

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

Oldco M Corporation

(f/k/a Metaldyne Corporation, *et al.*,

Debtors.

Chapter 11

Case No. 09-13412-mg

**ORDER APPROVING ESTABLISHMENT OF A VOLUNTARY
EMPLOYEE BENEFIT ASSOCIATION TO OFFER RETIREE
BENEFITS ELIGIBLE FOR THE HEALTH COVERAGE TAX CREDIT**

Upon the motion dated September 12, 2011, docket No. 2097 (the “Motion”), of the individual trust trustees Gary Conley, Richard Davis, Douglas Guerdat and Nora Quinn and proposed Auto Retiree VEBA Trust (Ohio, Michigan, Wisconsin) (the “Proposed VEBA”), for entry of an order, as more fully described in the Motion, pursuant to section 105(a) of Title 11 of the United States Code (the “Bankruptcy Code”) and section 35(e)(1)(K) of Title 26 of the United States Code (the “Internal Revenue Code”), authorizing formation by Proposed VEBA of a voluntary employee benefit association (a “VEBA”) under section 501(c)(9) of the Internal Revenue Code to provide group health, prescription drug, vision care, dental and other benefits (the “VEBA Benefit Plans”) to retirees of the Debtors and Reorganized Debtors and their spouses and dependents together with retirees and their spouses and dependents of other auto parts manufacturers whose pensions were terminated and trusted by the Pension Benefit Guaranty Corporation (the “PBGC”) to provide a group benefit eligible for the Health Coverage Tax Credit as contemplated by Internal Revenue Code section 35(e)(1)(K). The Court having determined that adequate notice of the Motion was given as set forth in the Motion; and it appearing that no other or further notice is necessary; and the Court having jurisdiction to

consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having determined that consideration of the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief requested in the Motion, and that such relief is in the best interest of the Reorganized Debtors, their estates, the creditors, and the parties in interest; and upon the record in these proceedings; and after due deliberation;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. Proposed VEBA is authorized pursuant to Internal Revenue Code Section 35(e)(1)(K) and Bankruptcy Code Section 105 to form a voluntary employee benefit association (as defined in Internal Revenue Code Section 501(c)(9)) to offer group health, prescription drug, dental, vision care and other insurance benefits to Debtors' and Reorganized Debtors' retirees, their spouses and dependents and to retirees and spouses and dependents of other automobile parts manufacturers whose pensions have been terminated and trusted by the PBGC;
3. The intent of this order is to permit the Proposed VEBA to offer group benefits to those retiring from companies in the same trade and business potentially eligible for the Health Coverage Tax Credit subsidies as set forth in Internal Revenue Code Section 35(e) and the provisions of Internal Revenue Code Section 501(c)(9).
4. The Proposed VEBA is authorized to take all such further actions as may be necessary to implement the relief granted in this Order.

5. The Court retains jurisdiction with respect to all matters arising from or related to implementation of this Order.

Dated: October 17th, 2011

/s/Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge