

Hearing Date & Time: March 1, 2011 at 9:45 a.m. (Eastern Time)  
Response Deadline: February 22, 2011 at 4:00 p.m. (Eastern Time)

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For Dearborn Refining Site  
Customers PRP Group

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In Re:

Chapter 11 Case No.  
**09-50026-REG**  
Jointly Administered

**MOTORS LIQUIDATION COMPANY, et al.,**  
f/k/a General Motors Corporation,

Debtors.

**MEMORANDUM OF LAW  
IN OPPOSITION TO  
DEBTORS' 208<sup>TH</sup>  
OMNIBUS OBJECTION**

In addition to the respondent, the undersigned counsel represented two other unsecured claimants in this matter: G&H Landfill Site PRP Group, claim number 39020, and LDI PRP Group, claim number 38913, both of whose claims have been settled.

Settlement of claims on behalf of the debtors was handled by a Detroit, Michigan entity, Alix Partners, LLP. Pursuant this Court's order, Alix Partners was granted authority to settle claims for less than \$1 million without Court approval or objection of the creditors' committee. The individual at Alix Partners who settled all three matters with the undersigned was Matthew X. Roling, and the settlement process was identical for all three claims.

Mr. Roling initiated contact with the undersigned and settlement discussions ensued. During the course of the discussions, Mr. Roling identified whether any group members had filed individual claims which were required to be withdrawn in consideration of any settlement to be reached. No individual claims had been submitted with regard to G&H. When the settlement was reached, Mr. Roling forwarded a Stipulation and Settlement Resolving Claim No. 39020.

With regard to LDI, Mr. Roling identified three individual claims which were required to be withdrawn. The claims were withdrawn, and Mr. Roling forwarded an identical form of Stipulation and Settlement Resolving Claim No. 38913.

On October 14, 2010, the undersigned received a proposed Stipulation and Settlement Resolving Claim No. 36708, which identified the seven individual members of the respondent group which had filed individual claims as set forth in paragraph 4 of the response. The stipulation was sent via email. Mr. Roling's entire email consisted of the following:<sup>1</sup>

**Stephen M. Landau**

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**From:** Roling, Matthew [mroling@alixpartners.com]  
**Sent:** Thursday, October 14, 2010 2:57 PM  
**To:** Stephen M. Landau  
**Cc:** Neis, Tim  
**Subject:** Dearborn Refining  
**Attachments:** US\_ACTIVE\_MLC- Dearborn Refining Stipulation - 36708\_43530302\_1.DOC

You know the drill.

Hope all is well.

Matt

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<sup>1</sup> This insert and the following two inserts are copies of the complete documents and accordingly are not attached as separate exhibits. The proposed stipulation is attached at Tab 1.

The “drill” was that the individual claims were to be withdrawn as an express condition of settlement, consistent with this Court’s approved procedures and the authority held by Alix Partners to enter into such settlements. Accordingly, each of the seven individual claims was conditionally withdrawn.<sup>2</sup> On November 2, 2010, Mr. Roling and the undersigned reached a final agreement as to the settlement amount and the undersigned sent a confirming email to Mr. Roling:

**Stephen M. Landau**

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**From:** Stephen M. Landau  
**Sent:** Tuesday, November 02, 2010 11:28 AM  
**To:** 'Roling, Matthew'  
**Subject:** roling 2010 11 02 frm sml

Hi: Agreed--\$970,557.00. You send me the stip.

Stephen M. Landau  
30100 Telegraph Rd, Ste 428  
Bingham Farms, MI 48025-4564  
☎248.358.0870x10  
[sml@slandau.com](mailto:sml@slandau.com)

The “delivery receipt” to Mr. Roling, evidencing that the email had been sent from the undersigned’s computer to Mr. Roling’s computer discloses:

**Stephen M. Landau**

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**From:** System Administrator  
**To:** Roling, Matthew  
**Sent:** Tuesday, November 02, 2010 11:28 AM  
**Subject:** Delivered: roling 2010 11 02 frm sml

Your message

To: Roling, Matthew  
Subject: roling 2010 11 02 frm sml  
Sent: 11/2/2010 11:28 AM

was delivered to the following recipient(s):

Roling, Matthew on 11/2/2010 11:28 AM

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<sup>2</sup> The withdrawals were “conditional” in the sense that the following language was inserted in the Withdrawal of Claim forms: “I hereby withdraw the above-referenced claim without prejudice subject to reinstatement if settlement is not reached or if the group claim is challenged on the basis of standing . . . .”

