



IT IS ORDERED as set forth below:

Date: May 2, 2018

**Barbara Ellis-Monro
U.S. Bankruptcy Court Judge**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

IN RE:) **CHAPTER 11**
)
BEAULIEU GROUP, LLC, et al.,) **Jointly Administered Under**
) **CASE NO. 17-41677-bem**
Debtors.)
)

**ORDER CONFIRMING FIRST AMENDED JOINT PLAN
OF LIQUIDATION PROPOSED BY DEBTORS AND
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

THIS CAUSE came before the Court at a hearing on April 27, 2018, at 10:00 a.m. (the “**Hearing**”), to consider confirmation of the First Amended Joint Plan of Liquidation [Dkt. No. 631] (the “**Plan**”) filed by Beaulieu Group, LLC and Beaulieu Trucking, LLC, both debtors and debtors in possession (collectively, the “**Debtors**”), and the Official Committee of Unsecured Creditors (the “**Committee**”) on March 14, 2018 and any objections thereto. In the event of any conflict between the Plan and this Order (the “**Confirmation Order**”), the terms of this Confirmation Order shall control. The Plan, as modified by this Confirmation Order, shall be referred to herein as the “**Confirmed Plan.**” By Order docketed March 16, 2018 (the “**Order**”

Approving Disclosure Statement”), the Disclosure Statement to Accompany the First Amended Joint Plan of Liquidation (the “**Disclosure Statement**”) was approved. All creditors and parties-in-interest were given proper notice of the Hearing and the deadline of 5:00 p.m. (Eastern) on April 20, 2018, for filing (1) ballots accepting or rejecting the Plan and (2) any objections to confirmation of the Plan. Any capitalized terms in this Confirmation Order not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

Present at the Hearing were J. Robert Williamson, Ashley R. Ray and Matthew W. Levin, counsel for the Debtors; Michael G. Menkowitz, Paul J. Labov, John F. Isbell and Garrett A. Nail, counsel for the Committee; Peter Richter, Co-Chief Restructuring Officer of the Debtors; Michael Jacoby, Senior Managing Director with Phoenix Management Services LLC, Financial Advisors to the Committee; Martin P. Ochs, counsel for the U.S. Trustee; Gregory D. Ellis, counsel for Cygnets, LLC (“**Cygnets**”), Beaulieu Canada Company/Compagnie Beaulieu Canada (“**BCC**”) and Marglen Industries, Inc. (“**Marglen**”); Gregory M. Taube, counsel for CT Lender, LLC (“**CT Lender**”); and Michael Sullivan, counsel for Bank of America, N.A. Objections to the Plan were filed by (i) Texas Comptroller of Public Accounts [Dkt. No. 657]; (ii) BCC and Marglen (collectively, “**BCC/Marglen**”) [Dkt. Nos. 658 and 676], (iii) CT Lender [Dkt. No. 659], and (iv) Cygnets [Dkt. No. 665] (collectively, the “**Objections**”). No other objections were filed or asserted at the Hearing.

At the Hearing, the Court heard argument of counsel, and the Debtors proffered the testimony of Peter Richter, Co-Chief Restructuring Officer of the Debtors, which was admitted without objection. Additionally, the Debtors offered in support of confirmation of the Plan the following items: (i) the Memorandum of Law in Support of Confirmation of the Joint Plan of Liquidation, filed on April 26, 2018 [Dkt. No. 668]; (ii) a Report of Balloting, filed on April 24,

2018 [Dkt. No. 662]; and (iii) a proffer of testimony of Peter Richter, which was read into the record (the “**Proffer**”). The Report of Balloting and the Proffer were admitted into evidence.

The Court, having considered statements of counsel at the Hearing and all evidence of record, and being otherwise duly advised of the premises, makes the following findings of fact and conclusions of law:

1. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(L). This matter arises under Title 11, United States Code (the “**Bankruptcy Code**”), and jurisdiction is vested in this Court to enter a final order by virtue of 28 U.S.C. § 1334(a) and (b) and 28 U.S.C. §§157(a) and (b)(1). These findings of fact and conclusions of law are being entered under Rule 7052 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

2. The Court takes judicial notice of the docket of the Bankruptcy Case maintained by the Clerk of the Court, including without limitation, all pleadings, orders, and all evidence and argument made, proffered or adduced at the hearings held before the Court during the pendency of the Bankruptcy Case.

3. After notice and a hearing in accordance with Bankruptcy Rule 3017, the Disclosure Statement was approved as set forth in the Order Approving Disclosure Statement entered by this Court on March 16, 2018 [Dkt. No. 638] as containing adequate information pursuant to Section 1125 of the Bankruptcy Code.

4. The Plan Proponents properly caused copies of the Plan, the Disclosure Statement, the Ballot or Notification of Non-Voting Status and the Order Approving Disclosure Statement (which included notice of the time for filing acceptances or rejections of the Plan, notice of the time for filing any objections to confirmation of the Plan, and notice of the Hearing) to be transmitted to the Office of the United States Trustee, holders of Claims and other parties in

interest in accordance with the Order Approving Disclosure Statement and the Order Granting Motion for an Order Approving Solicitation Procedures and Form of Solicitation Materials and Rule 3017 of the Bankruptcy Rules.

