

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:) Chapter 11
MOLL INDUSTRIES, INC., *et al.*,¹) Case No. 10-11371 (MFW)
) Jointly Administered
)
Debtors.) **Objection Deadline: December 20, 2010 @ 4:00 p.m.**
) **Hearing Date: December 28, 2010 @ 3:00 p.m.**

NOTICE OF MOTION

PLEASE TAKE NOTICE THAT on December 7, 2010, 2010, the Debtors filed their attached *Motion for Entry of an Order (I) Pursuant to Sections 105(a) And 363(b) of the Bankruptcy Code Authorizing Nunc Pro Tunc Amendment to Key Employee Incentive Plan and (II) Pursuant to Bankruptcy Code Section 105(a) and Bankruptcy Rule 9019 for Approval of a Settlement Between the Debtors and Andy Jobson* (the "Motion") with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

PLEASE TAKE FURTHER NOTICE that any objections to the Motion must be made in writing, filed with the Bankruptcy Court, 824 Market Street, Wilmington, Delaware 19801 and served so as to actually be received by the undersigned counsel for the Debtors on or before **December 20, 2010 at 4:00 p.m. prevailing Eastern time.**

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion will be held before the Honorable Mary F. Walrath at the Bankruptcy Court, 5th Floor, Courtroom 4, on **December 28, 2010 at 3:00 p.m. prevailing Eastern time.**

¹ The Debtors in these cases are as follows: Moll Industries, Inc., Case No. 10-11371 (MFW); Moll Holdings, Inc., Case No. 10-11372 (MFW); Moll Europe Holdings, LLC, Case No. 10-11373 (MFW); and Moll Latin America Holdings, LLC, Case No. 10-11374 (MFW).

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTION OR OTHER RESPONSE TO THE MOTION IS TIMELY FILED IN ACCORDANCE WITH THE PROCEDURES SET FORTH ABOVE, THE BANKRUPTCY COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT IN THE MOTION WITHOUT FURTHER NOTICE OR A HEARING.

Dated: December 7, 2010
Wilmington, Delaware

SULLIVAN • HAZELTINE • ALLINSON LLC

/s/ William A. Hazeltine

William A. Hazeltine (No. 3294)
4 East 8th Street, Suite 400
Wilmington, DE 19801
Tel: (302) 428-8191
Fax: (302) 428-8195
whazeltine@sha-llc.com

Attorneys for the Debtors and Debtors-in-Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:) Chapter 11
MOLL INDUSTRIES, INC., *et al.*,¹) Case No. 10-11371 (MFW)
) Jointly Administered
)
Debtors.) Objection Deadline: December 20, 2010 @ 4:00 p.m.
) Hearing Date: December 28, 2010 @ 3:00 p.m.

**DEBTORS' MOTION FOR ENTRY OF AN ORDER (I) PURSUANT
TO SECTIONS 105(a) AND 363(b) OF THE BANKRUPTCY CODE
AUTHORIZING *NUNC PRO TUNC* AMENDMENT TO KEY EMPLOYEE
INCENTIVE PLAN AND (II) PURSUANT TO BANKRUPTCY CODE
SECTION 105(a) AND BANKRUPTCY RULE 9019 FOR APPROVAL OF
A SETTLEMENT BETWEEN THE DEBTORS AND ANDY JOBSON**

Moll Industries, Inc. and its affiliated debtors (the "Debtors"), debtors and debtors-in-possession in the above-captioned chapter 11 cases, hereby move this Honorable Court (the "Motion") for entry of an order, (i) pursuant to sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"), approving, *nunc pro tunc*, the Debtors' amendment to a key employee incentive plan (the "Incentive Plan") approved by the Court by order dated July 19, 2010 [Docket No. 238] and (ii) pursuant to Section 105(a) of the Bankruptcy Code and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") authorizing and approving a settlement with Andy Jobson, the Debtors' former Director of Operations. In support of the Motion, the Debtors respectfully state as follows:

JURISDICTION

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory bases for the relief requested herein are Sections 105(a) and 363(b) of the Bankruptcy Code and Bankruptcy Rule 9019.

¹ The Debtors in these cases are as follows: Moll Industries, Inc., Case No. 10-11371 (MFW); Moll Holdings, Inc., Case No. 10-11372 (MFW); Moll Europe Holdings, LLC, Case No. 10-11373 (MFW); and Moll Latin America Holdings, LLC, Case No. 10-11374 (MFW).

BACKGROUND

2. On April 27, 2010 (the "Petition Date"), the Debtors each filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code commencing the above-captioned cases. These cases are being jointly administered for procedural purposes only. The Debtors are operating as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

3. On May 10, 2010 the Office of the United States Trustee appointed an Official Committee of Unsecured Creditors.

4. Prior to October 1, 2010, the Debtors were a significant provider of global injection molding and full-service contract manufacturing solutions for the medical, appliance, industrial, consumer and automotive markets. They were also specialists in drug delivery, surgical devices, enclosures and fluid delivery products, and were considered one of the most experienced full-service contract manufacturer of custom injection molded components and assemblies to the appliance industry in North America. They had registered medical device establishment with the FDA in their manufacturing facilities in Seagrove, North Carolina and Donegal, Ireland.