Finally, the “read receipt” sent from Mr. Roling’s computer to the undersigned’s computer evidences that the email was displayed on Mr. Roling’s computer screen:

**Stephen M. Landau**

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**From:** Roling, Matthew [mroling@alixpartners.com]  
**To:** Stephen M. Landau  
**Sent:** Tuesday, November 02, 2010 11:31 AM  
**Subject:** Read: roling 2010 11 02 frm sml

Your message

**To:** [mroling@alixpartners.com](mailto:mroling@alixpartners.com)  
**Subject:**

was read on 11/2/2010 11:31 AM.

The revised Stipulation and Settlement Resolving Claim No. 36078 was never received. Upon service of the Debtors’ 208<sup>th</sup> Omnibus Objection to Claims, the undersigned telephoned and spoke to Mr. Roling on February 1 and again on February 3, 2011. As evidenced by the Affidavit of Stephen M. Landau attached at Tab 2, the February 3, conversation began: “Are you renegeing on the agreement.” He replied “yes.” I then said “are you going to deny that we settled this” to which he replied that he was not “in a position to comment” on that. He then said that “unfortunately” the settlement never made it to stipulation. Finally, in response to my inquiry as to why the stipulation had not been sent, Mr. Roling replied “it slipped through the cracks.” Importantly, at no time prior to, during or after the conversation of February 3, 2011, has Mr. Roling, orally or in writing, ever disavowed or denied the existence of the complete settlement reached on November 2, 2010.

The decision to withdraw the claims was an express condition of settlement upon which respondent relied and constitutes consideration advanced by respondent to its detriment. Thus, on November 2, 2010, when the claims were withdrawn, the settlement

became binding and enforceable. Once settled, no basis for disavowing or unilaterally choosing to ignore the settlement exists.

State law governs the validity of a bankruptcy settlement agreement. *In re Lady Madonna Industries, Inc.*, 76 B.R. 281, 290 (S.D.N.Y. 1987). Under New York law a stipulation of settlement is an agreement covered by C.P.L.R. § 2104.

C.P.L.R. § 2104 states:

An agreement between parties or their attorneys relating to any matter in an action, other than one made between counsel in open court, is not binding upon a party unless it is in a writing subscribed by him or his attorney or reduced to the form of an order and entered.

In *Lady Madonna*, the court emphasized that:

This rule, however, is not applied literally to all situations, as a number of exceptions have developed. New York courts have found "substantial compliance" with section 2104 where letters by attorneys exist explicitly acknowledging an oral settlement, *Morrison v. Bethlehem Steel Corp.*, 75 A.D.2d 1001, 429 N.Y.S.2d 123 (4th Dept. 1980), or where a judge makes detailed notes of settlement terms. *Golden Arrow Films, Inc. v. Standard Club of [\*\*25] California, Inc.*, 38 A.D.2d 813, 328 N.Y.S.2d 901 (1st Dept. 1972).

In addition, New York Courts have applied principles of estoppel in individual instances to prevent fraud or injustice. See e.g., *Hansen v. Prudential Lines, Inc.*, 118 Misc.2d 568, 461 N.Y.S.2d 670 (Sup. Ct. Kings Cnty. 1983); *A.J. Tenwood Assoc. v. U.S. Fire Ins. Co.*, 104 Misc.2d 467, 428 N.Y.S.2d 606 (Sup. Ct. N.Y. Cnty. 1980).

76 B.R., at 290.

Likewise, in *Hansen v. Prudential Lines, Inc.*, 118 Misc. 2d 568, 461 N.Y.S.2d 670 (N.Y. Sup., 1983), the court pointed out:

It has been recognized, however, that the rule requiring stipulations of settlement to be in writing is one of convenience designed to relieve courts from having to

resolve disputes as to the terms of such stipulations. Thus where there is no dispute as to terms it is eminently reasonable to refuse to permit use of the rule against a party who has been misled or deceived by the oral stipulation to his detriment or who has relied upon it . . . . A party opposing a settlement may be estopped from relying upon a technical noncompliance with C.P.L.R. 2104.

*Hansen*, 461 N.Y.S.2d at 670 (citing 2-A J. Weinstein, H. Korn & A. Miller, N.Y. Civ. Prac. para. 2104.04 (1987)). Here, the debtors should be estopped. There can be no dispute as to the settlement terms as all terms are expressed within the four corners of the stipulation apparently drafted by debtors' counsel and sent by the debtors' agent to the undersigned on October 14.

In *Regolodo v. Neighborhood Partnership Hous. Dev. Fund Co.*, 906 N.Y.S. 775, 25 Misc. 3d 1229A; 2009 NY Slip Op 52338(U) (2009), counsel for the defendant sent the following email to the plaintiff:

Please allow this to confirm that you have agreed to settle this matter for \$ 200,000.00 pending the resolution of issues relating to the workers' compensation lien. Kindly let me know when these issues are resolved and I will send you a release with the language required by Crum & Foster. Thank you.

2009 NY Slip Op 52338U, \*3.

The *Regolodo* court held that while the agreement did not comply with the formal requirements of C.P.L.R. § 2104, "where there is no dispute between the parties as to the terms of the agreement, the courts will refuse to permit the use of this rule against a party who has been misled or deceived by the oral agreement to his detriment or who has relied upon it." *Id.* Accordingly, BFC "should be estopped from raising the technical defect to avoid the unequivocal terms of its agreement." *Id.*

New York courts have held that even a “preliminary” agreement, evidenced by an exchange of emails, is binding:

[D]espite the desire for a later formal document, when the parties have reached complete agreement (including the agreement to be bound) on all the issues perceived to require negotiation. Such an agreement is preliminary only in form—only in the sense that the parties desire a more elaborate formalization of the agreement. The second stage is not necessary; it is merely considered desirable.

*Hostcentric Techs., Inc. v. Republic Thunderbolt, LLC*, 2005 U.S. Dist. LEXIS 11130, \*17; 2005 WL 1377853 (S.D.N.Y. 2005) (internal citations and quotation marks omitted). Here, all of the formalities were previously agreed to on two prior occasions.

The *Hostcentric* court went on to explain that:

[T]he mere fact that the parties contemplate memorializing their agreement in a formal document does not prevent their informal agreement from taking effect prior to that event.” *Id.* at \*18 (internal citations and quotation marks omitted). “Under New York law, parties are free to enter into a binding contract without memorializing their agreement in a fully executed document. . . . Parties who intend to be bound by informal agreement are so bound even if they contemplate later memorializing their agreement in writing.

*Id.* at \*18-19 (internal citations and quotation marks omitted).

This Court has held that equitable estoppel is established under circumstances similar to those in this case:

To invoke the doctrine of equitable estoppel successfully, a plaintiff must establish that (i) the defendant made a definite misrepresentation of fact and had reason to believe that the plaintiff would rely on it; and (ii) the plaintiff reasonably relied on that misrepresentation to its detriment. *Buttry v. General Signal Corp.*, 68 F.3d 1488, 1493 (2d Cir.1995). When pleading a claim of equitable estoppel, the plaintiff must allege a misrepresentation or conduct that induces delay, and reliance or any other facts from which it can be inferred that the plaintiff forbore in some way. *Id.*; see also, *Shields v.*

*School of Law of Hofstra University*, 77 A.D.2d 867, 868, 431 N.Y.S.2d 60, 62 (2d Dep't 1980). The doctrine is frequently invoked in cases where the plaintiff is aware of a cause of action and contends that the defendant's conduct caused a delay in bringing suit. See, e.g., *Strachova v. The Metropolitan Museum of Art*, 98 Civ 8505(RPP), 1999 WL 566305, at \*6, 1999 U.S. Dist. LEXIS 11791, at \*19-20 (S.D.N.Y. Aug. 3, 1999). It has been applied in bankruptcy cases in circumstances somewhat similar to those at bar. See *Bronx-Westchester Mack Corp.*, 4 B.R. 730 (Bankr.S.D.N.Y.1980).

*In Re InSITE Services Corp, LLC*, 287 B.R. 79, at 86.

Here, it cannot be questioned that AlixPartners made a specific and definite representation that in consideration of the withdrawal of the individual claims, the group claim would be settled in the amount of \$970,557.00. It further cannot be questioned that respondent relied upon this representation in withdrawing the individual claims—an affirmative act detrimental to respondents if the settlement is not enforced.<sup>3</sup>

Accordingly, respondent is entitled to entry of an order overruling the debtors' objection to claim number 36708 and to entry of an order allowing the claim as settled in the amount of \$970,577.00.

Respectfully submitted,

/s/ Stephen M. Landau

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<sup>3</sup> “When making a choice of law determination in a contract case, New York courts will normally apply the law of the jurisdiction having the greatest interest in the litigation, as measured by that jurisdiction's contacts with the litigation.” *In re Gaston & Snow* 243 F.3d 599, 607-608 (C.A.2, 2001). While respondent believes New York law controls, if this Court were to determine that Michigan law controlled, the result would be the same. See, e.g., *Kloian v Domino's Pizza, LLC*, 273 Mich App 449, 733 N.W.2d 766 (2006), recognizing sufficiency and enforceability of writings such as emails to support a finding that a binding settlement agreement was reached and *Moore v. First Sec. Cas. Co.*, 224 Mich. App. 370, 568 N.W.2d 841, 844 (1997), recognizing that the doctrine of equitable estoppel arises when a party, by representations or silence intentionally or negligently induces another party to believe certain facts, upon which the second party relies to its prejudice.

Stephen M. Landau

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For Dearborn Refining Site  
Customers PRP Group  
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 248.358.0870  
[sml@slandau.com](mailto:sml@slandau.com)

**TAB 1 FOLLOWS**

Harvey R. Miller  
 Stephen Karotkin  
 Joseph H. Smolinsky  
 WEIL, GOTSHAL & MANGES LLP  
 767 Fifth Avenue  
 New York, New York 10153  
 Telephone: (212) 310-8000  
 Facsimile: (212) 310-8007

Attorneys for Debtors and  
 Debtors in Possession

**UNITED STATES BANKRUPTCY COURT  
 SOUTHERN DISTRICT OF NEW YORK**

-----X  
 :  
**In re** : **Chapter 11 Case No.**  
 :  
**MOTORS LIQUIDATION COMPANY, et al.,** : **09-50026 (REG)**  
**f/k/a General Motors Corp., et al.** :  
 :  
**Debtors.** : **(Jointly Administered)**  
 :  
 :  
 -----X

**STIPULATION AND SETTLEMENT RESOLVING CLAIMS NO. 36708**

This Stipulation (the “**Stipulation**”) is entered into as of October [\_\_\_], 2010 (the “**Effective Date**”) by and among Motors Liquidation Company (“**MLC**”) and its affiliated debtors, as debtors and debtors in possession (collectively, the “**Debtors**”), on the one hand, and the Dearborn Refining Site Customers PRP Group (the “**Claimant**”, and together with the Debtors, the “**Parties**”), on the other hand.

**RECITALS:**

WHEREAS, on June 1, 2009, four of the Debtors, including MLC, (the “**Initial Debtors**”) commenced voluntary cases under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) before the United States Bankruptcy Court for the Southern District of New York (the “**Court**”), Case No. 09-50026 (REG);

WHEREAS, on October 9, 2009, two additional Debtors, the Remediation and Liability Management Company, Inc. (“**REALM**”) and the Environmental Corporate Remediation Company, Inc. (“**ENCORE**”) commenced voluntary cases under chapter 11 of the Bankruptcy Code, which cases are being jointly administered with those of the Initial Debtors;

WHEREAS, on September 16, 2009, the Court entered the Order Pursuant to Section 502(b)(9) of the Bankruptcy Code and Rule 3003(c)(3) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) Establishing the Deadline for Filing Proofs of

Claim (Including Claims Under Bankruptcy Code Section 503(b)(9)) and Procedures Relating Thereto and Approving the Form and Manner of Notice Thereof (the “**Bar Date Order**”) establishing November 30, 2009 at 5:00 p.m. (Eastern Time) as the deadline to file proofs of claim against the Initial Debtors based on prepetition claims;

WHEREAS, in compliance with the Bar Date Order, Claimant timely filed against MLC proof of claim number 36708 (the “**Allowed Claim**”), asserting an unliquidated prepetition claim relating to liabilities associated with the Dearborn Refining Site in Michigan (the “**Site**”);

WHEREAS, in compliance with the Bar Date Order, the following claimants timely filed against MLC the following proofs of claim (the “**Disallowed Claims**”), asserting prepetition claims for the following amounts relating to liabilities associated with the Site:

<u>Claim Number</u>	<u>Claimant</u>	<u>Claim Amount</u>
32818	General Products Corp.	\$4,000,000.00
32817	Samuel Son & Co Midwest	\$4,000,000.00
49504	Acemco Inc.	\$2,000,000.00
49505	Nachi Machining Tech. Co.	\$2,000,000.00
62291	Valassis Communications Inc.	\$1,042,707.00
45622	Weavertown Transport Leasing	\$56,226.00
50931	Michigan Auto. Compressor	\$6,500.00

WHEREAS, Claimant represents and warrants that the Disallowed Claims will be withdrawn in exchange for the resolution of the Allowed Claim as provided for herein;

WHEREAS on October 6, 2009, the Court entered that certain Order pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rules 3007 and 9019(b) Authorizing the Debtors to (i) File Omnibus Claims Objections and (ii) Establish Procedures for Settling Certain Claims (the “**Settlement Procedures Order**”);

WHEREAS pursuant to the Settlement Procedures Order, the Debtors are authorized, with certain exceptions, to settle any and all claims asserted against the Debtors without prior approval of the Court or other party in interest whenever (i) the aggregate amount to be allowed for an individual claim (the “**Settlement Amount**”) is less than or equal to \$1 million or (ii) the Settlement Amount is within 10 percent of the noncontingent, liquidated amount listed on the Debtors’ schedules of assets and liabilities so long as the difference in amount does not exceed \$1 million;

WHEREAS, after good-faith, arms’-length negotiations, the Parties have reached an agreement to resolve the Claim;

NOW, THEREFORE, in consideration of the foregoing, it is hereby stipulated and agreed that:

1. Upon the withdrawal of each of the Disallowed Claims, the Allowed Claim shall be treated as an allowed general unsecured claim against MLC in the amount of \$457,844.00, which Allowed Claim shall not be subject to any defense, counterclaim, right of setoff, reduction, avoidance, disallowance (including under Section 502(d) of the Bankruptcy Code) or subordination.

2. The Claimant shall receive distributions on account of the Allowed Claim in the form set forth in and pursuant to the terms of a confirmed chapter 11 plan or plans in these chapter 11 cases (the “**Plan**”).

3. Upon receipt of such distributions on account of the Allowed Claim as set forth in the Plan, the Allowed Claim shall be deemed satisfied in full.

4. With respect to the Allowed Claim, other than the right to receive distributions under the Plan with respect to the Allowed Claim, the Claimant and its affiliates, successors and assigns, and its past, present and future members, officers, directors, partners, principals, agents, insurers, servants, employees, representatives, administrators, executors, trustees and attorneys (collectively, the “**Claimant Parties**”), shall have no further right to payment from the Debtors, their affiliates, their estates or their respective successors or assigns (collectively, the “**Debtor Parties**”). With respect to the Allowed Claim, except as set forth in this Stipulation, the Claimant Parties hereby irrevocably waive any and all claims (as defined in section 101(5) of the Bankruptcy Code, including the Disallowed Claims) against any of the Debtor Parties, and are hereby barred from asserting any and all claims whatsoever, whether known or unknown, presently existing, whether or not asserted, and whether found in fact or law or in equity, in existence as of the execution of this Stipulation by the Parties.

5. The Debtors’ claims agent shall be authorized and empowered to adjust the claims register to allow Proof of Claim No. 36708 in the amount of \$457,844.00.

6. This Stipulation may not be modified other than by a signed writing executed by the Parties hereto or by order of the Court.

7. Each person who executes this Stipulation represents that he or she is duly authorized to do so on behalf of the respective Parties hereto and that each such party has full knowledge and has consented to this Stipulation.

8. This Stipulation may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument, and it shall constitute sufficient proof of this Stipulation to present any copy, copies, or facsimiles signed by the Parties hereto to be charged.

9. This Stipulation shall be exclusively governed by and construed and enforced in accordance with the laws of the state of New York, without regard to conflicts of law principles thereof. The Court shall retain exclusive jurisdiction over any and all disputes arising out of or otherwise relating to this Stipulation.

