

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION AT LAFAYETTE**

In re:)	Chapter 7
)	
CONSOLIDATED INDUSTRIES CORP.)	Case No. 98-40533
Tax I.D. #35-1020608,)	
)	
Debtor.)	

**NOTICE TO COURT OF RULING ON
ENODIS CORP. v. FREELAND, 4: 01CV10 AND
REQUEST THAT COURT GRANT THE TRUSTEE'S
MOTION FOR AUTHORITY TO COMPROMISE
VANSANT CONTROVERSY AND OTHER RELATED RELIEF**

Daniel L. Freeland, not individually but as Trustee for Consolidated Industries Corp. (the "Trustee"), respectfully advises the Court that the District Court has entered an Order resolving the appeals docketed as Appeal 4:01CV10 and 4:01CV25 and requests that the Court grant the Trustee's Motion for Authority to Compromise Vansant Controversy and Other Related Relief, and states:

1. On February 20, 2004, the Trustee filed a motion to approve a settlement with two creditors, Sherill and Bobby Vansant. The Vansants allege that a defective Consolidated furnace began leaking carbon monoxide into their home in 1987 and caused them personal and other injuries. Under the proposed settlement, the estate's insurance carriers will pay the Vansants \$25,000 and the Vansants also will be allowed a \$2,000 unsecured claim. After previously filing suit to force the Trustee to settle with the Vansants, Enodis Corporation f/k/a Welbilt Corporation ("Welbilt") filed an objection on March 19, 2004, claiming any settlement with the Vansants must include a release for Welbilt.

2. On March 24, 2004, the Trustee moved to strike Welbilt's objection on the ground that this Court has already ruled pursuant to a July 2, 2003 Order that Welbilt has no

standing under 11 U.S.C. § 502(d) to object to settlements or other matters impacting the administration of this estate.

3. On March 25, 2004, the Court entered an Order stating that it would defer ruling on the Vansant motion until the District Court resolved the appeal docketed in the District Court as Case Number 4:04CV10. In that appeal, Welbilt asserted that this Court incorrectly held that it did not have standing under 11 U.S.C. § 502(d) to object to another settlement proposed by the Trustee involving the Lawsons.

4. On May 4, 2004, the District Court entered an order affirming this Court's ruling on the Lawson settlement motion, holding that Welbilt had failed to timely appeal this Court's July 2, 2003 order finding it had no standing under 11 U.S.C. § 502(d) and that Welbilt could not resurrect the standing issue by appealing the application of that ruling to other issues in the bankruptcy case. The District Court reached the same conclusion in the appeal docketed as Case Number 4:04CV25, in which Welbilt appealed the dismissal of its injunction action against the Trustee. Both of these rulings are attached hereto as Exhibits A and B respectively.

WHEREFORE, the Trustee respectfully requests that this Court enter an Order:

A. Striking the Objection that Welbilt has filed to the Vansant Motion;

B. Entering an Order approving the Motion given that no party in interest has objected to the Motion; and

C. Granting such other such relief as is equitable and just.

RESPECTFULLY SUBMITTED,

DANIEL L. FREELAND, not individually
but as Trustee for Consolidated Industries
Corp.

BY: /s/ Catherine Steege
One of His Attorneys

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Dated: May 4, 2004