

**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 11 U.S.C. § 105 AND FED. R. BANKR. P. 9019 APPROVING
A COMPROMISE AND SETTLEMENT OF THE CLASS CERTIFICATION MOTION
AND THE PROOFS OF CLAIM**

Upon consideration of the motion (the “Motion”)² of the Movants for entry of an order, pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, approving a compromise and settlement of the MDL Class Action; 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interests of the Debtors, their estates and creditors; and any objections filed with respect to the Motion having been withdrawn or overruled by the Court; and notice of the Motion being sufficient under the circumstances; and after due deliberation and sufficient cause appearing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;

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.

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. The Settlement is authorized and approved as follows:

(a) The Putative Class shall have an allowed general unsecured claim of \$2 million (\$2,000,000) if the estates are substantively consolidated and \$1.5 million (\$1,500,000) against Oreck Corporation, Oreck Direct LLC and Oreck Homecare LLC if the estates are not substantively consolidated (the “**Settlement Funds**”) in full satisfaction of any and all claims, whether known or unknown, that the Putative Class may have against the Debtors. . Any distributions on this claim shall be paid to Kirtland & Packard, LLP (“**K&P**”) in trust, pending a decision on class certification by the California Court in the MDL Class Action or a settlement between the parties to the MDL Class Action on class certification. If the MDL Class Action is dismissed with prejudice or the class is not certified by a final non-appealable order of the United States District Court for the Central District of California (the “**California Court**”), K&P shall return all distributions to the Debtors/Trust. If the Putative Class is certified by a final non-appealable order in the MDL Class Action or based on a settlement between the parties to the MDL Class Action, the distributions shall be distributed in accordance with any orders entered by the California Court or the terms of any settlement.

(b) The Settlement Funds shall be held in escrow pending certification of the Putative Class by the California Court or by agreement of the parties. If the Putative Class is not certified as a class or the MDL Class Action is dismissed with prejudice, the Settlement Funds shall be immediately returned to the applicable Debtors’ estates. The Debtors shall be prohibited from contesting any motion for class certification in the MDL Class Action and / or challenging any settlement regarding class certification in the MDL Class Action.

(c) The Putative Class is hereby granted relief from the automatic stay to proceed against the Debtors, in name only, in the MDL Class Action.

(d) The Debtors and the Committee shall not support and, to the extent compatible with their fiduciary duties, shall file or join in an objection to any motion by any other defendant in the MDL Class Action to extend the automatic stay to those defendants.

(e) The Debtors shall provide counsel to the Putative Class with reasonable access to any document repository created pursuant to the plan (or by agreement of the parties), which repository shall not include confidential information or materials protected from disclosure by the attorney-client privilege, the attorney work product doctrine or other evidentiary doctrines under applicable federal or state law, and agrees not to abandon/dispose of records without the prior consent of the Putative Class, which consent shall not be unreasonably withheld.

(f) The Debtors and the Committee shall not object to or otherwise interfere with the Claimants' efforts to interview, depose, or obtain documents from any former officer or employee of the Debtors.

(g) Nothing in this Settlement shall release, impair, alter or otherwise affect, nor shall it be construed in any manner that, releases, impairs, alters or otherwise affects, any claims that have been, or may be asserted by the Lead Plaintiffs or the Putative Class against any party to, or related to, the MDL Class Action, except for those claims against the Debtors, which claims are released except to the extent of the general unsecured claims provided for herein.

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

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

5. The 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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