The Incentive Plan

5. Mr. Jobson was employed as the Debtors' Director of Operations through October 29, 2010. As discussed more fully below and in the Incentive Motion (defined below), Mr. Jobson played a crucial role in maximizing the value of the Debtors' assets following the Petition Date.

6. On July 2, 2010, the Debtors filed their Motion for Entry of An Order Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code Authorizing the Debtors to Implement a Key Employee Incentive Plan (the "Incentive Motion") [Docket No. 197]. Pursuant to the Incentive Motion, the Debtors requested authority to pay to Jobson an incentive bonus in the maximum total amount of \$62,500.00 as follows: (i) a payment of \$37,500.00 upon closing on the sale of substantially all of the Debtors' assets as a going concern; and (ii) an additional payment of

\$25,000.00 if such sale generated proceeds in excess of \$4 million. On July 19, 2010, the Bankruptcy Court entered an order (the “Incentive Plan Order”) [Docket No. 238] approving the Incentive Motion.

7. Due to the Debtors’ concern that Jobson would leave his employment with the Debtors because of Jobson’s receipt of a bonafide offer of employment from another company, the Debtors, in the exercise of their business judgment, made a payment to Jobson in the amount of \$25,000.00 on or about July 1, 2010 (“Bonus Payment 1”) as partial payment under the Incentive Plan.

Mr. Jobson’s Role in the Sale of the Debtors’ Assets

8. The Debtors’ ability to retain their customer base during the period following the Petition Date was critical to a successful outcome in these cases. The Debtors’ ability to generate cash flow sufficient to continue their business operations pending a sale of substantially all of the Debtors’ assets was directly dependent on the Debtors’ ability to maintain their customer base. In addition, the Debtors believed that their ability to preserve and maximize the value of the Debtors’ estates through a going concern sale hinged on the Debtors’ ability to keep their customers and maintain the volume of their orders.

9. Mr. Jobson’s services were vital to the Debtors’ ability to maintain their customer base. Following the Petition Date, many of the Debtors customers expressed concern about the Debtors’ ability to complete their orders with respect to both the Debtors’ ability to manufacture and deliver product on a timely basis and the quality of product produced. Mr. Jobson was the only person in the Debtors’ organization with the production planning/management and engineering experience and knowledge of molded medical products to effectively accomplish the planning and management of production necessary to maintain the Debtors’ customer base and quell the customers concerns during the bankruptcy process. The key functions that Mr. Jobson performed for the Debtors included the following:

- Mr. Jobson oversaw the production, planning and implementation of the production plan as it related to (i) production and timely delivery, (ii) product quality, and (iii) scheduling production to meet cash flow demands.
- Mr. Jobson was responsible for planning/scheduling customer orders, overseeing production material scheduling and labor requirements and scheduling.
- Mr. Jobson oversaw product quality and maintenance and managed the maintenance of customer molds and plant production equipment. In this role, he was essential to maintaining the continued operation of the plant so that the Debtors could meet customer demand.

10. As of the Petition Date, the Debtors firmly believed that they would be able to close a sale of substantially all of their assets as a going concern through the bankruptcy process. However, as a result of the unexpected loss of the Debtors' largest customer, the Debtors, despite their and Mr. Jobson's best efforts, were unable to accomplish a going concern sale.

11. On September 16, 2010, the Court entered an order (the "Sale Order") [Docket No. 324] authorizing the Debtors to sell substantially all of their machinery and equipment to Branford Auctions, LLC ("Branford"). The purchase price was \$2,720,000, subject to certain purchase price adjustments. The sale to Branford closed on September 17, 2010 (the "Closing Date"). Following the Closing Date, the Debtors continued to manufacture product for certain customers through October 1, 2010 using machinery and equipment sold to Branford pursuant to a Transition License and Operating Agreement, which was approved by the Court as part of the Sale Order. The Debtors' manufacturing of product following the Closing Date generated substantial positive cash flow.

12. On October 8, 2010, the Court entered its Order Authorizing the Debtors to (I) Lease Certain of Its Real Property Located in Seagrove, North Carolina, and (II) Sell Certain Raw Material Free and Clear of Encumbrances (the "FPE Order") [Docket No. 361]. Pursuant to the FPE Order, the Debtors leased a portion of their Seagrove, North Carolina manufacturing facility to FPE NC, LLC ("FPE") and sell certain remaining raw materials to FPE. FPE is now using the facility to manufacture product for some of the Debtors' former customers and has employed a substantial number of the Debtors' former employees.