5. The Plan provides for the substantive consolidation as of the Effective Date of both of the Debtors and the Debtors' bankruptcy estates for all purposes related to Claims and distribution of assets under the Plan. Substantive consolidation is appropriate where the plan proponent demonstrates that (a) there is a substantial identity between the entities to be consolidated; and (b) consolidation is necessary to avoid some harm or to realize some benefit. *Eastgroup Props. v. Southern Motel Assocs. Ltd.*, 935 F.2d 245, 249 (11th Cir. 1991). In this case, the Plan proponents have established numerous factors which support substantive consolidation under the applicable standards, as described in the Disclosure Statement. Moreover, creditors and parties in interest were given notice of the proposed substantive consolidation under the Plan, and no objections thereto were filed or asserted at the Hearing. Accordingly, the requirements for substantive consolidation of the Debtors and their respective bankruptcy estates as proposed under the Plan have been satisfied.

6. Each of the Plan releases, exculpations, and injunction provisions including without limitation those set forth in Plan §§ 7.01, 7.02, and 7.03 is: (i) within the jurisdiction of the Bankruptcy Court; (ii) an essential means of implementing the Plan pursuant to Bankruptcy Code Section 1123(a)(5); (iii) an integral element of the confirmation of the Plan; (iv) in the best interests of and confers material benefits upon, the Debtors, their bankruptcy estates, and creditors; (v) important to the overall objectives of the Plan to finally resolve certain claims among or against the applicable parties in interest in the Bankruptcy Case; and (vi) consistent with Bankruptcy Code Sections 105, 1123, and 1129, Bankruptcy Rule 9019, and applicable law.

7. **Plan Complies With Bankruptcy Code (Section 1129(a)(1)).**

The Plan complies with the applicable provisions of the Bankruptcy Code as required by Section 1129(a)(1) thereof.

8. **Proper Classification (Sections 1122 and 1123(a)(1)).**

The classification of Claims and Interests under the Plan complies with Sections 1122 and 1123(a)(1) of the Bankruptcy Code. Each Claim and Interest placed in a particular Class pursuant to the Plan is substantially similar to the other Claims or Interests, as the case may be, in such Class.

9. **Unimpaired Classes (Section 1123(a)(2)).**

Claims classified in Classes 1, 2, 3, 4 and 5 are not impaired under the Plan, and the Plan so specifies.

10. **Treatment of Impaired Classes (Section 1123(a)(3)).**

Claims or Interests classified in Classes 6, 7, and 8 are impaired, as specified in the Plan, and the Plan specifies the treatment of such impaired Classes of Claims or Interests in Article IV of the Plan.

11. **No Discrimination (Section 1123(a)(4)).**

The Plan provides for the same treatment of each Claim or Interest in a particular Class, unless a holder of a Claim or Interest in such Class agrees to a less favorable treatment.

12. **Implementation of the Plan (Section 1123(a)(5)).**

The Plan provides adequate means for the Plan's implementation, as set forth in Article VI of the Plan.

13. **The Debtors' Charter Provisions (Section 1123(a)(6)).**

As of the Effective Date, the Debtors' organizational documents shall be deemed to be amended to prohibit the issuance of non-voting equity securities. The Plan further satisfies all requirements of Section 1123(a)(6) of the Bankruptcy Code.

14. **Selection of Corporate Officers (Section 1123(a)(7)).**

The Plan contains only provisions that are consistent with the interests of the creditors and equity security holders and with public policy with respect to the manner of selection of the Liquidating Trustee and any successor.

15. **As Proponents of the Plan, the Debtors and the Committee Have Complied With the Bankruptcy Code Section 1129(a)(2).**

As proponents of the Plan, the Debtors and the Committee have complied with the applicable provisions of the Bankruptcy Code. Without limiting the generality of the foregoing, the solicitation of acceptances from holders of impaired Claims has been in compliance with applicable provisions of the Bankruptcy Rules, including Sections 1125 and 1126 of the Bankruptcy Code.

16. **Plan Proposed in Good Faith (Section 1129(a)(3)).**

The Plan has been proposed in good faith and not by any means forbidden by law.

17. **Payments of Costs and Expenses (Section 1129(a)(4)).**

Any payment made or to be made pursuant to the Plan for services or costs and expenses incurred in or in connection with the Bankruptcy Case prior to the Confirmation Date has been approved by, or will be subject to the approval of, the Court.

18. **Identity of Principal Officers (Section 1129(a)(5)).**

The Plan Proponents have disclosed the identity and affiliation of any individuals proposed to serve as the Liquidating Trustee after confirmation of the Plan, as required by

Section 1129(a)(5) of the Bankruptcy Code. The service of such individual(s) pursuant to the terms set forth in the Plan is consistent with the interests of the creditors and equity security holders and with public policy.

