

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

Adelphia Communications Corp., et al.,
Debtors.

ADELPHIA COMMUNICATIONS
CORPORATION, ET AL.,

Plaintiffs,

vs.

MOTOROLA, INC., GENERAL INSTRUMENT
CORPORATION, d/b/a Broadband Communications
Sector Of Motorola, Inc. and d/b/a Motorola Broadband
Communications Sector, SYNCHRONOUS, INC.,
GENERAL INSTRUMENT AUTHORIZATION
SERVICES, INC., BEAR, STEARNS & CO. INC. (as
Claim Transferee), DK ACQUISITION PARTNERS, L.P.
(as Claim Transferee), VARDE INVESTMENT
PARTNERS, LP (as Claim Transferee),

Defendants.

Chapter 11 Cases

Case No. 02-41729 (REG)
Jointly Administered

Adversary No.: 06-01558-reg

Honorable Cecelia G. Morris

**ORDER PURSUANT TO FED. R. BANKR. P. 9019 (I) APPROVING SETTLEMENT
WITH MOTOROLA DEFENDANTS AND (II) AUTHORIZING SETTLEMENT
PAYMENT TO CLAIM TRANSFEREES**

Upon the motion (“Motion”) of the plaintiffs in the above-captioned adversary proceeding (“Plaintiffs” or the “Adelphia Parties”) for an Order pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure authorizing and approving a settlement agreement (the “Settlement Agreement”) by and between the Adelphia Parties, on the one hand, and defendants Motorola, Inc., General Instrument Corporation, Synchronous, Inc., and General Instrument Authorization Services, Inc. (collectively, “Motorola”), on the other hand; and upon the presentment of this Order jointly by the Adelphia Parties, Motorola, and the above-captioned Claim Transferee Defendants (the “Claim Transferees”) at a hearing of the Court on December 14, 2009; and notice of the Motion and the presentment of this Order having been given to all parties in interest as set forth in the record of the above-captioned bankruptcy cases and this adversary proceeding; and no written or oral objections or opposition to the Motion, the Settlement Agreement, or entry of this Order, having been received by the Court or the Adelphia Parties; and upon consideration of the Motion and this Order, the evidence presented in support thereof, and the record in this adversary proceeding and in the bankruptcy cases; and after due deliberation and sufficient cause appearing therefore, it is hereby **FOUND AND**

DETERMINED THAT:

1. The notice of the Motion and this Order and hearing thereon was appropriate in the particular circumstances, and no other or further notice is required;
2. The Settlement Agreement and this Order were the result of good faith, arm’s length negotiations; and
3. The Settlement Agreement and this Order are fair and equitable and in the best interests of the Adelphia Parties’ bankruptcy estates, creditors and other parties in interest;

IT IS ACCORDINGLY HEREBY:

ORDERED, that the Settlement Agreement is approved pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure; and it is further

ORDERED, that all capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion and/or the Settlement Agreement; and it is further

ORDERED, that upon the satisfaction of the conditions set forth in paragraph 3 of the Settlement Agreement, except for those conditions, if any, that have been waived by ACC pursuant to the Settlement Agreement, the Adelpia Parties are authorized to perform under the Settlement Agreement; and it is further

ORDERED, that on the Effective Date, the Transferred Claim, which relates to claim 12221 filed by Motorola against Adelpia Communications Corporation, shall be deemed an Allowed ACC Trade Claim within Class ACC-4 under the Plan as follows: Claim 1222101 held by Bear, Stearns & Co. Inc. shall be allowed in the principal amount of \$28,335,202.31; Claim 1222102 held by Varde Investment Partners, L.P. shall be allowed in the principal amount of \$21,359,947.44, and Claim 1222103 held by DK Acquisition Partners L.P. shall be allowed in the principal amount of \$8,543,978.98, and that the Transferred Claim accordingly is disallowed against any debtor other than ACC; and it is further

ORDERED, that on the Effective Date, the Residual Claim held by Motorola shall be disallowed and expunged, and neither Motorola, the Claim Transferees, or any assignee or other holder of the Residual Claim shall receive a distribution thereon; and it is further

ORDERED, that, in consideration of the releases described in the paragraph next succeeding: (1) within one business day following the Adelpia Parties' receipt of the amounts to be paid by Motorola under the Settlement Agreement, the Adelpia Parties will make a payment of \$1.2 million in cash (the "CT Settlement Payment") to the Claim Transferees in the manner directed in writing by counsel for the Claim Transferees; and (2) upon payment of the CT Settlement Payment following entry of this Order, the Adelpia Parties shall be deemed to waive and release any and all claims (as such term is defined in 11 U.S.C. § 105(5), "Claims"), whether individually or collectively, known or unknown, that they may have against the Claim

Transferees, collectively or individually, or against any of their respective successors, affiliates, subsidiaries, directors, officers, employees, attorneys, agents and representatives; and it is further

ORDERED, that, in consideration of the above, upon entry of this Order by the Bankruptcy Court and payment of the CT Settlement Payment, the Claim Transferees shall be deemed to waive and release any and all Claims that they may have, whether individually or collectively, known or unknown, against Plaintiffs, collectively or individually, or their respective successors, affiliates, subsidiaries, directors, officers, employees, attorneys, agents and representatives, including any Claim against Debtors other than ACC, but not including the right to receive distributions to which they may be entitled under the Plan as holders of an allowed Class ACC-4 Claim in the amounts set forth in this Order; and it is further

ORDERED, that notwithstanding Rule 7062 of the Federal Rules of Bankruptcy Procedure, or Rule 62(a) of the Federal Rules of Civil Procedure, this Order shall be valid and fully effective immediately upon its entry, and, upon such entry, shall be binding upon and inure to the benefit of the Adelpia Parties, Motorola, the Claim Transferees, and all parties in interest in the above-captioned bankruptcy cases; and it is further

ORDERED, that the parties submitting this Order shall waive any right to appeal this Order; and it is further

ORDERED, that time is of the essence hereunder; and it is further

ORDERED, that upon full and complete performance of the payment obligations under this Order and the Settlement Agreement following the occurrence of the Effective Date, Adversary Proceeding No. 06-01558 shall be dismissed with prejudice and without fees and costs awarded to any party; and it is further

ORDERED, that this Court shall retain jurisdiction over any matters related to or arising from the implementation of this Order.

Dated: December 14, 2009

/s/ Cecelia Morris

HONORABLE CECELIA G. MORRIS
United States Bankruptcy Judge

Jointly Submitted by:

Dated: December 10, 2009

MUNGER, TOLLES & OLSON LLP
355 S. Grand Avenue, 35th Floor
Los Angeles, CA 90071
213/683-9100 (tel)
Kevin.Allred@mto.com

By /s/ Kevin S. Allred
Kevin S. Allred
Attorneys for Adelpia Parties

ARNOLD & PORTER LLP
555 Twelfth Street, N.W.
Washington, D.C. 20004-1206
(202) 942-5681 (tel)
Stephen_Sacks@aporter.com

By /s/ Stephen Sacks
Stephen Sacks
Attorneys for Motorola

CADWALADER, WICKERSHAM & TAFT LLP
700 Sixth Street, N.W.
Washington, DC 20001
(202) 862-2347 (tel)
Peter.Friedman@cwt.com

By /s/ Peter Friedman
Peter Friedman
Attorneys for Claim Transferees