13. The transactions approved by the FPE Order provided several benefits to the Debtors' estates and their creditors. First, the lease of the facility provides additional income to the Debtors pending a sale of the Seagrove property. Second, the Debtors were able to sell their remaining raw materials to FPE at cost, allowing the Debtors to avoid the restocking fees that their suppliers would have charged if they had returned the product. Third, FPE hired a substantial number of the Debtors' employees. In addition to providing continued employment for many of the Debtors' employees, the continued employment will mitigate the Debtors' potential WARN Act liability. Finally, the Debtors understand that FPE will be manufacturing product for Acton Pharmaceuticals, Inc. ("Acton"), which will mitigate or eliminate any potential administrative expense claim asserted by Acton.²

14. Despite the fact that the Debtors' were not able to sell their assets as a going concern, Mr. Jobson's services provided significant value for the Debtors' estates. After it became apparent that there would be no going concern sale, many of the Debtors' customers placed additional orders for product so that they could build a stockpile to tide them over until they could locate a new supplier. Accordingly, while the Debtors initially projected that they would cease operations at about the end of August, 2010, the Debtors were able to continue operations through October 1, 2010, which generated additional positive cash flow. Mr. Jobson's services during this period were vital to this result.

15. Perhaps more importantly, Mr. Jobson's ability to maintain customer satisfaction was vital to the success of the FPE transaction. FPE would not have entered into this transaction without some assurance that it would have a significant customer base made up of the Debtors' former customers. Accordingly, without Mr. Jobson's efforts, the Debtors would likely have not received the benefits of the FPE transaction.

² The Court may recall that Acton has asserted an administrative expense claim against the Debtors pursuant to a post-petition supply agreement between the Debtors and Acton. Subject to various defenses, the Debtors estimated this claim at \$460,000.

16. Finally, Mr. Jobson's efforts were vital in transitioning the Debtors' customers that did not continue to do business with FPE. These efforts provided significant additional value for the Debtors' estates.

17. Because of Jobson's extraordinary efforts throughout the sale process, the Debtors management, in the exercise of their business judgment and based on their interpretation of the Incentive Plan Order, paid Mr. Jobson the remaining incentive amount of \$37,500.00 on September 17, 2010 ("Bonus Payment 2" and, together with Bonus Payment 1, the "Bonus Payments").

Payment of Commissions to Mr. Jobson and the Asserted Contract

18. In September, 2010, in addition to his regular salary, the Debtors paid to Jobson commissions in the gross amount of \$11,702.63 (the "Commission Payment"), representing 2% of the sales generated by Jobson in August, 2010. As a result of this payment and certain emails and other communications, Mr. Jobson asserts that, as of August, 2010, Mr. Jobson and the Debtors entered into a contract (the "Asserted Contract") whereby the Debtors agreed to pay to Jobson a commission of 2% of the sales generated by Jobson through the date that the Debtors ceased operations. Mr. Jobson asserts that the Debtors are required to pay to him \$29,287.02 on account of the Asserted Contract.

19. The Debtors dispute the existence of the Asserted Contract and further dispute that the Debtors are required to pay Jobson anything on account of the Asserted Contract.

20. On or about December 7, 2010, Jobson and the Debtors entered into a settlement agreement (the "Settlement Agreement") resolving their disputes regarding the Asserted Contract and any and all claims Jobson may have pursuant to the Asserted Contract. A copy of the Settlement Agreement is attached hereto as Exhibit A.

RELIEF REQUESTED

21. By this Motion, the Debtors respectfully request the entry of an order (i) authorizing the Debtors' retroactive amendment of the Incentive Plan to include the Bonus Payments and authorizing, *nunc pro tunc*, the Debtors' payment of the Bonus Payments to

Jobson and (ii) approving the Settlement Agreement and authorizing the Debtors to pay to Jobson \$15,000 (plus the Commission Payment previously paid) (the “Settlement Amount”) in full and complete satisfaction of any and all claims Jobson has or may have regarding the Asserted Contract.

BASIS FOR THE RELIEF REQUESTED

A. Amendment to Incentive Plan

22. Section 363(b)(1) of the Bankruptcy Code provides, in pertinent part, that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate” 11 U.S.C. § 363(b)(1). Although section 363 does not set forth a standard for determining when it is appropriate for a court to authorize the use, sale, or lease of estate property outside the ordinary course of business, applicable case law provides that a bankruptcy court should approve a transaction that is out of the ordinary course of a debtor’s business if the debtor can demonstrate that it exercised sound business judgment in deciding to enter into the transaction. *See In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d Cir. 1983); *see also In re Martin*, 91 F.3d 389, 395 (3d Cir. 1996) (*citing In re Schipper*, 933 F.2d 513, 515 (7th Cir. 1991)); *In re Del. & Hudson Ry. Co.*, 124 B.R. 169, 179 (D. Del. 1991); *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (Bankr. D. Del. 1999).

23. If the debtor articulates a valid business justification, there “is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company.” *In re Integrated Res., Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)). Once a valid business judgment is made, the business judgment rule shields a debtor’s management from judicial second-guessing. *In re Farmland Indus., Inc.*, 294 B.R. 903, 913 (Bankr. W.D. Mo. 2003) (“[T]he [Bankruptcy] Code favors the continued

operation of a business by a debtor and a presumption of reasonableness attaches to a debtor's management decisions.”) (quoting *In re Johns-Manville Corp.*, 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986)).

