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

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In re:	:	Chapter 11
	:	(Jointly Administered)
Conseco Finance Corp., et al.,	:	Case No. 02 B 49675
Debtors.	:	Honorable Carol A. Doyle

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
MAR 05 2004
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RESPONSE OF GREEN TREE INVESTMENT HOLDINGS LLC (f/k/a CFN INVESTMENT HOLDINGS LLC) TO CFC ESTATE'S OBJECTION TO ITS ADMINISTRATIVE EXPENSE CLAIM AGAINST THE FINANCE COMPANY DEBTORS

Green Tree Investment Holdings LLC, f/k/a CFN Investment Holdings LLC (collectively with its successors and assigns, "CFN"), by and through its undersigned counsel, respectfully responds to the CFC Estate's objection to CFN's administrative expense claim request as follows:

RELEVANT BACKGROUND

1. On or about March 14, 2003, the Court entered an Order (the "Sale Order") that, among other things, approved CFN's purchase of certain assets (the "Purchase Agreement" and together with any other agreement, certificate, consent, waiver, document or instrument executed and/or delivered at Closing, the "Agreements") from Conseco Finance Corp., one of the Debtors ("CFC") and certain of its Debtor and non-Debtor subsidiaries (CFC and its Debtor-subsidiaries are collectively referred to as the "Finance Company Debtors"). On or about March 24, 2003, the Sale Order became a final order. The closing date for the transactions contemplated by the Purchase Agreement was June 23, 2003.

2. Pursuant to the terms of the Agreements, CFN has contingent claims against the Finance Company Debtors, including but not limited to, those arising under Section 9.2 of the Purchase Agreement.

3. On or before the November 10, 2003 deadline established by this Court for the assertion of administrative claims against the Finance Company Debtors, CFN filed a request for an administrative claim (the "Administrative Claim"), in an abundance of caution, to protect its rights in respect of its contingent claims under the Purchase Agreement. On or about February 13, 2004, the CFC Estate filed an objection (the "Objection") to the Administrative Claim on the purported grounds that the claims set forth therein are unknown, contingent and unliquidated.

REPLY

4. The precise scope of those of the Finance Company Debtors' representations and warranties that survived the closing of the Purchase Agreement and the term of any such survival were among the more heavily negotiated provisions of the Agreements. The compromise that resulted is carefully set forth in Article IX of the Purchase Agreement (entitled "SURVIVAL OF REPRESENTATIONS; INDEMNIFICATION"), and created certain ongoing, contingent claims against the Finance Company Debtors.

5. Thus, by seeking an order disallowing those claims, the Objection effectively asks this Court for relief that would directly contravene the Sale Order, which provides:

> Nothing contained in any chapter 11 plan confirmed in these cases or any order confirming any such plan or in any other order in these cases (including any order entered after any conversion of these cases to cases under chapter 7 of the Bankruptcy Code) shall alter, conflict with, or derogate from, the provisions of the Purchase Agreement or this Sale Order.

Sale Order at para. 45. Accordingly, the Objection must be overruled.

CONCLUSION

WHEREFORE, CFN respectfully requests that this Court overrule the Objection and preserve and allow CFN's administrative expense claim for any and all claims and amounts arising from the Agreements to the extent they become payable by the Finance Company Debtors in accordance with the express terms of the Sale Order.

Respectfully submitted,

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