

**UNITED STATES BANKRUPTCY COURT FOR
THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

In re:

ORECK CORPORATION, *et al.*,¹

Debtors.

Chapter 11

Case No. 13-04006

Judge Lundin

(Jointly Administered)

**ORDER PURSUANT TO FED. R. BANKR. P. 9019 APPROVING
COMPROMISE AND SETTLEMENT WITH BLACK DIAMOND CAPITAL
MANAGEMENT, LLC; BLACK DIAMOND COMMERCIAL FINANCE, L.L.C.; GSC
ACQUISITION HOLDINGS LLC; PETER FRANK; AND RUSSELL SPIELER AND
AFFILIATES AND EMPLOYEES THEREOF AND GRANTING RELATED RELIEF**

Upon consideration of the motion (the “**Motion**”)² of the Debtors and the Committee for entry of an order for the entry of an order, pursuant to Bankruptcy Rule 9019, approving a compromise and settlement with Black Diamond, the Oreck Directors and the related parties identified in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157(a) and (b) and 1334(b); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2) in which the Court may enter a final order; and venue being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having determined that granting the relief requested in the Motion is in the best interests of the Debtors, their estates and creditors; and any

¹ The Debtors are as follows: Oreck Corporation, ASP Oreck, Inc., Oreck Direct, LLC, Oreck Merchandising, LLC, Oreck HomeCare, LLC, Vecteur, LLC, Oreck Holdings, LLC, Oreck Manufacturing Company, and Oreck Sales, LLC.

² Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion.

objections filed with respect to the Motion having been withdrawn or overruled by the Court; and notice of the Motion being sufficient under the circumstances; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Settlement is authorized and approved as follows:
 - (a) Within three (3) business days of the date this order becomes a final order (the date of such payment, “**Effective Date**”), the Black Diamond Funds shall pay \$401,500 (the “**Cash Payment**”) to the Debtors’ estates for ultimate distribution to unsecured creditors pursuant to the terms of a plan or further order of this Court.

- (b) On the Effective Date, Black Diamond hereby waives any and all unsecured claims it may have against any of the Debtors, including, without limitation, any deficiency claims it may have in connection with the Prepetition First Lien Credit Facility and/or the DIP Facility, and the Filed BD Claims. On the Effective Date, all of the Filed BD Claims are hereby deemed expunged without further order of this Court.

- (c) On the Effective Date, the Committee and each of the Debtors and their estates, and their respective affiliates, successors and assigns (collectively, the “**Releasing Parties**”), do hereby unconditionally, absolutely and irrevocably remise, release, acquit, waive and forever discharge Black Diamond and its direct and indirect past, present and future directors, officers, managers, employees, agents, members, partners, representatives, affiliates, subsidiaries, parents, advisors, attorneys, insurers, including without limitation the Oreck Directors, and the respective successors and assigns thereof, Wells Fargo, as predecessor with respect to the Prepetition First Lien Credit Facility, and all of the Debtors’ current and former directors and officers (collectively, the “**Released Parties**”) of, from and against any and all claims, demands, debts, obligations, costs, liabilities, promises, duties, agreements, warranties, damages, and consequential damages, actions and causes of action whatsoever, of every kind or

nature, whether in law or in equity, or whether in tort or in contract, pursuant to statute or law, actual or contingent, suspected or claimed, accrued or unaccrued, contingent or vested, known or unknown, that the Releasing Parties now have or ever had against any or all of the Released Parties prior to and through the Effective Date (collectively, the “**Released Claims**”).

(d) Each Oreck Party further agrees that it, she or he will not institute any claim, controversy, demand, suit or action against any of the Released Parties with respect to any Released Claim, and covenants and agrees not to (i) join, assist, aid or act in concert in any manner whatsoever with any other person or other entity in the making of any claim or demand or in the bringing of any proceeding or action in any manner whatsoever against the Released Parties in relation to any of the Released Claims or (ii) make any claim or to take any proceedings in respect of the Released Claims against any other person or entity who might claim contribution, indemnity or declaratory or other relief from and of any of the Released Parties.

3. The Court hereby retains jurisdiction to the fullest extent permitted by applicable law to enforce the waiver of claims, release and covenant not to sue provided for in this Order

4. The form and manner of notice of the Motion is hereby determined to be sufficient and adequate.

5. This Order shall be effective immediately upon its entry by the Court.

6. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

THIS ORDER WAS SIGNED AND ENTERED ELECTRONICALLY AS
INDICATED AT THE TOP OF THE FIRST PAGE

APPROVED FOR ENTRY:

/s/ William L. Norton III

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