24. The decision to amend the Incentive Plan to include the Bonus Payments to Mr. Jobson falls within the Debtors' sound business judgment. As discussed above, but for the unforeseen loss of their largest customer, despite Mr. Jobson's extraordinary efforts, the Debtors believe that they would have closed on a sale of substantially all of their assets as a going concern. Moreover, Mr. Jobson's efforts resulted in significant positive cash flow following the Closing Date and made the FPE transaction possible. Although the Debtors did not continue to operate as a going concern, Mr. Jobson's efforts made it possible for FPE to continue to manufacture the Debtors' product and provide employment for a substantial number of the Debtors' former employees. Finally, the Debtors believe that the total proceeds resulting from the sale, including the amount paid by Branford for the machinery and equipment, the additional profits generated from the sale of product following the Closing Date, and the expected proceeds from the sale of the Seagrove, North Carolina facility and real property, may exceed the \$4 million threshold for the payment of the second bonus amount under the Incentive Plan.

25. Based on the foregoing, the Debtors believe that Mr. Jobson's extraordinary efforts justify the payment of the Bonus Payments. Thus, the Debtor respectfully submits that its decision to amend the Incentive Plan to include the Bonus Payments is well within their sound business judgment and the relief requested herein should be granted.

B. Settlement of Asserted Contract Claims

26. A bankruptcy court has the authority to approve a settlement or compromise between the debtor and another party under Bankruptcy Rule 9019 if it concludes that the settlement or compromise falls above “the lowest point in the range of reasonableness.” In re Pennsylvania Truck Lines, Inc., 150 B.R. 595, 598 (Bankr. E.D. Pa. 1992), aff’d, 8 F.3d 812 (3d Cir. 1993). In ascertaining the scope of this range of reasonableness, courts have considered, among other factors:

- (a) the probability of success in the litigation;
- (b) the difficulties, if any, to be encountered in the matter of collection;
- (c) the complexity of the litigation, and the expense, inconvenience and delay necessarily attending it; [and]
- (d) the paramount interests of the creditors and a proper deference to their reasonable views[.]

Id.

27. In considering proposed settlements, courts have found that “the law favors compromise.” In re Lakeland Development Corp., 48 B.R. 85, 90 (Bankr. D. Minn. 1985) (citations omitted), aff’d without opinion, 782 F.2d 1048 (8th Cir. 1985), cert. denied, 476 U.S. 1130 (1986). Indeed, settlements and compromises are “a normal part of the process of reorganization” and are strongly favored over litigation. Protective Comm. For Indep. Stockholders TMT Trailer Ferry, Inc. v. Anderson, 390 U.S. 414, 424 (1968) (citation omitted). While a court must make its own considered judgment, it should not substitute its judgment for that of the debtor. In re Carla Leather, Inc., 44 B.R. 457, 465 (S.D.N.Y. 1984).

28. In applying this standard test, the reasonableness of a proposed compromise and settlement does not depend on a determination that the settlement reached is the best that could

possibly be obtained, but rather, whether the settlement “fall[s] below the lowest point in the range of reasonableness.” See, e.g., In re W.T. Grant Co., 699 F.2d 599, 608 (2d Cir. 1983), cert. denied, 464 U.S. 822 (1983).

29. Additionally, section 105(a) of the Bankruptcy Code grants broad authority to a Court to enforce the provisions of the Bankruptcy Code under equitable common law doctrines.

30. Here, the Settlement Agreement falls within the range of reasonableness. As stated above, Mr. Jobson asserts that he is entitled to a payment of \$29,287.02 on account of the Asserted Contract. While the Debtors dispute the existence of the Asserted Contract and any obligation to pay Mr. Jobson on account of the Asserted Contract, the outcome of any litigation regarding the Asserted Contract would be uncertain. Given the expense that would be involved in litigating this matter and the uncertainty as to the outcome, the Debtors submit that payment of the Settlement Amount to Mr. Jobson is reasonable.

NOTICE

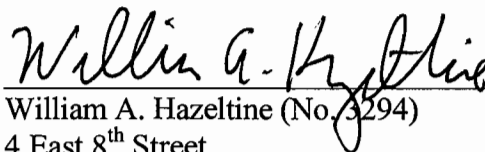
31. Notice of this Motion has been served on (i) the Office of the United States Trustee for the District of Delaware; (ii) NexBank, as Administrative Agent and Collateral Agent for the Debtors’ pre-petition secured lenders; (iii) counsel for the Official Committee of Unsecured Creditors; and (iv) all parties that have requested special notice pursuant to Bankruptcy Rule 2002.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court enter an Order, substantially in the form attached hereto as Exhibit B, (i) authorizing the Debtors to amend the Incentive Plan to authorize the payment of the Bonus Payments, (ii) approving the Settlement Agreement and (iii) granting to the Debtors such other and further relief as is just and proper.