19. **No Rate Change (Section 1129(a)(6)).**

No rate changes are provided for in the Plan that would require governmental regulatory approval.

20. **Best Interests of Creditors (Section 1129(a)(7)).**

The Plan meets the “best interest of creditors” test because, with respect to each impaired Class of Claims or Interests, each holder of a Claim or Interest in an impaired Class will receive or retain under the Plan, on account of such Claim or Interest, property of a value, as of the Effective Date of the Plan, that is not less than the amount that such holder would so receive or retain if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code on the Effective Date of the Plan.

21. **Acceptance of Plan (Section 1129(a)(8)).**

Holders of Claims in Classes 1, 2, 3, 4, and 5 are unimpaired within the meaning of Section 1124 of the Bankruptcy Code and are conclusively presumed to have accepted the Plan under Section 1126(f) of the Bankruptcy Code. Classes 6 and 7 voted to accept the Plan. Class 8 is not entitled to vote and is deemed to have rejected the Plan.

22. **Treatment of Administrative Expense and Priority Tax Claims (Section 1129(a)(9)).**

Except to the extent that the holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that each holder of an Allowed Claim of a kind specified in Sections 507(a)(1) through 507(a)(7) of the Bankruptcy Code will receive, on the later of the Effective Date of the Plan (or as soon thereafter as is reasonably practicable) or the

date on which such Claim becomes an Allowed Claim (or as soon thereafter as is reasonably practicable) on account of such Claim, cash equal to the Allowed amount of such Claim. The Plan provides that each holder of an Allowed Priority Tax Claim will receive Cash on the Effective Date (or as soon thereafter as is reasonably practicable), but in no event later than the end of five (5) years from the Petition Date. As to any Allowed Priority Tax Claim not paid in full on the Effective Date, the Holder of such Allowed Priority Tax Claim shall receive interest on account of their Allowed Priority Tax Claims at the Section 6621 Interest Rate; provided, however, that if the Holder of such Allowed Priority Tax Claim is a city, county or state, such Holder shall receive interest on account of its Allowed Priority Tax Claim at the applicable statutory rate under state law. To the extent that any Allowed Priority Tax Claim is allowed after the Effective Date, it will be paid in full in Cash as soon after allowance as is reasonably practicable over a period no later than the end of five (5) years from the Petition Date, including interest as calculated above.

23. **At Least One Impaired Class Accepted the Plan (Section 1129(a)(10)).**

Classes 6 and 7, which are impaired Classes under the Plan, have accepted the Plan, without including any acceptance of the Plan by any insider of the Debtors.

24. **Feasibility (Section 1129(a)(11)).**

The Plan itself provides for the liquidation of the Debtors' Property, and payment of Distributions to Creditors by the Liquidating Trustee from the Liquidation Proceeds; therefore, the Plan satisfies Section 1129(a)(11).

25. **United States Trustee Fees (Section 1129(2)(12)).**

Article XVI of the Plan provides that all fees due and owing under 28 U.S.C. § 1930 for periods prior to the Confirmation Date shall be paid on or before the Effective Date. Following

confirmation of the Plan, the Liquidating Trustee shall continue to pay timely all Chapter 11 quarterly fees as required by 28 U.S.C. § 1930(a)(6), until a Final Decree is entered or the Cases are otherwise closed.

26. **Retiree Benefits (Section 1129(a)(13)).**

The Debtors do not have any obligation to pay retiree benefits, as defined in Section 1114(a) of the Bankruptcy Code; therefore, Section 1129(a)(13) is not applicable.

27. **Cramdown (Section 1129(b)).**

The holders of Claims in Classes 6 and 7 have accepted the Plan. Holders of Interests in Class 8 were not entitled to vote, and Class 8 is deemed to have rejected the Plan. No holders of any interests junior to the Interests in Class 8 will receive or retain any property under the Plan, and the Plan otherwise satisfies the requirements for confirmation under Section 1129(b) of the Bankruptcy Code with respect to Class 8.

28. **Only One Plan (Section 1129(c)).**

This Confirmation Order confirms a single plan. Accordingly, the requirements of Section 1129(c) of the Bankruptcy Code have been satisfied.

29. **Principal Purpose (Section 1129(d)).**

The principal purpose of the Plan is neither the avoidance of taxes nor the avoidance of Section 5 of the Securities Act of 1933, and no governmental unit has objected to the confirmation of the Plan on any such grounds. The Plan therefore satisfies the requirements of Section 1129(d) of the Bankruptcy Code.

30. **Transfer Instruments (Section 1146).**

With respect to the making or delivery of any deed, bill of sale, assignment or any other instrument of transfer under, in furtherance of, or in connection with confirmed Plan, including,

without limitation, any deeds or bills of sale or assignments executed in connection with or pursuant to the Plan, such transactions shall not be subject to any stamp, real estate transfer, mortgage recording, sales and use, or other similar tax in accordance with Section 1146 of the Bankruptcy Code.

Accordingly, the Court finds that all applicable provisions of the Bankruptcy Code for confirmation of the Plan have been satisfied. Therefore, it is hereby ORDERED, ADJUDGED AND DECREED that the Plan be, and the same hereby is, confirmed, as set forth herein. It is further

ORDERED, ADJUDGED AND DECREED that any objections to confirmation of the Plan that were not withdrawn, resolved by separate Order, or resolved by this Confirmation Order are hereby expressly overruled. It is further

ORDERED, ADJUDGED AND DECREED that the above-referenced findings of fact and conclusions of law are incorporated by reference as though fully set forth herein. It is further

ORDERED, ADJUDGED AND DECREED that, the appointments of (a) PMCM 2, LLC as Liquidating Trustee under the Plan, and (b) William Smith - Shaw Industries Group Inc; Peter Argiriou – BASF; Colin Dunn - Syntec Industries; and Brian Mitteldorf - Creditors Adjustment Bureau, as the initial members of the Post-Confirmation Committee under the Plan, are approved in all respects, and said persons shall be authorized to act in such capacities pursuant to the Confirmed Plan. It is further

ORDERED, ADJUDGED AND DECREED that, the Debtors, the Liquidating Trustee, and all parties-in-interest, and their respective agents, attorneys, officers, directors, employees, successors and assigns, are authorized and directed to take all such steps and to perform all such actions as are necessary, desirable or appropriate to carry out and give effect to the Plan. All

Plan Documents, as amended prior to the Effective Date, including, without limitation, the Liquidating Trust Agreement, are approved in all respects. The parties are authorized to executed and deliver on and after the Effective Date all Plan Documents as set forth in the Plan.

It is further

ORDERED, ADJUDGED AND DECREED that, on and after the Effective Date (i) all assets and liabilities of both of the Debtors and their Estates shall be treated as though they were merged with and into Beaulieu Group, LLC as the substantively consolidated Debtor; (ii) no distributions shall be made under the Plan on account of any Claim held by either of the Debtors against any other Debtor; (iii) all guarantees of either Debtor of the obligations of the other Debtor shall be eliminated; and (iv) each and every Claim and Proof of Claim against either of the Debtors shall be deemed one Claim or Proof of Claim against both of the Debtors and a single obligation of the consolidated Debtors on and after the Effective Date. Notwithstanding the foregoing, the substantive consolidation effected pursuant to the Confirmed Plan and this Confirmation Order hereto shall not affect or limit in any manner whatsoever (a) defenses to any Cause of Action; (b) requirements for any third party to establish mutuality in order to assert a right of setoff; (c) the legal and corporate structure of the Debtors; (d) any perfection of Lien issues, including rights to avoid Liens pursuant to Section 544 of the Bankruptcy Code or applicable state law; (e) valuation of any Secured Claims, including rights to challenge or object to alleged Secured Claims for any reason, including valuation issues under Section 506 of the Bankruptcy Code; or (f) any rights to challenge and object to any Claims that are Disputed Claims for any reason whatsoever, including any alleged Secured Claims.

ORDERED, ADJUDGED AND DECREED that, from and after the Effective Date, the Liquidating Trustee shall have the exclusive authority to, and shall, file, settle, compromise,

withdraw, or litigate to judgment all objections to Claims. As of the Effective Date, the Liquidating Trustee shall be deemed to be substituted for the Debtors and succeed to all rights and defenses of the Debtors, with respect to any objections to Claims which have not been finally resolved prior to the Effective Date. Except as to any late-filed Claims and Claims resulting from the rejection of executory contracts or unexpired leases, if any, all objections to Claims shall be filed with the Bankruptcy Court no later than one hundred eighty (180) days following the Effective Date (unless such period is extended by the Bankruptcy Court upon motion of the Liquidating Trustee pursuant to the Plan). Objections to late-filed Claims and Claims resulting from the rejection of executory contracts or unexpired leases shall be filed on the later of (a) one hundred eighty (180) following the Effective Date or (b) as soon as reasonably practicable after the Liquidating Trustee receives actual notice of the filing of such Claim. It is further

ORDERED, ADJUDGED AND DECREED that, the provisions of the Confirmed Plan and this Confirmation Order hereby are made binding upon, and inure to the benefit of, the Debtors, the Estates, the Liquidating Trustee, the holders of Claims, the holders of Interests, all other parties in interest in the Bankruptcy Case, and their respective successors and assigns, whether or not any Claims or Interests are impaired under the Confirmed Plan and whether or not any such holder of a Claim or Interest has filed, or is deemed to have filed, a proof of Claim or proof of Interest and whether or not any such holder has accepted the Confirmed Plan. It is further

ORDERED, ADJUDGED AND DECREED that, except as otherwise provided in the Plan or this Order, the automatic stay arising out of Section 362(a) of the Bankruptcy Code shall

continue in full force and effect until the Consummation Date and the Debtors, the Estates and the Liquidating Trust shall be entitled to all of the protections afforded thereby. It is further

ORDERED, ADJUDGED AND DECREED that, as of the Effective Date, except as otherwise expressly provided in the Confirmed Plan or in this Confirmation Order, all Persons and Entities, including all Holders of a Claim, are forever precluded and permanently enjoined to the fullest extent permitted by applicable law from asserting directly or indirectly against the Debtors, the Estates, or any of their respective successors and assigns, or the assets or Property of any of them, any other or further Claims, Debts, rights, causes of action, remedies, Liabilities, or anything based upon any act, omission, document, instrument, transaction, or other activity of any kind or nature that occurred prior to the Effective Date or that occurs in connection with implementation of the Confirmed Plan. It is further

ORDERED, ADJUDGED AND DECREED that, as of the Effective Date, except as otherwise expressly provided in the Plan or in this Confirmation Order, all Persons or Entities that have held, currently hold or may hold a Claim, Debt, or Liability that is subject to the terms of the Confirmed Plan are permanently enjoined and forever barred to the fullest extent permitted by law from taking any of the following actions on account of any such Claims, Debts, or Liabilities, other than actions brought to enforce any rights or obligations under the Confirmed Plan or the Plan Documents: (a) commencing or continuing in any manner any action or other proceeding against the Debtors, the Estates, the Liquidating Trust, or their respective property; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Debtors, the Estates, the Liquidating Trust or their respective property; (c) creating, perfecting or enforcing any Lien or encumbrance against the Debtors, the Estates, the Liquidating Trust, or their respective property; (d) asserting a setoff, right of subrogation or

recoupment of any kind against any debt, liability or obligation due to the Debtors, the Estates, or the Liquidating Trust; (e) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Confirmed Plan or the Confirmation Order; or (f) interfering with or in any manner whatsoever disturbing the rights and remedies of the Debtors, the Estates or the Liquidating Trust under the Confirmed Plan and the Plan Documents and the other documents executed in connection therewith. It is further

ORDERED, ADJUDGED AND DECREED that, or before ten (10) Business Days after the occurrence of the Effective Date, the Debtors shall file and serve upon all parties set forth on the creditor matrix maintained in these Bankruptcy Cases a notice (the “**Notice of Effective Date**”) informing them that: (a) this Confirmation Order has been entered, and (b) the Effective Date has occurred. It is further

ORDERED, ADJUDGED AND DECREED that any individual or entity wishing to file a proof of claim arising from the rejection of an Executory Contract or Unexpired Lease pursuant to the terms of the Plan must file the Claim so as to be received by American Legal Claims Services LLC, the Debtors’ claims agent (the “Claims Agent”) at one of the following addresses within thirty (30) days of the Effective Date or the Claim shall be forever barred, unless otherwise ordered by the Court: (a) if filed by U.S. Postal Service, to: Beaulieu Group, LLC, et al., c/o ALCS, P.O. Box 23650, Jacksonville, FL 32241, and (b) if filed by Private Delivery Service/Hand Delivery, to: Beaulieu Group, LLC, et al., c/o ALCS, 5985 Richard St., Suite 3, Jacksonville, FL 32216. It is further

ORDERED, ADJUDGED AND DECREED that, no later than thirty (30) days following the Effective Date (the “Administrative Expense Claim Bar Date”), any party seeking allowance of an Administrative Expense Claim, other than (a) a Claim that arises

pursuant to 11 U.S.C. §503(b)(9), (b) Professional Compensation Claims, (c) Post-Petition Health Claims, and (d) Post-Petition Georgia Workers Compensation Claims, shall file with the Bankruptcy Court a request for allowance and payment of such Administrative Expense Claim (a “Request for Payment”), which Request for Payment may be set forth on a form substantially in accordance with Exhibit “A” attached hereto. Holders of Administrative Expense Claims (including Holders of any Claims for Postpetition Federal, state or local taxes) that are required to file a request for Allowance and Payment of Administrative Expense Claim by the Administrative Expense Bar Date who do not do so will be forever barred from asserting such Administrative Expense Claims against the Debtors, their Estates, the Liquidating Trust, or any of their respective properties, including the Assets. This Confirmation Order and the Notice of Effective Date shall constitute adequate notice of the Administrative Expense Bar Date. It is further

ORDERED, ADJUDGED AND DECREED that the provisions of the Confirmed Plan regarding Exculpation of Liability (Article VII, Section 7.02) and Releases (Article VII, Section 7.03) are hereby approved in all respects. It is further

ORDERED, ADJUDGED AND DECREED that this Court will retain jurisdiction under the Confirmed Plan to the fullest extent permitted under applicable law. It is further

ORDERED, ADJUDGED AND DECREED that, following the entry of this Confirmation Order, the Debtors and the Committee, as co-proponents of the Plan, may modify the Plan to remedy any defect or omission or to reconcile any inconsistencies in the Plan or in this Confirmation Order, as may be necessary to carry out the purposes and effects of the Plan, provided that (a) the Debtors and the Committee, as co-proponents of the Plan, may obtain approval of the Bankruptcy Court for such modification after notice and a hearing, (b) the

Committee has consented to such modification, and (c) such modification will not materially adversely affect the interests, rights, treatment, or distributions of any Claim of Allowed Claims under the Plan. It is further

ORDERED, ADJUDGED AND DECREED that, notwithstanding anything in the Plan, the Liquidating Trust Agreement or this Confirmation Order to the contrary, to the extent that the Liquidating Trustee asserts a Cause of Action against either BCC or Marglen, the Liquidating Trustee shall bring such Cause of Action, whether by adversary proceeding filed in this Court or by an action commenced in any other court of competent jurisdiction, no later than July 16, 2019. This deadline may be extended by agreement of the parties or by order of the Court for cause following motion and no less than ten (10) days' notice to the other party. It is further

ORDERED, ADJUDGED AND DECREED that, notwithstanding anything in the Plan, the Liquidating Trust Agreement or this Confirmation Order to the contrary, the following procedures shall govern the determination of the appropriate Reserve or Disputed Claim Reserve (the "**BCC/Marglen Reserve**") to be maintained on account of the various claims filed by BCC and Marglen (collectively, the "**BCC/Marglen Claims**") pursuant to the terms of the Plan and the Liquidating Trust Agreement:

(a) the amount of the initial BCC/Marglen Reserve which shall be maintained for BCC and Marglen on and after the Effective Date (the "**Initial BCC/Marglen Reserve Amount**") shall be no less than (i) 100% of the amounts stated in 503(b)(9) Claim Nos. 900072 in the amount of \$1,425,793.51 and 900028 in the amount of \$290,357.80 (collectively, the "**BCC/Marglen 503(b)(9) Claims**"), plus (ii) prior to any Distribution Date, an amount sufficient to make Distributions to BCC and Marglen that would have been made to BCC and Marglen on account of any Unsecured Claims

asserted in Proof of Claim Nos. 1252, 1366, 1546 and 1253 (collectively, the “**BCC/Marglen POCs**”) on such Distribution Date assuming that such Claims were Allowed Class 6 Claims in the full amount stated in such Claims. Notwithstanding the foregoing sentence, for purposes of calculating the Initial BCC/Marglen Reserve Amount only, any portion of the Claims set forth in the BCC/Marglen POCs which are duplicative of the Claims set forth in the BCC/Marglen 503(b)(9) Claims shall not be considered to be part of the BCC/Marglen POCs, but will instead only be considered as part of the BCC/Marglen 503(b)(9) Claims;

(b) as soon as reasonably practicable following the Effective Date, any reductions or other modifications to the amount of the BCC/Marglen Reserve which the Liquidating Trustee proposes to make shall be communicated in writing to counsel for BCC and Marglen, at the following address via both overnight mail and electronic mail:

Gregory D. Ellis
Lamberth, Cifelli, Ellis & Nason, P.A.
1117 Perimeter Center W., Ste. W212
Atlanta, GA 30338
gellis@lcnlaw.com

and

Michael H. Terry
Hirschler Fleischer
2100 East Cary Street
Richmond, VA 23223-7078
mterry@hf-law.com;

(c) BCC and/or Marglen shall have ten (10) calendar days from the receipt of such written proposal to notify the Liquidating Trustee, in writing, of any objections to same, at the following address via both overnight mail and electronic mail:

Paul J. Labov
Fox Rothschild, LLP

2000 Market Street
20th Floor
Philadelphia, PA 19103-3291
plabov@foxrothschild.com

and

Michael Jacoby
Phoenix Management Services
110 Commons Court
Chadds Ford, PA 19317
mjacoby@phoenixmanagement.com;

(d) If the parties cannot resolve any such objections within ten (10) calendar days of the Liquidating Trustee's receipt of such objections, then (i) the Liquidating Trustee may file a motion with the Court seeking approval of the Liquidating Trustee's written proposal with respect to the BCC/Marglen Reserve, and BCC and/or Marglen may object to same within ten (10) days of the filing of such motion;

(e) the Court shall hear the motion and any objection thereto and determine the reasonable amount of the BCC/Marglen Reserve de novo based upon all of the facts and circumstances surrounding the BCC/Marglen Claims and any claims which the Liquidating Trust may hold against BCC and/or Marglen; and

(f) until the Court has ruled on the motion and any objection thereto the BCC/Marglen Reserve shall be maintained in the amount of the Initial BCC/Marglen Reserve Amount, which pending such Court ruling may be adjusted only to reflect any Distributions made to BCC or Marglen or to the extent any of the BCC/ Marglen Claims have been Disallowed by a Final Order. It is further

ORDERED, ADJUDGED AND DECREED that, nothing contained in the Plan or the Confirmation Order affects or impairs any right of BCC or Marglen to assert setoff and

recoupment, if any, or affects or impairs any defenses of the Debtors, their estates, the Liquidating Trust and/or the Liquidating Trustee with respect thereto. It is further

ORDERED, ADJUDGED AND DECREED that, notwithstanding anything in the Plan, the Liquidating Trust Agreement or this Confirmation Order to the contrary, in the event that, and only in the event that, the Settlement Agreement attached to the Notice of Filing Exhibit to Joint Motion Pursuant to Federal Rule of Bankruptcy Procedure 9019 to Approve Compromise and Settlement with Cygnets, LLC filed in the Cases on April 25, 2018 [Dkt. No. 666] (the “**Settlement Agreement**”) is not approved, or if the order approving the Settlement Agreement does not become a Final Order, then (a) to the extent that the Liquidating Trustee asserts a Cause of Action against Cygnets, the Liquidating Trustee shall bring such Cause of Action, whether by adversary proceeding filed in this Court or by an action commenced in any other court of competent jurisdiction, no later than July 16, 2019 (which deadline may be extended by agreement of the parties or by order of the Court for cause shown following motion and no less than ten (10) days’ notice to the other party); (b) if the Claims of Cygnets are allowed by Final Order, such Claims will be deemed “Allowed Claims” under the Plan, and nothing in the Plan shall operate to disallow the Claims of Cygnets; and (c) the parties shall return to the status *quo ante* immediately prior to the filing of the motion to approve the Settlement Agreement, notwithstanding any provisions of the Plan. It is further

ORDERED, ADJUDGED AND DECREED that, the following shall replace and supersede the second sentence of Section 5.05 of the Plan:

Upon the Effective Date, the \$5 million escrow established for the benefit of Cygnets pursuant to the Final Cash Collateral Order is comprised of identifiable cash proceeds from Cygnets’ collateral and shall be deemed a post-confirmation escrow on the Effective Date to which Cygnets’ Liens shall attach to the extent of any unpaid Allowed Secured Claim.

It is further

ORDERED, ADJUDGED AND DECREED that, the following shall supersede and be substituted for Article I, Section 1.01 of the Plan:

1.01 “*ABL Lenders*” means those financial institutions which are parties to the Post-Petition Loan and Security Agreement dated July 19, 2017 (as at any time amended or modified), pursuant to which the Debtors received post-petition debtor in possession financing, including, without limitation, the agent, the lenders, the letter of credit issuing bank and any provider of bank products.

It is further

ORDERED, ADJUDGED AND DECREED that, the following shall supersede and be substituted for Article I Section 1.23 of the Plan:

1.23 “*Cash Collateral Agreement*” means that certain cash collateral agreement dated November 6, 2017, by and among Beaulieu Group, LLC, and Bank of America, N.A.

It is further

ORDERED, ADJUDGED AND DECREED that, the following shall supersede and be substituted for Article V Section 5.04 of the Plan:

5.04 *Class 2: Allowed Secured Claims of ABL Lenders.* Class 2 consists of the Allowed Secured Claims of the ABL Lenders against the Debtors which survived the closing of the Purchase Agreement in accordance with the Sale Order, the Cash Collateral Agreement and the Payoff Confirmation Letter dated November 6, 2017, between the Debtors and the ABL Lenders (collectively, as at any time amended or modified, the “Payoff Documents”). On and after the Effective Date, (i) the ABL Lenders shall retain all claims, rights, remedies and interests under each of the Payoff Documents, including, without limitation, all rights, security interests and liens with respect to Cash Collateral (as defined in the Cash Collateral Agreement), in satisfaction of the Class 2 Claims, and (ii) none of the injunctions or releases in the Plan or the Confirmation Order shall apply to any such claims, rights, remedies or interests of the ABL Lenders. Class 2 is unimpaired by the Plan. Holders of Class 2 Claims are not entitled to vote to accept or reject the Plan.

It is further

ORDERED, ADJUDGED AND DECREED that nothing contained in the Plan shall be construed to release any claim of Bank of America, N.A. that is not impaired by the Plan or to enforce the treatment of any claim pursuant to the Plan. It is further

ORDERED, ADJUDGED AND DECREED that nothing contained in the Plan or in the Liquidating Trust Agreement shall extinguish, affect, or be interpreted as extinguishing or affecting in any way (i) the setoff right, if any, of the U.S. Customs and Border Protection or (ii) any defenses of the Debtors, their estates, the Liquidating Trust and/or the Liquidating Trustee to such setoff. It is further

ORDERED, ADJUDGED AND DECREED that nothing contained in the Plan or this Confirmation Order shall (i) prejudice or limit any defense (including recoupment and setoff) asserted by Empire Today, LLC or its affiliates in connection with any claim commenced or pursued by the Debtors, the Liquidating Trustee or their respective successors and assigns; or (ii) prejudice or limit the Debtors, the Liquidating Trustee, or their respective successors and assigns from objecting to any such defenses or asserting any claim the Debtors or their Estates may hold against Empire Today, LLC, or any other party. It is further

ORDERED, ADJUDGED AND DECREED that notwithstanding anything contained in the Plan to the contrary, (a) CEEA shall have an allowed general unsecured claim as provided in the Sale Order, which is not a "Disputed Claim" as defined under the Plan, but which remains subject to the terms of the Sale Order, and (b) to the extent any Claims or Causes of Action are asserted against CEEA and as a result, the Liquidating Trustee withholds distributions otherwise payable to CEEA, the Liquidating Trustee shall establish a reserve for such distributions to CEEA in an amount equal to the distributions CEEA would have otherwise received pending resolution of such Claims or Causes of Action. It is further

ORDERED, ADJUDGED AND DECREED that nothing contained in the Plan or the Confirmation Order (1) impairs the ability of the Texas Comptroller to pursue any debt, obligation, claim, liability or cause of action against any non-Debtor other than Exculpated Parties; or (2) affects or impairs the Texas Comptroller's rights to assert setoff and recoupment, if any, or affects or impairs any defenses of the Debtors, their estates, the Liquidating Trust and/or the Liquidating Trustee thereto. Additionally, notwithstanding anything to the contrary in the Plan, the Texas Comptroller shall have thirty (30) days from the date a final franchise tax return is filed and any associated liability is paid on behalf of the Debtors and/or their estates within which file a request with the Bankruptcy Court asserting any unpaid administrative expense claim alleged to be due. It is further

ORDERED, ADJUDGED AND DECREED that Article V, Section 5.06 of the Plan shall be amended to add the following sentence: On or before the later to occur of the Effective Date or entry of a Final Order allowing the Claim, the Allowed Secured Claim of CT Lender shall be paid from net sale proceeds generated from the sale of certain CT Lender collateral, as authorized by the Sale Order or other order of the Court.

ORDERED, ADJUDGED AND DECREED that the requirement of Bankruptcy Rule 3020(e) that an order confirming a plan is stayed until the expiration of 14 days after entry of the order is hereby waived. Subject to the occurrence or waiver of conditions precedent to the Effective Date as set forth in Article XIV of the Confirmed Plan, this Confirmation Order shall take effect immediately and shall not be stayed pursuant to Bankruptcy Rules 3020(e), 6004(h), 6006(d), or 7062.

[END OF DOCUMENT]

Prepared and presented by:

SCROGGINS & WILLIAMSON, P.C.

By: /s/ J. Robert Williamson

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Counsel for the Debtors

EXHIBIT A

Form of Administrative Expense Request

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

IN RE:)	CHAPTER 11
)	
BEAULIEU GROUP, LLC, et al.,)	Jointly Administered Under
)	CASE NO. 17-41677-bem
Debtors.)	
_____)	

**REQUEST FOR ALLOWANCE AND PAYMENT OF
ADMINISTRATIVE EXPENSE CLAIM PURSUANT TO 11 U.S.C. § 503**

INSTRUCTIONS:

This form may be used by any party seeking allowance of an Administrative Expense Claim,¹ *other than* (a) a Claim that arises pursuant to 11 U.S.C. § 503(b)(9), (b) Professional Compensation Claims, (c) Post-Petition Health Claims, and (d) Post-Petition Georgia Workers Compensation Claims (the “**Excluded Administrative Expense Claims**”). The Excluded Administrative Expense Claims shall be treated in accordance with the terms of Article II of the Plan.

Any party seeking allowance and payment pursuant to this form shall mail the completed original form so that it is actually received by July ___, 2018, to: Clerk of Court, United States Bankruptcy Court, Northern District of Georgia, Rome Division, Room 339, 600 East First Street, Rome, Georgia 30161.² Additionally, please mail copies of the completed form to: (a) Paul J. Labov, Fox Rothschild LLP, 101 Park Avenue, Suite 1700, New York, NY 10178; and (b) Michael E. Jacoby, Phoenix Management Services, 110 Commons Court, Chadds Ford, PA 19317-9716.

Remainder of Page Intentionally Left Blank

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the First Amended Joint Plan of Liquidation dated March 14, 2018 (the “**Plan**”) [Dkt. No. 631].

² Requests filed electronically may be filed up to 11:59:59 p.m. (EDT). All other Requests must be filed by delivery to the Clerk’s Office on or before 4:00 p.m. (EDT).

COMES NOW the claimant identified below and hereby requests the allowance and payment of an administrative expense claim arising from July 16, 2017 through and including June ____, 2018, showing the following:

CLAIMANT'S NAME AND ADDRESS: _____

Amount of 11 U.S.C. § 503 Administrative Expense \$_____

1. The consideration for this debt (or ground for this liability owed by the Debtors is as follows:

2. The administrative expense is entitled to administrative priority under 11 U.S.C. § 503(b) and 11 U.S.C. § 507(a)(2) because:

3. A copy of the writing (invoice, purchase order, lease agreement, etc.) on which the administrative expense is founded, if any, is attached hereto or cannot be attached for the reason set forth in the statement attached hereto.

4. The amount of all payments on the administrative expense have been credited and deducted for the purpose of making this request.

5. The undersigned is aware that under 18 U.S.C. §§ 152 and 3571, the penalty for presenting a fraudulent claim in a bankruptcy case includes a fine of up to \$500,000 or imprisonment for up to five years, or both.

WHEREFORE, the undersigned requests that the Court allow the administrative expense or expenses requested herein, to be paid in accordance with the priorities set forth in the Bankruptcy Code and based upon availability of funds.

Dated: _____.

Name of Claimant: _____

Signed: _____

By (if appropriate): _____

As Its (if appropriate): _____

DISTRIBUTION LIST

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