

94-60 COX
93-48535 T

CC: Pat Campbell


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11 UNITED STATES BANKRUPTCY COURT
12 NORTHERN DISTRICT OF CALIFORNIA

14 In re) No. 93-48535 T
15)
15 HEXCEL CORPORATION, a) Chapter 11
Delaware corporation,)
16 Debtor.) NOTICE OF ENTRY OF ORDER
17 Tax Id. No. 94-1109521)
18 _____)

19 PLEASE TAKE NOTICE that on January 5, 1995, the Order
20 Authorizing and Approving Compromises of Controversies by Default
21 (Granville Solvents Superfund Site), a copy of which is attached
22 hereto as Exhibit "A", was filed by the above-captioned Court.

23 DATED: January 10, 1995 KRONISH LIEB, WEINER & HELLMAN
and
24 GOLDBERG, STINNETT, MEYERS & DAVIS
A Professional Corporation

25 By 
26 Katherine D. Ray
Attorneys for Debtor

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ORIGINAL FILED

JAN 05 1995

BANKRUPTCY COURT
OAKLAND, CALIFORNIA

5 and

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10
11 UNITED STATES BANKRUPTCY COURT

12 FOR THE NORTHERN DISTRICT OF CALIFORNIA

13 In re)

14 HEXCEL CORPORATION, a)
15 Delaware corporation,)

16 Debtor.)

17 Tax Id. No. 94-1109521)
18

No. 93-48535 T

Chapter 11

19 **ORDER AUTHORIZING AND APPROVING**
COMPROMISES OF CONTROVERSIES BY DEFAULT
20 **(Granville Solvents Superfund Site)**

21 Based on the Debtor's Motion to Approve Compromises of
22 Controversies (Granville Solvents Superfund Site) (hereinafter
23 "Motion") filed by HEXCEL CORPORATION, a Delaware Corporation and
24 the debtor-in-possession herein (hereinafter "Debtor"), on November
25 7, 1994, and its Request for Entry of Order Authorizing and
26 Approving Compromises of Controversies by Default (Granville

1 Solvents Superfund Site) filed herein on or about December 28,
2 1994, seeking entry of an order authorizing and approving the
3 Debtor's compromises with the State of Ohio and the Granville
4 Solvents PRP Group by default; due and adequate notice and
5 opportunity for hearing having been given pursuant to the
6 provisions of Fed. R. Bank. Proc. 9019 and Local Rule 7-914; no
7 opposition or request for hearing having been filed regarding the
8 proposed compromises; the Court having considered all pleadings and
9 other evidence submitted in support of the proposed compromises;
10 and good cause appearing therefor,

11 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

12 1. The Motion is hereby granted in its entirety.

13 2. The settlement agreement by and between the Debtor and
14 the State of Ohio, a copy of which is attached hereto as Exhibit
15 "A", is hereby approved.

16 3. The settlement agreement by and between the Debtor and
17 the Granville Solvents PRP Group, a copy of which is attached
18 hereto as Exhibit "B", is hereby approved.

19 4. The Debtor is hereby authorized to take any and all
20 actions, and to execute any and all documents, reasonably necessary
21 to effectuate the aforesaid settlement agreements and this Order.

22 DATED:

Leslie Tchaikovsky

23 JAN 05 1995

24 THE HONORABLE LESLIE TCHAIKOVSKY
25 United States Bankruptcy Judge
26

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

In re

HEXCEL CORPORATION,
a Delaware corporation,

Debtor.

No. 93-48535T

Chapter 11

Judge Tchaikovsky

SETTLEMENT AGREEMENT
(Granville Solvents Superfund Site/State of Ohio)

Debtor Hexcel Corporation ("Hexcel") and the State of Ohio hereby enter into this Settlement Agreement resolving the claim filed in the above-captioned case ("Case") against Hexcel by the State of Ohio.

WHEREAS, the State of Ohio claims that it has incurred \$916,000 in costs at the Granville Solvents Superfund Site ("Site");

WHEREAS, Hexcel's contribution to the total waste volume at the Site is alleged to be in the amount of 1,000 gallons;

WHEREAS, on December 6, 1993, Hexcel filed a voluntary petition for rehabilitation under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, in the United States Bankruptcy Court for the Northern District of California ("Bankruptcy Court"), thereby commencing the Case, which is still pending;

WHEREAS, on May 10, 1994, the State of Ohio filed an unsecured claim against Hexcel in the Bankruptcy Court for incurred cleanup costs at the Site in the amount of \$916,000 (the "Claim");

EXHIBIT A

WHEREAS, on July 1, 1994, Hexcel filed an objection to the State of Ohio claim;

WHEREAS, Hexcel and the State of Ohio wish to resolve the Claim and Objection without the need for litigation;

IT IS AGREED:

1. This Settlement Agreement is expressly subject to approval by the Bankruptcy Court. After this Settlement Agreement has been executed by Hexcel and the State of Ohio, Hexcel shall promptly submit it to the Bankruptcy Court for approval. The parties agree to stay any litigation regarding the Claim and Objection pending the Bankruptcy Court's approval of the Settlement Agreement. The parties jointly recommend to the Bankruptcy Court that this Settlement Agreement in its entirety be approved by the Bankruptcy Court.

2. Hexcel hereby represents and warrants that, subject to Bankruptcy Court approval, it has full corporate power, authority, and right to enter into this Settlement Agreement and to perform its obligations and duties hereunder.

3. The undersigned David G. Cox, Assistant Attorney General of the State of Ohio, hereby represents and warrants that, subject to Bankruptcy Court approval, he is fully authorized to execute this Settlement Agreement on behalf of the State of Ohio and to legally bind the State of Ohio to the terms of this Settlement Agreement.

4. The Claim shall be allowed as a non-priority unsecured claim ("Allowed Claim") against Hexcel in favor of and for the benefit of the State of Ohio in the amount of \$32,000. The Claim, and any causes of action, demand or liability that the State of Ohio has asserted or might assert against Hexcel with respect to the Site shall be fully discharged as provided by a Plan of Reorganization in the Case.

5. Nothing contained herein shall constitute or be construed as an admission of any fact, claim, or allegation concerning the Site, or of any liability under any federal, state or local statute, ordinance, or regulation, or under federal or state common law by Hexcel or the State of Ohio.

6. The State of Ohio agrees that its Claim is deemed fully satisfied upon compliance with this Settlement Agreement and that the Proof of Claim filed by the State of Ohio on May 10, 1994 is discharged upon approval of the Plan of Reorganization, provided the Plan confirmed by the Bankruptcy Court provides for payment in full of the State of Ohio's allowed general, unsecured claim. In the event the Plan confirmed by the Bankruptcy Court provides for less than full payment of the State of Ohio's allowed general unsecured claim, the Debtor and State of Ohio agree to renegotiate the amount of the State of Ohio's claim. In addition, nothing contained in this agreement shall be construed to prevent the State of Ohio from pursuing additional responsible parties for costs incurred at the site. The State of Ohio expressly reserves its right to pursue additional parties in connection with their liability at the site.

7. This Settlement Agreement contains the entire agreement between the parties concerning the subject matter of this Settlement Agreement and concerning all matters in controversy between the Hexcel and the State of Ohio which were or could have been raised in connection with the Site.

EXECUTED THIS 23 DAY OF SEPTEMBER, 1994.

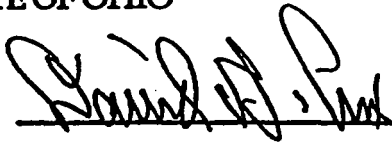
HEXCEL CORPORATION

By: 

Name: A. William Nosil

Title: Corporate Environmental Engineering
Manager

STATE OF OHIO

By: 

Name: David G. Cox

Title: Ohio Assistant Attorney General

SO ORDERED: _____ Date: _____

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

In re

HEXCEL CORPORATION,
a Delaware corporation

Debtor.

:
:
No. 93-48535 T
:
:
Chapter 11
:
Judge Tchaikovsky
:
:

SETTLEMENT AGREEMENT

Debtor Hexcel Corporation ("Hexcel"), and those potentially responsible parties for the Granville Solvents Superfund Site ("Site") in Granville, Ohio who are members of, and are represented by, the Granville Solvents PRP Group (sometimes referred to hereinafter as "Claimants") (a list of whom is attached as Exhibit A, which list has had additions and deletions since the claims of claimants were filed) and who filed claims on their own behalf and surrogate claims for the U.S. Environmental Protection Agency and the State of Ohio against Hexcel regarding the Site in the above-captioned Chapter 11 bankruptcy proceeding, hereby enter into this Settlement Agreement liquidating the amount of the claims filed against Hexcel by the Claimants and resolving Hexcel's objections to the claims.

WHEREAS, the U.S. Environmental Protection Agency ("EPA") and the Granville Solvents PRP Group have reached agreement on the terms of an Administrative Order by Consent under Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA" or "Superfund") pursuant to which the member companies of the claimant group would initiate cleanup activities at the Site;

WHEREAS, Hexcel's contribution to the Site appears to be de minimis;

WHEREAS, on December 6, 1993 Hexcel filed a voluntary petition for rehabilitation under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §101 et seq., in the United States Bankruptcy Court for the Northern District of California, ("Bankruptcy Court"), thereby commencing the Case, which is still pending;

WHEREAS, on April 27, 1994 the Claimants filed partially contingent and partially unliquidated claims against Hexcel in the Bankruptcy Court for an undetermined amount (the "Group Claim") to address administrative and remedial costs;

WHEREAS, on May 11, 1994 the Claimants filed an unliquidated claim on behalf of the United States Environmental Protection Agency (the "Group U.S. EPA Claim") for an undetermined amount to address administrative and remedial costs;

WHEREAS, on May 11, 1994 the Claimants filed a liquidated claim on behalf of the State of Ohio, Environmental Protection Agency (the "Group Ohio EPA Claim") for an amount to address administrative and remedial costs, which claim was superseded by a claim filed by the State of Ohio on its own behalf;

WHEREAS, Hexcel has filed objections to the Group Claim, the Group U.S. EPA Claim, and the Group Ohio EPA claim (collectively referred to hereinafter as the "Claim") on July 1, 1994 (the "Objections");

WHEREAS, Hexcel and the Claimants wish to settle the objections without the need for litigation;

IT IS AGREED:

1. This Settlement Agreement is expressly subject to approval by the Bankruptcy Court. After this Settlement Agreement has been executed by Hexcel and the Claimants, Hexcel shall promptly submit it to the Bankruptcy Court for approval. The parties agree to stay any litigation regarding the Objections pending the Bankruptcy Court's approval of the Settlement Agreement.

2. Hexcel hereby represents and warrants that, subject to Bankruptcy Court approval, it has full corporate power, authority, and right to enter into this Settlement Agreement and to perform its obligations and duties hereunder. The Granville Solvents PRP Group represents and warrants that it has authority to enter into this Settlement Agreement on behalf of the parties set forth in Exhibit A and that it has not assigned its Claim, or any portion thereof, to any other persons(s), entity or entities.

3. Within 30 days after execution of this Settlement Agreement, the Granville Solvents PRP Group shall provide Hexcel with evidence of its authority to enter into this Settlement Agreement on behalf of the Claimants in the form of written authorization executed by a duly authorized agent or counsel for the Claimants.

4. Subject to the terms and conditions set forth herein, the Claim shall be allowed as a non-priority unsecured claim ("Allowed Claim") against Hexcel in favor of and for the benefit of Claimants in the amount of \$45,741. The Claim, and any causes of action, demand or liability that Claimants have asserted or might assert against Hexcel with respect to the Site, including any obligations

under the Administrative Order by Consent, shall be fully discharged as provided by a Plan of Reorganization in the Case, provided that the Allowed Claim is paid in cash at 100 cents on the dollar.

5. In the event that either no Plan of Reorganization in the case is approved, or that a Plan of Reorganization is approved and it does not provide for payment in cash at 100 cents on the dollar on the Allowed Claim, Claimants shall be entitled, at their sole option, to seek a redetermination by the Bankruptcy Court as to the amount of the Allowed Claim, and Claimant shall not be limited by the settlement amount and other terms as specified herein.

6. Upon execution of this Settlement Agreement, its approval by the Bankruptcy Court, and payment of the Allowed Claim, the Claimants agree to provide contribution protection to Hexcel for any liability for cleanup or response costs to the United States, pursuant to the Administrative Order, by Consent, which Hexcel either has incurred or may incur with respect to the Site, up to an amount equal to the amount actually paid in cash in satisfaction of the Allowed Claim which represents Hexcel's approximate equitable share of the waste disposed of at the Site. Hexcel covenants not to assert any claim or demand against any of the Claimants for costs of response with respect to the Site.

7. Any distribution to the Claimants as a consequence of the non-priority Allowed Claim of \$45,741 agreed to in this Settlement Agreement shall be distributed to the Granville Solvents PRP Group, care of Ben L. Pfefferle, III, Thompson, Hine and Flory, 10 West Broad Street, Columbus, Ohio 43215.

8. Nothing contained herein shall constitute or be construed as an admission of any fact, claim, or allegation concerning the Site, or of any liability under any federal, state, or local statute, ordinance, or regulation, or under federal or state common law by Hexcel or the Claimant.

9. This Settlement Agreement contains the entire agreement between the parties concerning the subject matter of this Settlement Agreement and concerning all matters in controversy between the Hexcel and the Claimants which were or could have been raised in connection with the Site.

EXECUTED THIS 12 DAY OF ^{October} ~~SEPTEMBER~~, 1994.

HEXCEL CORPORATION

By: A. William Nosil

Name: A. William Nosil

Title: Corporate Environmental Engineering Mgr

GRANVILLE SOLVENTS PRP GROUP

By: Ben L. Pfefferle

Name: Ben L. Pfefferle, Esq.

Title: Agent and Attorney

SO ORDERED: United States Bankruptcy Judge

Date: _____

EXHIBIT A

GRANVILLE SOLVENTS, INC. SIGNATORIES TO ADMINISTRATIVE ORDER ON CONSENT WITH USEPA

Abrasive Technology, Inc.
Achbach Auto Industries
Allied Machine Works, Inc.
AMG Industries, Inc.
Anchor Hocking Packaging Company
Anomatic Corporation
A & B Sanitation, Inc.
National City Bank, Columbus, fka BancOhio National Bank
Big Bear/Signs
Bob Caldwell, Inc.
Bob Daniels Buick Co.
Callander Cleaners
Chemical Solvents, Inc.
Chemtron Corp.
Cleland Mfg.
Collier Industries (Desco) -
Columbia Gas System Service Corporation
Columbus Instruments International Corp.
Columbus Jack Corporation
The Columbus Show Case Company
Commercial Intertech Corp. (fka Commercial Shearing, Inc.)
Consolite Corporation
Cooper Industries, Inc. (on behalf of Cooper Power Systems & Cooper Energy Service)
Copco Papers, Division of Unisource Worldwide, Inc. (formerly Paper Corporation of America)
Decorative & Coating Systems, Inc.
Denison University
E.I. du Pont de Nemours and Company
EBCO Manufacturing Company
Ed Bradley
FBC Chemical Corp.
Germain Toyota
The Goodyear Tire & Rubber Company
Gordon Flesch Co., Inc.
Graham Ford
GFS Chemicals, Inc.
Hamilton Standard Controls, Inc.
H.J. Heinz Company

**Granville Solvents, Inc.
Signatories to Administrative Order**

Page Two

**Industrial Finishers, Inc.
Ingersoll-Rand Company
Jack Maxton Chevrolet, Inc.
Chrysler Corporation, successor in interest to Jeep Corporation
Kenworth Truck Co.
Key Oldsmobile
Kurz-Kusch, Inc.
Lennox Industries, Inc.
The Longaberger Company
Matthews International Corporation
Medex, Inc.
Mock Woodworking Co.
Nationwide Mutual Insurance Company
AT&T Global Information Solutions Company (fka NCR Corporation)
The Murphy Group, Inc. (Newark Asphalt Co.)
Ohio Department of Transportation
Ohio Plastics Company
Owens-Corning Fiberglas
Owens-Illinois Prescription Products, Inc.
Pitt-Des Moines, Inc.
Plating Technology, Inc.
Pleasurecraft Marine Engine Company
Pressure Chemical Co.
Dana Corporation (Racine Hydraulics)
Resource International, Inc.
Sherex Chemical Corporation (Witco Corporation)
Illinois Tool Works, Inc. f/k/a Signode
Stanley Electric U.S. Co., Inc.
Steel Ceilings, Inc.
Telesis Marking Systems
Timken Mercy Medical Center
Mettler Toledo, Inc. (successor to Toledo Scale Corporation)
TRW Inc., successor to certain interests of Sherwood Refractories
T.N. Cook, Inc.
AT&T/Western Electric
Westreco, Inc.**

1
2 Cynthia Cox, Esq.
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5 Oakland, CA 94612

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7 Pillsbury Madison Sutro
8 225 Bush Street
9 San Francisco, CA 94104
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12 Marcus Montgomery Wolfson
13 53 Wall Street
14 New York, NY 10005
15 **(Counsel for Equity Holders' Committee)**

16 Ben L. Pfefferle, III
17 Thompson, Hine & Flory
18 10 West Broad Street
19 Columbus, Ohio 43215
20 **(Counsel for Granville Solvents PRP Group)**

21 David G. Cox
22 **Assistant Attorney General**
23 **State of Ohio**
24 30 East Broad Street
25 Columbus, Ohio 43215-9987

26 Michael Anastasio, Esq.
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U.S. Environmental Protection Agency
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Chicago, IL 60604