

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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: Chapter 11  
In re: :  
: Case No. 07-B-11448 (MG)  
THE 1031 TAX GROUP, LLC, *et al.*, :  
: Jointly Administered  
Debtors. :  
:  
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**STIPULATION AND ORDER RESOLVING THE 1031 GAS RESCUE LLC  
REQUEST FOR PAYMENT OF CHAPTER 11 ADMINISTRATIVE EXPENSES**

**WHEREAS**, on or about May 14, 2007 and June 11, 2007, the above-captioned debtors (the “Debtors”) filed with the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) voluntary petitions for relief under chapter 11 of title 11 of the United States Code;

**WHEREAS**, on or about March 27, 2009, 1031 Gas Rescue LLC (“Gas Rescue”) filed a Request for Payment of Chapter 11 Administrative Expenses (the “Request”) seeking the allowance and payment of an administrative expense claim in the amount of \$100,000 plus unpaid expenses (the “Administrative Expense Claim”);

**WHEREAS**, on October 7, 2009, the Bankruptcy Court entered an Order confirming the Chapter 11 plan of reorganization for each of the Debtors;

**WHEREAS**, on December 1, 2009, the Official Committee of Unsecured Creditors (the “Committee”) filed an objection to the Request;

**WHEREAS**, on or about December 2, 2009, the Plan's effective date occurred and Gerard A. McHale, Jr., P.A. (the "Trustee") was appointed as the Liquidation Trustee for the 1031 Debtors Liquidation Trust;

**WHEREAS**, no other objection has been filed to the Request; and

**WHEREAS**, after having provided the Committee with further information concerning the Request, to avoid the costs and risks of litigation regarding the Request and the Committee's objection thereto, the Trustee, Gas Rescue and the Committee, have reached a consensual resolution regarding the Request.

**IT IS THEREFORE STIPULATED AND AGREED**, by the Trustee, Gas Rescue and the Committee, that:

1. This stipulation and order ("Stipulation and Order") shall be effective as of the date it is executed by the Trustee, Gas Rescue and the Committee and is entered by the Bankruptcy Court (the "Effective Date").

2. The Administrative Expense Claim shall be reduced, fixed and allowed as an administrative expense claim in the amount of \$60,000 (the "Allowed Claim") and the Trustee is authorized and directed to make payment to Gas Rescue on account of the Allowed Claim no later than 10 days after the Effective Date. Such payment shall be made payable to 1031 Gas Rescue LLC, c/o ASM Capital Advisors, 7600 Jericho Turnpike - Suite 302, Woodbury, New York 11797.

3. This Stipulation and Order may be executed in counterparts each of which shall be deemed an original, including any facsimile or "pdf" counterparts, and which together shall constitute one and the same agreement.