**THE UNDERSIGNED WARRANT THAT THEY HAVE READ THE TERMS OF THIS STIPULATION, HAVE HAD THE ADVICE OF COUNSEL OR THE OPPORTUNITY TO OBTAIN SUCH ADVICE IN CONNECTION WITH READING, UNDERSTANDING AND EXECUTING THE AGREEMENT, AND HAVE FULL KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS STIPULATION.**

**MOTORS LIQUIDATION COMPANY  
AND AFFILIATED DEBTORS**

**DEARBORN REFINING SITE  
CUSTOMERS PRP GROUP**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_, 2010

Dated: \_\_\_\_\_, 2010

**TAB 2 FOLLOWS**

Hearing Date & Time: March 1, 2011 at 9:45 a.m. (Eastern Time)  
Response Deadline: February 22, 2011 at 4:00 p.m. (Eastern Time)

STEPHEN M. LANDAU, P.C.  
30100 Telegraph Road, Suite 428  
Bingham Farms, MI 48025-4564  
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For Dearborn Refining Site  
Customers PRP Group

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In Re:

Chapter 11 Case No.  
**09-50026-REG**  
Jointly Administered

**MOTORS LIQUIDATION COMPANY, et al.,**  
f/k/a General Motors Corporation,

**AFFIDAVIT OF  
STEPHEN M. LANDAU**

Debtors.

\_\_\_\_\_ /  
The undersigned declares under penalty of perjury that he has personal knowledge of, and if sworn as a witness, can testify competently to the following facts:

1. I am counsel for the respondent, Dearborn Refining Site Customers PRP Group, and make this affidavit in support of the respondent's Response to the Debtors' 208<sup>th</sup> Omnibus Objection.
2. To my knowledge, I am the only person who dealt with the Debtors' claims representative, Matthew X. Roling, with respect to the settlement of the claims of G&H Landfill Site PRP Group, claim number 39020, LDI PRP Group, claim number 38913 and of respondent, claim number 36708.

3. Mr. Roling's first contact with my office occurred on July 19, 2010, when he sent an email to my associate, Brian D. Figot, which stated:

As per my voice message, please contact me at your nearest [sic] convenience so that we may begin talks to settle your clients' claims for these two sites.

The "two sites" referred to were Dearborn Refining and G&H.

4. I telephoned Mr. Roling on July 20, 2010, to begin the process of settling all three claims.

5. On September 19, Mr. Roling wrote to me:

**Stephen M. Landau**

---

**From:** Roling, Matthew [mroling@alixpartners.com]  
**Sent:** Sunday, September 19, 2010 4:53 PM  
**To:** Stephen M. Landau  
**Subject:** Dearborn Refining - 49504 ACEMCO INCORPORATED & 49505 NACHI MACHINING TECHNOLOGY CO

These still need to be withdrawn.

49504	ACEMCO INCORPORATED	Dearborn Refining	2,000,000.00
49505	NACHI MACHINING TECHNOLOGY CO	Dearborn Refining	2,000,000.00

Thanks,  
Matt

6. On October 5, 2010, I settled the LDI claim with Mr. Roling by email in which I wrote to him:

I have been authorized to accept your September 20 counter in the amount of \$275,000, and to execute the Stipulation and Settlement Resolving Claim No. 38913 document on behalf of the Group as, and solely as, its authorized agent. Please confirm that all individual claims have been withdrawn as required.

7. Also on October 5, 2010, I settled the G&H claim with Mr. Roling by email in which I wrote to him:

I have been authorized to accept your September 20 counter in the amount of \$214,355 and am authorized to execute the Stipulation and Settlement Resolving Claim as, and solely as, the group's authorized agent.

8. On October 14, 2010, I received from Mr. Roling by email the proposed Stipulation and Settlement Agreement attached at Tab 1.

9. On November 2, 2010, I telephoned Mr. Roling. During that conversation he and I reached a complete agreement resolving this matter in full. I made the last demand which he accepted in the amount of \$970,577.00; we confirmed that all of the required withdrawals had been received; I sent him the confirming email as had been our practice with the other two claims; and I accordingly notified my clients that the matter had been settled and concluded.

10. I heard nothing further until I was served with the Debtors' 208<sup>th</sup> Omnibus Objection on January 31, 2011.

11. I telephoned Mr. Roling on February 1, 2011, to inquire why the Dearborn Refining Site claim was included in the objection. He indicated he would look into the matter and call back.

12. On February 3, I again telephoned Mr. Roling. I immediately asked him "are you renegeing on the agreement." He replied "yes." I then said "are you going to deny that we settled this" to which he replied that he was not "in a position to comment" on that. He then said that "unfortunately" the settlement never made it to stipulation. Finally, in response to "why didn't you send the stipulation" he stated "it slipped through the cracks."

13. At no time in the conversation of February 3, 2011, or thereafter, orally or in writing, has Mr. Roling ever disavowed or denied the existence of the complete settlement reached on November 2, 2010.

/s/ Stephen M. Landau

Stephen M. Landau

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