Dated: December 7, 2010
Wilmington, Delaware

SULLIVAN • HAZELTINE • ALLINSON LLC



William A. Hazeltine (No. 3294)
4 East 8th Street
Wilmington, DE 19801
Tel: (302) 428-8191
Fax: (302) 428-8195

Attorneys for the Debtors and Debtors-In-Possession

EXHIBIT A

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“**Settlement Agreement**”) by and between Moll Industries, Inc., *et al.*, debtors (“**Debtors**”) in Case No. 10-11371 (MFW) (Jointly Administered) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”), and Andy Jobson (“**Jobson**”) is made and entered into this ____ day of December, 2010.

WHEREAS, On April 27, 2010 (the “**Petition Date**”), each of the Debtors filed a voluntary petition pursuant to Chapter 11 of the Bankruptcy Code commencing the Debtors Bankruptcy Cases; and

WHEREAS, the Debtors were a significant provider of global injection molding and full-service contract manufacturing solutions for the medical market and were also specialists in drug delivery, surgical devices, enclosures and fluid delivery products; and

WHEREAS, Jobson was employed as the Debtors’ Director of Operations from late 2008 through October 29, 2010; and

WHEREAS, as set forth in the Incentive Motion (defined below) Jobson’s services to the Debtors were vital to the Debtors’ continued operations following the Petition Date; and

WHEREAS, on July 2, 2010, the Debtors filed their Motion for Entry of An Order Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code Authorizing the Debtors to Implement a Key Employee Incentive Plan (the “**Incentive Motion**”) [Docket No. 197]; and

WHEREAS, pursuant to the Incentive Motion, the Debtors requested authority to pay to Jobson an incentive bonus (the “**Bonus**”) in the maximum total amount of \$62,500.00 as follows: (i) a Bonus of \$37,500.00 upon closing on the sale of substantially all of the Debtors’ assets as a going concern; and (ii) an additional Bonus of \$25,000.00 if such sale generated proceeds in excess of \$4,000,000.00; and

WHEREAS, on July 19, 2010, the Bankruptcy Court entered an order (the “**Incentive Plan Order**”) [Docket No. 238] approving the Incentive Motion; and

WHEREAS, due to the Debtors’ concern that Jobson would leave his employment with the Debtors because of Jobson’s receipt of a bonafide offer of employment from another company, the Debtors, in the exercise of their business judgment, paid to Jobson the first portion of the Bonus in the amount of \$25,000.00 on or about July 1, 2010; and

WHEREAS, as a result of the loss of the Debtors’ largest customer, the Debtors, despite their and Jobson’s best efforts, were unable to sell substantially all of their assets as a going concern; and

WHEREAS, on September 16, 2010, the Bankruptcy Court entered an order (the “**Sale Order**”) [Docket No. 324] authorizing the Debtors to sell substantially all of their machinery and equipment to Branford Auctions, LLC (“**Branford**”); and

WHEREAS, the sale to Branford closed on September 17, 2010 (the “**Closing Date**”); and

WHEREAS, on or about September 17, 2010, because of Jobson’s extraordinary efforts throughout the sale process, the Debtors, in the exercise of their business judgment and based on their interpretation of the Incentive Plan Order, paid to Jobson the remaining Bonus in the amount of \$37,500.00; and

WHEREAS, following the Closing Date, the Debtors continued to manufacture product for certain customers through October 1, 2010 (the “**Transition Date**”) using machinery and equipment sold to Branford pursuant to a Transition License and Operating Agreement, which was approved by the Court as part of the Sale Order; and

WHEREAS, the Debtors’ manufacturing of product from the Closing Date through the Transition Date generated substantial positive cash flow for the Debtors; and

WHEREAS, Jobson’s services for the Debtors both before and after the Closing Date played a key role in the Debtors’ ability to generate substantial positive cash flow through the Transition Date; and

WHEREAS, on September 17, 2010, in addition to his regular salary, the Debtors paid to Jobson commissions in the gross amount of \$11,702.63 representing 2% of the sales generated by Jobson in August, 2010; and

WHEREAS Jobson asserts that, as of August, 2010, Jobson and the Debtors entered into a contract (the “**Asserted Contract**”) whereby the Debtors agreed to pay to Jobson a commission of 2% of the sales generated by Jobson through the Transition Date; and

WHEREAS Jobson asserts that the Debtors are required to pay to him \$29,287.02 on account of the Asserted Contract; and

WHEREAS the Debtors dispute the existence of the Asserted Contract and further dispute that the Debtors are required to pay Jobson anything on account of the Asserted Contract; and

WHEREAS, following good faith, arms-length negotiations, the Debtors and Jobson have agreed to settle and compromise (the “**Settlement**”) the issues relating to the Bonus and the Asserted Contract on the terms set forth herein.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties hereby stipulate and agree, in full and final settlement of all claims, defenses and causes of action available to them in connection with the Asserted Contract, as follows:

1. Within five (5) days of the execution of this Settlement Agreement, the Debtors shall file a motion (the “**Settlement Motion**”) seeking the following relief: (i) retroactive approval of the payment of the Bonus to Jobson, to the extent necessary; and (ii) approval of this Settlement Agreement.

