in the Stipulation are deemed binding on the Parties, as set forth therein.

4. The Parties are authorized, but not directed, to execute, deliver, implement, and fully perform any and all obligations, instruments, documents, and papers and to take any and all actions reasonably necessary and appropriate to consummate the terms of the Stipulation and perform any and all obligations contemplated therein, including, but not limited to, the execution of, and performance under, the Termination and Trusteeship Agreement.

5. The Debtor's claims and noticing agent and the Clerk of this Court are authorized to take any and all actions that are necessary or appropriate to give effect to this Order.

6. To the extent permitted by applicable law, this Court shall retain jurisdiction with respect to matters, claims, rights or disputes related to compliance with the Stipulation.