

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF NEW YORK

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IN RE:

THE BENNETT FUNDING GROUP, INC.  
BENNETT RECEIVABLES CORPORATION  
BENNETT RECEIVABLES CORPORATION II  
BENNETT MANAGEMENT AND DEVELOPMENT  
CORPORATION

Debtors

CASE NO. 96-61376  
96-61377  
96-61378  
96-61379

Chapter 11  
Jointly Administered

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RICHARD C. BREEDEN, as Trustee for  
THE BENNETT FUNDING GROUP, INC. et al.

Plaintiff

vs.

ADV. PRO. NO. 97-70074A

LEONARD BECKER, et al.

Defendants  
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**ORDER**

Richard C. Breeden as chapter 11 Trustee for The Bennett Funding Group, Inc. et al., having moved this Court for an order enjoining prosecution of certain contract claims asserted by Plaintiffs in two civil actions presently pending in the United States District Court for the Southern District of New York, captioned *In re Bennett Funding Group Inc. Securities Litigation*, 96-CIV-2583 (JES) and *Balkin et al. vs. Generali Underwriters et al.*, 97-CIV-1012 (JES), and further enjoining the prosecution of interpleader counterclaims filed by Generali Underwriters, Inc. and Assicurazioni Generali against the Trustee in the aforementioned District Court civil actions and said motion having been originally scheduled to be heard on April 10, 1997 and thereafter having been consensually adjourned to April 24, 1997 and on said date the Trustee having appeared in support of the motion by its attorneys Simpson, Thacher and Bartlett, George Newcomb, Esq., of counsel, and the Plaintiff in 97-CIV-1012 (JES) by Special Counsel Peter Morganstern, Esq. having also appeared in support of the motion and limited opposition to the motion having been interposed by the Plaintiffs in 96-CIV-2583 (JES) by Gold &

Wachtel, LLP, Michael Etkin, Esq. of counsel and by Generali Underwriters, et al. by Sullivan & Cromwell, Bruce E. Clark, Esq. of counsel and the Court having heard oral argument and having duly deliberated thereon, now, therefore, it is

ORDERED that pursuant to 11 U.S.C. § 105, the Trustee's motion is granted and the Plaintiffs in the civil actions referred to herein as 96-CIV-2583 (JES) and 97-CIV-1012 (JES) are preliminarily enjoined from prosecuting certain contract claims against Generali Underwrites, Inc. et al., said injunction, however, shall continue only until final judgment in this adversary proceeding and shall enjoin the Plaintiffs only to the extent that this Court has jurisdiction to determine whether or not the various policies of insurance and the proceeds thereof issued by Generali Underwriters, Inc. et al. are property of the Debtors' estate; said determination to be made in Adversary Proceeding 96-70195A presently pending before this Court; and it is further

ORDERED that pursuant to 11 U.S.C. § 105 the Trustee's motion is further granted as to the interpleader counterclaims filed in 96-CIV-2583 (JES) and 97-CIV-1012 (JES) by Generali Underwriters, Inc. et al. but only to the extent that this Court has jurisdiction to determine whether or not the policies and/or the proceeds thereof issued by Generali Underwriters, Inc., et al. are property of the Debtors' estate; and it is further

ORDERED that this injunction shall in no way interfere with the rights of either the Plaintiffs or Generali Underwriters, Inc. et al. to pursue causes of action and claims in 96-CIV-2583 (JES) and 97-CIV-1012 (JES) which do not involve a determination of whether the policies or the proceeds thereof issued by Generali Underwriters, Inc., et al. constitute property of the Debtors' estate

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STEPHEN D. GERLING  
Chief U.S. Bankruptcy Judge