

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 APPROVING SETTLEMENT WITH MOTOROLA DEFENDANTS
AND FINDING THAT SUBSIDIARY DEBTORS ARE NOT LIABLE ON
MOTOROLA'S CLAIM**

This matter came before the Court upon Plaintiffs' Motion for Order (1) Approving Settlement With Motorola Defendants And (2) Finding that Subsidiary Debtors Are Not Liable On Motorola's Claim (the "Motion"). On December 30, 2009, the Court conducted an evidentiary hearing on findings that are a condition precedent to the proposed settlement. All interested parties were afforded an opportunity to be heard and to present evidence at the hearing following adequate and appropriate notice. Upon consideration of the Motion, the evidence presented and argument made by counsel, and the record in this adversary proceeding and in the bankruptcy cases, it is hereby **FOUND AND DETERMINED THAT:**

1. The notice of the relief requested in the Motion was appropriate in the particular circumstances, and no other or further notice is required;
2. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(1);
3. The relief requested in the Motion is fair and equitable and in the best interests of the Debtors' bankruptcy estates, creditors and other parties in interest;
4. The Motorola Claim¹ is based upon contracts with and purchases by ACC, not its subsidiary debtors, and accordingly the subsidiaries are not liable on the Motorola Claim. Moreover, Motorola's proof of claim constitutes a binding judicial admission, reinforced by other admissions by Motorola that are part of the record herein, that ACC is the only proper obligor on the Motorola Claim.

IT IS ACCORDINGLY HEREBY:

ORDERED, that the Motion is granted; and the Settlement Agreement is approved as being fair and equitable and in the best interests of the Debtors' estates; and it is further

ORDERED, that upon the satisfaction of any other conditions set forth in the Settlement

¹ Capitalized terms not defined herein have the meanings ascribed in the Motion, the Settlement Agreement, and/or the Plan.

Agreement, the Debtors are authorized to perform under the Settlement Agreement; and it is further

ORDERED, that pursuant to the Settlement Agreement, on the Effective Date of the Settlement Agreement the Transferred Claim 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 not allowed against any debtor other than ACC; and it is further

ORDERED, that in the event that the conditions to effectiveness of the Settlement Agreement are not satisfied, or it becomes null and void for any reason, the parties shall return to the same positions they occupied prior to entering into the Settlement Agreement such that allowance of the Transferred Claim pursuant to the Settlement Agreement will not occur, the Claim will remain Disputed under the Plan, and all claims, defenses, or offsets of the Adelpia Parties to allowance of or distributions on the Motorola Claim (including the Transferred Claim) shall be retained and preserved for subsequent litigation; 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: _____, 2009

HONORABLE CECELIA G. MORRIS
United States Bankruptcy Judge