

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO

IN RE: *
INSUL COMPANY, INC., * CASE NUMBER 02-43909
Debtor. * CHAPTER 7
* HONORABLE KAY WOODS
*

O R D E R

This matter came on for hearing on November 30, 2004 upon the Motion of the Trustee for an Order Approving Compromise and Settlement of Various Asbestos-Related Claims and Actions and Authorizing Payment of the Settlement Amounts (the "Motion"). Andrew W. Suhar, Chapter 7 Trustee in the instant proceeding ("Suhar"), moved the Court, pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, for the entry of an order approving and authorizing him to enter into a certain compromise and settlement agreement with respect to 29 asbestos claimants set forth on Exhibit A to the Motion (the "29 Asbestos Claimants"). No written objections were filed in response to the Trustee's Motion, but Commercial Union Insurance Company filed a Protective Response to the Motion of the Trustee for an Order Approving Compromise and Settlement of Various Asbestos-Related Claims and Actions and Authorizing Payment of the Settlement Amounts.

At the hearing, Suhar appeared and presented arguments in favor of the Motion. In response thereto, William M. Regan

appeared for Travelers Casualty & Surety Company, Michael F. Brown appeared for Commercial Union Insurance Company, Frederick S. Coombs, III appeared for Cincinnati Insurance Company, Thomas M. Wilson appeared on behalf of the Kelley & Ferraro firm and the 29 Asbestos Claimants, and Trish Lazich appeared on behalf of Zurich American Insurance Company of Illinois. After hearing all arguments of counsel, this Court finds that

1. Insul Company, Inc. ("Insul") commenced this Chapter 7 case by filing a voluntary petition under Chapter 7 of Title 11 of the United States Code on September 4, 2002.

2. Suhar is the duly appointed, qualified and acting Chapter 7 Trustee in this proceeding.

3. This Court has jurisdiction of this matter pursuant to 28 U.S.C. §§ 157 and 1334 and this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

4. Based on its representation, Travelers Casualty & Surety Company is responsible, pursuant to a policy or policies of insurance with Insul, to defend the actions brought by and pay the claims of the 29 Asbestos Claimants.

5. There is pending a related case, being an adversary proceeding styled, *Suhar v. Travelers Casualty & Surety Co., et al.*, Adversary Number 04-4100, in which Suhar seeks, among other relief, to obtain equality of distribution with respect to approximately 36,297 asbestos-related claimants.

6. Liquidation of the claims asserted by the 29 Asbestos Claimants in the amounts set forth in the compromise and settlement agreement evidenced in a letter dated August 31, 2004 to Joni M. Mangino, attorney for Insul, from Anthony Gallucci, of Kelley & Ferraro, on behalf of the 29 Asbestos Claimants (the "Settlement Agreement") is in the best

interest of the bankruptcy estate, but distribution to such 29 Asbestos Claimants, at this time, is not in the best interest of the bankruptcy estate.

Now, therefore, it is hereby ordered

1. The Settlement Agreement is approved only to the extent that the claims of the 29 Asbestos Claimants are liquidated in the amounts set forth specifically therein. The Settlement Agreement, however, is not approved to the extent that it requires distribution to one or more of the 29 Asbestos Claimants.

2. Distribution to the 29 Asbestos Claimants from insurance proceeds held by Travelers Casualty & Surety Company or any other insurance company that has or may have provided insurance to Insul shall not be made until there is a further order of this Court.

IT IS SO ORDERED.

**HONORABLE KAY WOODS
UNITED STATES BANKRUPTCY JUDGE**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing order was placed in the United States Mail this _____ day of December, 2004, addressed to:

RICHARD G. ZELLERS, ESQ., 3810 Starrs Centre Drive, Canfield, OH 44406.

ANDREW W. SUHAR, ESQ., 1101 Metropolitan Tower, P. O. Box 1497, Youngstown, OH 44501.

WILLIAM M. REGAN, ESQ., 425 Lexington Avenue, New York, NY 10017.

MICHAEL F. BROWN, ESQ., One Logan Square, 18th and Cherry Streets, Philadelphia, PA 19103.

FREDERICK S. COOMBS, III, ESQ., 26 Market Street, Suite 1200, Youngstown, OH 44503.

THOMAS M. WILSON, ESQ., 1300 East 9th Street, Suite 1901, Cleveland, OH 44114.

TRISH LAZICH, ESQ., 1300 East 9th Street, Suite 900, Cleveland, OH 44114.

SAUL EISEN, United States Trustee, BP America Building, 200 Public Square, 20th Floor, Suite 3300, Cleveland, OH 44114.

JOANNA M. ARMSTRONG