

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

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In re : **Chapter 11**
:
CRABTREE & EVELYN, LTD., :
: **Case No. 09-14267 (BRL)**
Debtor. :
:

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**ORDER PURSUANT TO SECTION 105(a) OF
THE BANKRUPTCY CODE AND BANKRUPTCY RULES 3007 AND 9019(b)
(i) AUTHORIZING THE DEBTOR TO FILE OMNIBUS CLAIMS OBJECTIONS
AND (ii) APPROVING PROCEDURES FOR SETTLING CERTAIN CLAIMS**

Upon the motion, dated November 19, 2009 (the "Motion"),¹ of Crabtree & Evelyn, Ltd.. as debtor and debtor in possession (the "Debtor"), pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rules 3007 and 9019(b), seeking (i) authority for the Debtor to file Omnibus Objections to Claims and (ii) approval of procedures to settle certain Claims without further Court approval (the "Claims Objection and Settlement Procedures"), all as more fully set forth in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York, dated July 19, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (i) the Office of the United States Trustee for the Southern District of New York (Attn: Serene Nakano, Esq.), (ii) SilvermanAcampora LLP, 100 Jericho Quadrangle, Suite 300, Jericho, New York 11753 (Attn: Ronald J. Friedman, Esq.) as counsel for

¹ Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the Motion.

Kuala Lumpur Kepong Berhad, (iii) Hahn & Hessen LLP, 488 Madison Avenue, 15th Floor, New York, New York 10022 (Attn: Mark Indelicato, Esq.), as counsel for the Committee, and (iv) parties in interest who have filed notices of appearance in this case, and it appearing that no other or further notice need be provided; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtor, its estate, and its creditors; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted; and it is further

ORDERED that, notwithstanding anything to the contrary in Bankruptcy Rule 3007, the Debtor is hereby authorized to file Omnibus Objections to Filed Claims seeking reduction, reclassification and/or disallowance of Filed Claims on one or more of the following grounds:

- (a) the Filed Claims duplicate other Filed Claims;
- (b) the Filed Claims have been filed in the wrong case;
- (c) the Filed Claims have been amended by subsequently filed proofs of claim;
- (d) the Filed Claims were not timely filed;
- (e) the Filed Claims have been satisfied or released during the case in accordance with the Code, applicable rules, or a court order;
- (f) the Filed Claims were presented in a form that does not comply with applicable rules, and the Debtor is unable to determine the validity of the Filed Claims because of the noncompliance;
- (g) the Filed Claims are interests, rather than claims; or
- (h) the Filed Claims assert priority in an amount that exceeds the maximum amount under section 507 of the Code;
- (i) the amount claimed contradicts the Debtor's books and records;

- (j) the Filed Claims were incorrectly classified;
- (k) the Filed Claims seek recovery of amounts for which the Debtor is not liable;
- (l) the Filed Claims do not include sufficient documentation to ascertain the validity of the Filed Claims; and
- (m) the Filed Claims are objectionable under section 502(e)(1) of the Bankruptcy Code

(collectively, the “Permitted Grounds”); and it is further

ORDERED that the Debtor is authorized to file Omnibus Objections to no more than 100 Claims at a time on the Permitted Grounds; and it is further

ORDERED that, except as expressly provided herein, the Debtor shall comply with the requirements for Omnibus Objections set forth in Bankruptcy Rule 3007(e); and it is further

ORDERED that any order sustaining an Omnibus Objection shall be a final order with respect to each Filed Claim referenced in such Omnibus Objection as if each Filed Claim had been individually objected to; and it is further

ORDERED that the Debtor is authorized to settle Filed Claims in accordance with the following Settlement Procedures:

- The Debtor is hereby authorized to settle any and all Filed Claims asserted against the Debtor without prior approval of the Court or any other party in interest whenever the aggregate amount to be allowed for an individual Filed Claim is equal to or less than \$25,000 (the “Affected Claim”).
- Each Affected Claim may be settled pursuant to a letter agreement (the “Letter Agreement”) executed by and between the Debtor and a single claimant, and which Letter Agreement shall include: (a) the original asserted amount and priority of the Affected Claim(s); (b) the proof of claim number(s) affected; (c) the allowed amount of each Affected Claim settled; and (d) any other pertinent terms of the proposed settlement.

- With respect to settlements of Filed Claims in excess of \$25,000, the Debtor shall seek Court approval of such settlements, either by (i) submitting a stipulation to the Court on presentment, or (ii) indicating the settlement of any such Filed Claims in a proposed order to be submitted to the Court in connection with a claims objection.
- The types of Filed Claims that may be settled pursuant to these Settlement Procedures include: (i) administrative expense claims under section 503(b)(9) of the Bankruptcy Code; (ii) all other administrative expense claims under section 503(b) of the Bankruptcy Code; (iii) priority claims under section 507(a) of the Bankruptcy Code; (iv) secured claims; and (v) general unsecured claims.
- On a periodic basis, the Debtor shall file with the Court and serve on the parties to the master service list on file with the Court, a list of all settlements of Filed Claims into which the Debtor has entered during the previous quarter. Such lists shall set forth the names of the parties with whom the Debtor has settled, the relevant proof of claim numbers, the types of claims asserted by each such party, and the amounts for which such claims have been settled.

ORDERED that the Debtor is authorized to take any and all steps that are necessary or appropriate to settle the Affected Claims; and it is further

ORDERED that nothing in this Order shall obligate the Debtor to settle or pursue settlement of any particular Claim and all settlements of Affected Claims may be negotiated and compromised by the Debtor within its sole discretion; and it is further

ORDERED that nothing in this Order shall constitute an admission of the validity, nature, amount or priority of any Claim asserted in this case; and it is further

ORDERED that entry of this Order is without prejudice to the Debtor's rights to seek entry of an order modifying or supplementing the relief granted herein; and it is further

ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from the interpretation and/or implementation of this Order.

Dated: December 1, 2009
New York, New York

/s/Burton R. Lifland
HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE