

U.S. BANKRUPTCY COURT  
FILED  
MAR 31 2008  
Jon D. Ceretto, Clerk of Court  
CENTRAL DISTRICT OF CALIFORNIA  
BY: [Signature] Deputy Clerk

U.S. BANKRUPTCY COURT  
ENTERED  
APR - 1 2008  
Jon D. Ceretto, Clerk of Court  
CENTRAL DISTRICT OF CALIFORNIA  
BY: [Signature] Deputy Clerk

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CLERK U.S. BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
BY: [Signature] Deputy Clerk

Robert L. Carlton, Oregon State Bar No. 85167 – Admitted *Pro Hac Vice*  
Martin P. Meyers, Oregon State Bar No. 99082 – Admitted *Pro Hac Vice*  
SUSSMAN SHANK LLP  
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Special Counsel for K. Morgan Enterprises, Inc.,  
in its capacity as the trustee of the Trust For Certain Creditors  
Of Consolidated Freightways Corporation And Certain Affiliates

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
RIVERSIDE DIVISION

In re  
CONSOLIDATED FREIGHTWAYS  
CORPORATION OF DELAWARE, et al.,  
  
Debtors.  
  
Fed. Tax I.D. No. 94-1444797

Case No. RS 02-24284 MG  
Chapter 11  
(Substantively Cons. with Case Nos.  
RS-02-24289-MG; RS-02-24287-MG;  
RS-02-24293-MG; RS-02-24294-MG;  
and RS-02-24295-MG)  
  
STIPULATION REGARDING  
RESOLUTION OF CLAIM NO. 26195  
(Ohio Dept. Of Commerce – Division of  
the Fire Marshal); ORDER THEREON  
  
Judge: Hon. Mitchel R. Goldberg

THIS STIPULATION is entered into by and between K. Morgan Enterprises, Inc.,  
(the "CF Trustee"), in its capacity as the trustee of the Trust For Certain Creditors Of  
Consolidated Freightways Corporation And Certain Affiliates (the "CF Trust") and the  
Ohio Dept. Of Commerce – Division of the Fire Marshal ("Ohio BUSTR")

///  
///  
///

1 FACTUAL BACKGROUND

2 On or about September 2, 2002, Debtors<sup>1</sup> filed voluntary petitions for relief under  
3 Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"), which  
4 commenced case numbers RS-02-24284-MG; RS-02-24289-MG; RS-02-24287-MG;  
5 RS-02-24293-MG; RS-02-24294-MG; and RS-02-24295-MG) (the "Cases")<sup>2</sup> in the  
6 United States Bankruptcy Court for the Central District of California (the "Bankruptcy  
7 Court").

8 On February 27, 2003, Ohio BUSTR filed proof of claim no. 26195 (the "Claim")  
9 in the estimated amount of \$113,000.00 alleging environmental damage related to the  
10 real estate located at 2615 Brecksville Road, Richfield, Ohio 44286 and formally owned  
11 by Debtors.

12 Under the *Debtors' Consolidated Plan of Liquidation Dated July 1, 2004 (as*  
13 *Amended Through the Confirmation Hearing)* (the "Plan"), which was confirmed by an  
14 order of the Court entered on November 22, 2004, title and possession to all Trust  
15 Property (as that term is defined in the Plan) was transferred to the CF Trust on the  
16 Effective Date (as that term is defined in the Plan); further, as of the Effective Date, the  
17 CF Trustee is authorized to pursue certain claims and causes of action and object to  
18 claims.

19 STIPULATION

20 The CF Trustee and Ohio BUSTR

21 STIPULATE and agree as follows:

22 1. In full and final satisfaction of the Claim and all other claims Ohio BUSTR  
23 has or may have against the CF Trust, Ohio BUSTR agrees to accept the sum of

24 \_\_\_\_\_  
25 <sup>1</sup> Debtors of the Cases consisted of the following entities: Consolidated Freightways Corporation of  
26 Delaware, Consolidated Freightways Corporation, Redwood Systems, Inc., Leland James Service  
Corporation, CF Airfreight Corporation, and CF MovesU. Com (collectively, the "Debtors").

<sup>2</sup> The Cases were subsequently substantively consolidated under case number RS-02-24284-MG.

1 \$20,000.00 be paid within ten (10) days after the date the order approving this  
2 Stipulation becomes final.

3 2. The undersigned represent that they have the authority to execute this  
4 Stipulation.

5 Dated: March 28, 2008. SUSSMAN SHANK LLP

6 By Robert L. Carlton  
7 Robert L. Carlton, Or. State Bar No. 85167  
8 - Admitted *Pro Hac Vice*  
9 Martin P. Meyers, Or. State Bar No. 99082  
10 - Admitted *Pro Hac Vice*  
11 Special Counsel for K. Morgan Enterprises, Inc.,  
12 in its capacity as the trustee of the Trust For  
13 Certain Creditors Of Consolidated Freightways  
14 Corporation And Certain Affiliates

15 Dated: March 25, 2008. Ohio Dept. Of Commerce – Division of the Fire Marshal

16 By Michelle T. Sutter  
17 Michelle T. Sutter, Ohio State Bar No. 0013880  
18 Principal Assistant Attorney General  
19 Environmental Enforcement Section  
20 30 E. Broad Street, 25th Floor  
21 Columbus, OH 43215  
22 (614) 466-5276  
23 (866) 483-1104 (fax)

24 **ORDER**

25 BASED UPON the Stipulation above, it is hereby

26 ORDERED the Stipulation is approved.

Dated: 3-31-08

27 Hon. Mitchel R. Goldberg  
28 U.S. Bankruptcy Court Judge

29 F:\CLIENTS\175331001\WORK PRODUCT\STIPULATION RE RESOLUTION OF OHIO BUSTR.DOC



**NOTE TO USERS OF THIS FORM:**

*Physically attach this form as the last page of the proposed Order or Judgment.  
Do **not** file this form as a separate document.*

In re Consolidated Freightways Corporation of Delaware, et al.,	CHAPTER <u>11</u>
Debtor.	CASE NUMBER RS 02-24284 MG

**NOTICE OF ENTRY OF JUDGMENT OR ORDER  
AND CERTIFICATE OF MAILING**

TO ALL PARTIES IN INTEREST ON THE ATTACHED SERVICE LIST:

1. You are hereby notified, pursuant to Local Bankruptcy Rule 9021-1(a)(1)(E), that a judgment or order entitled (*specify*): STIPULATION REGARDING RESOLUTION OF CLAIM NO. 26195 (Ohio Dept. Of Commerce – Division of the Fire Marshal); ORDER THEREON

was entered on (*specify date*):

**APR - 1 2008**

2. I hereby certify that I mailed a copy of this notice and a true copy of the order or judgment to the persons and entities on the attached service list on (*specify date*):

**APR - 1 2008**

Dated: **APR - 1 2008**

**JON D. CERETTO**  
Clerk of the Bankruptcy Court

By:

  
Deputy Clerk

Services List

Kerry Morgan  
CFC Trust  
805 Broadway, Suite 205  
Vancouver, WA 98660

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Alice Whitfield  
Poorman-Douglas Corp.  
10300 SW Allen Boulevard  
Beaverton, OR 97005

---

Bruce S. Schildkraut  
Office of the U.S. Trustee  
725 S Figueroa Street, 26th Floor  
Los Angeles, CA 90017

---

Timothy J. Farris  
Office of the U.S. Trustee  
3685 Main Street, Suite 300  
Riverside, CA 92501

---

David Neale  
Levene Neale Bender Rankin & Brill LLP  
10250 Constellation Boulevard, Suite 1700  
Los Angeles, CA 90067

---

Michelle T. Sutter  
Assistant Attorney General  
Environmental Enforcement Section  
30 East Broad Street, 25<sup>th</sup> Floor  
Columbus, OH 43215-3400

---

Robert L. Carlton  
Martin P. Meyers  
SUSSMAN SHANK LLP  
1000 SW Broadway, Suite 1400  
Portland, OR 97205

1 **CERTIFICATE OF SERVICE**

2 I, Majesta P. Gruetzmacher, declare as follows:

3 I am employed in the County of Multnomah, State of Oregon; I am over the age of eighteen years  
4 an am not a party to this action; my business address is 1000 SW Broadway, Suite 1400, Portland,  
5 Oregon 97205-3089, in said County and State. On March 28, 2008, I served the following document(s):

6 **STIPULATION REGARDING RESOLUTION OF CLAIM NO. 26195 (Ohio Dept. Of  
7 Commerce – Division of the Fire Marshall); ORDER THEREON**

8 on the parties stated below:

9 See attached Exhibit A.

10 by the following means of service:

11 ☒ **BY MAIL:** I caused a true copy of the above-listed document(s), to be placed in a sealed  
12 envelope addressed as indicated above, on the above-mentioned date. I am familiar with the  
13 firm's practice of collection and processing correspondence for mailing. It is deposited with the  
14 U.S. Postal Service on that same day in the ordinary course of business. I am aware that on  
15 motion of party served, service is presumed invalid if postal cancellation or postage meter date is  
16 more than one day after date of deposit for mailing in the affidavit.

17 ☐ **BY PERSONAL SERVICE:** I caused a true copy of the above-listed document(s), to be provided  
18 to a messenger, along with an envelope(s) addressed to each person(s) named at the  
19 address(es) shown, and gave that document(s) to a messenger for personal delivery before 5:00  
20 p.m. on the above-mentioned date.

21 ☐ **BY FACSIMILE:** On March 28, 2008, at approximately \_\_\_\_\_ a.m./p.m., from Portland,  
22 Oregon, I caused each of the above-listed document(s) to be transmitted by facsimile machine, to  
23 the parties and numbers indicated above. The transmission was reported complete, and the  
24 facsimile machine reported no error. A copy of the transmission is maintained by our office.

25 ☐ **BY OVERNIGHT DELIVERY:** On the above-mentioned date, I caused a true copy of the above-  
26 mentioned document(s), to be placed in a sealed envelope or package designated by the  
specified overnight delivery service with delivery with delivery fees paid or provided for,  
addressed to the person(s) as indicated above and caused same to be deposited in a box or  
other facility maintained by that overnight delivery service or caused same to be delivered to an  
authorized courier or driver authorized by the overnight delivery service to receive documents.

☐ **BY ELECTRONIC MAIL:** On the above-mentioned date, I caused a .pdf version of the above-  
mentioned document(s) to be delivered via electronic mail to the person(s) as indicated above.

I am employed in the office of Robert L. Carlton at whose direction the service was made, and the  
foregoing document(s) was(were) printed on recycled paper.

I declare under penalty of perjury under the laws of the United States of America that the  
foregoing is true and correct.

Dated: March 28, 2008

  
Majesta P. Gruetzmacher

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Exhibit A

Kerry Morgan  
CFC Trust  
805 Broadway, Suite 205  
Vancouver, WA 98660

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Alice Whitfield  
Poorman-Douglas Corp.  
10300 SW Allen Boulevard  
Beaverton, OR 97005

---

Bruce S. Schildkraut  
Office of the U.S. Trustee  
725 S Figueroa Street, 26th Floor  
Los Angeles, CA 90017

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Timothy J. Farris  
Office of the U.S. Trustee  
3685 Main Street, Suite 300  
Riverside, CA 92501

---

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Levene Neale Bender Rankin & Brill LLP  
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Michelle T. Sutter  
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Environmental Enforcement Section  
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Columbus, OH 43215-3400