

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

IN RE: EASTWIND GROUP, INC.	: CHAPTER 11
	:
DEBTOR	: BANKRUPTCY No. 00-33372
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JOHN W. MORRIS, CHAPTER 11 TRUSTEE	:
OF THE EASTWIND GROUP, INC.	:
PLAINTIFF	:
	:
V.	:
NATIONAL UNION FIRE INSURANCE	:
COMPANY OF PITTSBURGH, PA	: ADV. No. 01-692
DEFENDANT	:
	:
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JOHN R. THACH	:
[ <i>JOHN W. MORRIS CHAPTER 11 TRUSTEE</i>	:
<i>AS SUBSTITUTED PLAINTIFF FOR THE</i>	:
<i>APPLICABLE COUNTS]</i>	:
PLAINTIFF	:
	:
V.	:
THE EASTWIND GROUP, INC., ET AL.	: ADV. NO. 00-906
DEFENDANTS	:
	:
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**ORDER APPROVING SETTLEMENT AGREEMENTS**

AND NOW, this 14 day of January, 2003, upon hearing and consideration of the Motion to Approve Settlement Agreements, dated October 27, 2003, filed by John W. Morris, Chapter 11 Trustee (“Trustee”) of the Eastwind Group, Inc. (“Eastwind”), and upon notice to all parties in interest and a hearing on December 3, 2003, which notice and service as set out on the Trustee’s certificate of service is adequate for these purposes, and for the reasons set forth in the attached Opinion, it is hereby:

**ORDERED** as follows:

The Settlement Agreement with National Union fire Insurance Company of Pittsburgh PA

(“National Union”) is **APPROVED**, and the aforesaid Motion to approve such settlement is **GRANTED**. The Settlement Agreements with Edward F. Sager, Jr., et al., with William B. Miller and with HMA, et al. are also **APPROVED** and the Motion to approve such settlements is **GRANTED**.

It is hereby further **DECLARED** as follows:

1. National Union Directors, Officers and Corporate Liability Insurance Policy number 856-56-64 (the “Policy”), and all proceeds thereof are property of the estate of Debtor, The Eastwind Group, Inc.

2. The Policy vests in the Trustee authority to determine any payment upon indemnifiable losses for Debtor’s directors and officers, and authority to require that National Union pay proceeds to Eastwind directly. The Trustee’s direction here that National Union pay the Policy proceeds to Eastwind’s bankruptcy estate is a proper exercise of his authority under the Policy and National Union’s payment of the Settlement Amount to the Trustee under the Coverage Settlement is a proper and complete discharge of its obligations under the Policy.

3. Except as expressly provided herein, all present or former directors and officers of Eastwind or its subsidiaries, and Profutures Special Equities Fund, L.P., and their successors, assigns, affiliates, principals and officers, are and shall be barred from separately pursuing and shall take no action to pursue, whether before this Court or any other Court, and whether against Eastwind, the Trustee, National Union, their successors and assigns, or any other person, any claim for coverage under the Policy or claim to Policy proceeds.

4. The sole and exclusive procedure for any such party to assert a claim for payment related to the Policy or its proceeds, shall be the proof of claim process in this bankruptcy case, and

not any independent claim against National Union or any other party. All persons who have not already released or settled such rights in favor of the Trustee and who believe they have such a claim or right relating to the Policy, or who otherwise assert any right or claim to Policy proceeds (including, without limitation Eastwind's and its subsidiaries' present or former directors or officers, and Profutures Special Equities Fund, L.P.), must assert any such claims by filing a proof of claim in this bankruptcy case within 30 days after service of this Order. In responding to any such proof(s) of claim, the Trustee may assert any and all defenses, procedural and substantive, including, but not limited to, lack of timeliness of any such proof of claim, subordination of claims and including defenses to coverage available to National Union, in addition to any other defenses or objections that he may assert in his role as Chapter 11 Trustee of Eastwind.

BY THE COURT:

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STEPHEN RASLAVICH  
UNITED STATES BANKRUPTCY JUDGE

MAILING LIST:

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