2. The Debtors shall pay to Jobson \$15,000.00 (the “**Settlement Amount**”) on account of any and all claims he asserts or may assert pursuant to the Asserted Contract within ten (10) days of the date of the entry of an order by the Bankruptcy Court approving this Settlement Agreement.

3. The payment of the Settlement Amount shall be in full and complete satisfaction of any and all claims that Jobson may assert against the Debtors on account of the Asserted Contract or otherwise.

4. Effective immediately upon full payment by the Debtors of the Settlement Amount to Jobson (the “**Settlement Date**”), Jobson, on behalf of himself and his successors, and assigns, fully and forever releases and discharges the Debtors and their employees, officers, directors, agents and attorneys, from any and all claims, causes of action, rights, liabilities, obligations, lawsuits and demands of any kind, known or unknown, asserted or unasserted, through the Settlement Date.

5. The Parties hereby declare that the terms of this Settlement Agreement have been completely read and are fully understood and voluntarily accepted for the purpose of making a full and final compromise, settlement and release of any and all claims disputed or otherwise, relating to the Asserted Contracts.

6. The Parties each warrant that they have made no assignment, and hereafter will make no assignment of any claim, chose in action, right of action, or any other right released pursuant to this Settlement Agreement.

7. The Parties each shall bear their respective attorneys’ fees and costs, including without limitation, settlement negotiations and implementation of this Settlement Agreement. However, if any action is commenced by any Party hereto to enforce the provisions of this Settlement Agreement, the prevailing party shall be entitled to an award, in addition to any other claims or damages, of its costs and expenses, including attorneys’ fees, in connection with said action.


8. The Parties hereto have read all of the foregoing and represent that this Settlement Agreement has been explained to them by their respective legal counsel, and that each understands all of the provisions hereto.

9. This Settlement Agreement is binding on and for the benefit of the Parties, as well as their respective parents, subsidiaries, representatives, successors and assigns.

10. The Parties agree that facsimile and electronic signatures shall have the same force and effect as original signatures. This Settlement Agreement may be executed in counterparts and all counterparts so executed shall constitute one agreement which shall be binding on the Parties hereto.

IN WITNESS WHEREOF the Parties have caused this Settlement Agreement to be executed by themselves or on their behalf by their respective attorneys as of the date first above mentioned.

ANDY JOBSON



MOLL INDUSTRIES, INC., ET AL.

By: _____
Name: Jeffrey Merritt
Title: Chief Restructuring Officer

IN WITNESS WHEREOF the Parties have caused this Settlement Agreement to be executed by themselves or on their behalf by their respective attorneys as of the date first above mentioned.

ANDY JOBSON

MOLL INDUSTRIES, INC., ET AL.

By: Jeffrey Merritt
Name: Jeffrey Merritt
Title: Chief Restructuring Officer

EXHIBIT B

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:)	Chapter 11
)	Case No. 10-11371 (MFW)
MOLL INDUSTRIES, INC., <i>et al.</i> , ¹)	Jointly Administered
)	
Debtors.)	Related Docket No. _____

**ORDER (I) PURSUANT TO SECTIONS 105(a) AND 363(b) OF
THE BANKRUPTCY CODE AUTHORIZING *NUNC PRO
TUNC* AMENDMENT TO KEY EMPLOYEE INCENTIVE
PLAN AND (II) PURSUANT TO BANKRUPTCY CODE
SECTION 105(a) AND BANKRUPTCY RULE 9019 APPROVING
A SETTLEMENT BETWEEN THE DEBTORS AND ANDY JOBSON**

Upon the Debtors' Motion² for an order (i) pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code authorizing the Debtors to retroactively amend the Incentive Plan and authorize, nunc pro tunc, the payment of the Bonus Payments and (ii) pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019 approving the Settlement Agreement; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and that venue of this proceeding and the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been given; and after due deliberation and it appearing that sufficient cause exists for granting the requested relief and that the relief requested is in the best interest of the Debtors, their estates, and their creditors;

¹ The Debtors in these cases are as follows: Moll Industries, Inc., Case No. 10-11371 (MFW); Moll Holdings, Inc., Case No. 10-11372 (MFW); Moll Europe Holdings, LLC, Case No. 10-11373 (MFW); and Moll Latin America Holdings, LLC, Case No. 10-11374 (MFW).

² Capitalized terms used but not defined herein shall have the same meaning ascribed to them in the Motion.

IT IS HEREBY ORDERED as follows:

1. The Motion is granted.
2. The Debtors are hereby authorized to retroactively amend the Incentive Plan to include the Bonus Payments.
3. The Bonus Payments shall be, and hereby are, approved *nunc pro tunc* to the respective payment dates.
4. The Settlement Agreement attached hereto as Exhibit 1 shall be, and hereby is, approved in its entirety.
5. The Debtors shall pay to Jobson \$15,000.00 on account of any and all claims he asserts or may assert pursuant to the Asserted Contract within ten (10) days of the date of the entry of this Order.
6. Effective immediately upon the Settlement Date, Mr. Jobson, on behalf of himself and his successors, and assigns, fully and forever releases and discharges the Debtors and their employees, officers, directors, agents and attorneys, from any and all claims, causes of action, rights, liabilities, obligations, lawsuits and demands of any kind, known or unknown, asserted or unasserted, through the Settlement Date.
7. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: December ____, 2010

THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE



EXHIBIT 1

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“**Settlement Agreement**”) by and between Moll Industries, Inc., *et al.*, debtors (“**Debtors**”) in Case No. 10-11371 (MFW) (Jointly Administered) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”), and Andy Jobson (“**Jobson**”) is made and entered into this ____ day of December, 2010.

WHEREAS, On April 27, 2010 (the “**Petition Date**”), each of the Debtors filed a voluntary petition pursuant to Chapter 11 of the Bankruptcy Code commencing the Debtors Bankruptcy Cases; and

WHEREAS, the Debtors were a significant provider of global injection molding and full-service contract manufacturing solutions for the medical market and were also specialists in drug delivery, surgical devices, enclosures and fluid delivery products; and

WHEREAS, Jobson was employed as the Debtors’ Director of Operations from late 2008 through October 29, 2010; and

WHEREAS, as set forth in the Incentive Motion (defined below) Jobson’s services to the Debtors were vital to the Debtors’ continued operations following the Petition Date; and

WHEREAS, on July 2, 2010, the Debtors filed their Motion for Entry of An Order Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code Authorizing the Debtors to Implement a Key Employee Incentive Plan (the “**Incentive Motion**”) [Docket No. 197]; and

WHEREAS, pursuant to the Incentive Motion, the Debtors requested authority to pay to Jobson an incentive bonus (the “**Bonus**”) in the maximum total amount of \$62,500.00 as follows: (i) a Bonus of \$37,500.00 upon closing on the sale of substantially all of the Debtors’ assets as a going concern; and (ii) an additional Bonus of \$25,000.00 if such sale generated proceeds in excess of \$4,000,000.00; and

WHEREAS, on July 19, 2010, the Bankruptcy Court entered an order (the “**Incentive Plan Order**”) [Docket No. 238] approving the Incentive Motion; and

WHEREAS, due to the Debtors’ concern that Jobson would leave his employment with the Debtors because of Jobson’s receipt of a bonafide offer of employment from another company, the Debtors, in the exercise of their business judgment, paid to Jobson the first portion of the Bonus in the amount of \$25,000.00 on or about July 1, 2010; and

WHEREAS, as a result of the loss of the Debtors’ largest customer, the Debtors, despite their and Jobson’s best efforts, were unable to sell substantially all of their assets as a going concern; and

WHEREAS, on September 16, 2010, the Bankruptcy Court entered an order (the “**Sale Order**”) [Docket No. 324] authorizing the Debtors to sell substantially all of their machinery and equipment to Branford Auctions, LLC (“**Branford**”); and

WHEREAS, the sale to Branford closed on September 17, 2010 (the “**Closing Date**”);
and

WHEREAS, on or about September 17, 2010, because of Jobson’s extraordinary efforts throughout the sale process, the Debtors, in the exercise of their business judgment and based on their interpretation of the Incentive Plan Order, paid to Jobson the remaining Bonus in the amount of \$37,500.00; and

WHEREAS, following the Closing Date, the Debtors continued to manufacture product for certain customers through October 1, 2010 (the “**Transition Date**”) using machinery and equipment sold to Branford pursuant to a Transition License and Operating Agreement, which was approved by the Court as part of the Sale Order; and

WHEREAS, the Debtors’ manufacturing of product from the Closing Date through the Transition Date generated substantial positive cash flow for the Debtors; and

WHEREAS, Jobson’s services for the Debtors both before and after the Closing Date played a key role in the Debtors’ ability to generate substantial positive cash flow through the Transition Date; and

WHEREAS, on September 17, 2010, in addition to his regular salary, the Debtors paid to Jobson commissions in the gross amount of \$11,702.63 representing 2% of the sales generated by Jobson in August, 2010; and

WHEREAS Jobson asserts that, as of August, 2010, Jobson and the Debtors entered into a contract (the “**Asserted Contract**”) whereby the Debtors agreed to pay to Jobson a commission of 2% of the sales generated by Jobson through the Transition Date; and

WHEREAS Jobson asserts that the Debtors are required to pay to him \$29,287.02 on account of the Asserted Contract; and

WHEREAS the Debtors dispute the existence of the Asserted Contract and further dispute that the Debtors are required to pay Jobson anything on account of the Asserted Contract; and

WHEREAS, following good faith, arms-length negotiations, the Debtors and Jobson have agreed to settle and compromise (the “**Settlement**”) the issues relating to the Bonus and the Asserted Contract on the terms set forth herein.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties hereby stipulate and agree, in full and final settlement of all claims, defenses and causes of action available to them in connection with the Asserted Contract, as follows:

1. Within five (5) days of the execution of this Settlement Agreement, the Debtors shall file a motion (the “**Settlement Motion**”) seeking the following relief: (i) retroactive approval of the payment of the Bonus to Jobson, to the extent necessary; and (ii) approval of this Settlement Agreement.

2. The Debtors shall pay to Jobson \$15,000.00 (the “**Settlement Amount**”) on account of any and all claims he asserts or may assert pursuant to the Asserted Contract within ten (10) days of the date of the entry of an order by the Bankruptcy Court approving this Settlement Agreement.

3. The payment of the Settlement Amount shall be in full and complete satisfaction of any and all claims that Jobson may assert against the Debtors on account of the Asserted Contract or otherwise.

4. Effective immediately upon full payment by the Debtors of the Settlement Amount to Jobson (the “**Settlement Date**”), Jobson, on behalf of himself and his successors, and assigns, fully and forever releases and discharges the Debtors and their employees, officers, directors, agents and attorneys, from any and all claims, causes of action, rights, liabilities, obligations, lawsuits and demands of any kind, known or unknown, asserted or unasserted, through the Settlement Date.

5. The Parties hereby declare that the terms of this Settlement Agreement have been completely read and are fully understood and voluntarily accepted for the purpose of making a full and final compromise, settlement and release of any and all claims disputed or otherwise, relating to the Asserted Contracts.

6. The Parties each warrant that they have made no assignment, and hereafter will make no assignment of any claim, chose in action, right of action, or any other right released pursuant to this Settlement Agreement.

7. The Parties each shall bear their respective attorneys’ fees and costs, including without limitation, settlement negotiations and implementation of this Settlement Agreement. However, if any action is commenced by any Party hereto to enforce the provisions of this Settlement Agreement, the prevailing party shall be entitled to an award, in addition to any other claims or damages, of its costs and expenses, including attorneys’ fees, in connection with said action.

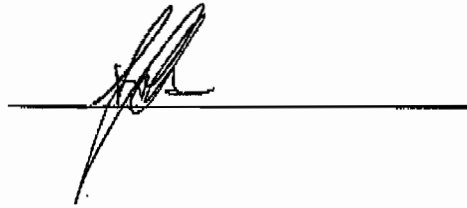
8. The Parties hereto have read all of the foregoing and represent that this Settlement Agreement has been explained to them by their respective legal counsel, and that each understands all of the provisions hereto.

9. This Settlement Agreement is binding on and for the benefit of the Parties, as well as their respective parents, subsidiaries, representatives, successors and assigns.

10. The Parties agree that facsimile and electronic signatures shall have the same force and effect as original signatures. This Settlement Agreement may be executed in counterparts and all counterparts so executed shall constitute one agreement which shall be binding on the Parties hereto.

IN WITNESS WHEREOF the Parties have caused this Settlement Agreement to be executed by themselves or on their behalf by their respective attorneys as of the date first above mentioned.

ANDY JOBSON



MOLL INDUSTRIES, INC., *ET AL.*

By: _____

Name: Jeffrey Merritt

Title: Chief Restructuring Officer

IN WITNESS WHEREOF the Parties have caused this Settlement Agreement to be executed by themselves or on their behalf by their respective attorneys as of the date first above mentioned.

ANDY JOBSON

MOLL INDUSTRIES, INC., ET AL.

By: Jeffrey Merritt
Name: Jeffrey Merritt
Title: Chief Restructuring Officer

File a Motion:10-11371-MFW Moll Industries, Inc.

Type: bk

Chapter: 11 v

Office: 1 (Delaware)

Assets: y

Judge: MFW

Case Flag: LEAD, CLMSAGNT, PlnDue, DsclsDue, Sealed Doc(s)

U.S. Bankruptcy Court**District of Delaware**

Notice of Electronic Filing

The following transaction was received from William A. Hazeltine entered on 12/7/2010 at 4:00 PM EST and filed on 12/7/2010

Case Name: Moll Industries, Inc.**Case Number:** 10-11371-MFW**Document Number:** 442**Docket Text:**

Motion to Amend *Motion for Entry of an Order (I) Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code Authorizing Nunc Pro Tunc Amendment to Key Employee Incentive Plan and (II) Pursuant to Bankruptcy Code Section 105(a) and Bankruptcy Rule 9019 for Approval of a Settlement Between the Debtors and Andy Jobson* Filed by Moll Industries, Inc.. Hearing scheduled for 12/28/2010 at 03:00 PM at US Bankruptcy Court, 824 Market St., 5th Fl., Courtroom #4, Wilmington, Delaware. Objections due by 12/20/2010. (Attachments: # (1) Notice # (2) Exhibit A# (3) Declaration B) (Hazeltine, William)

The following document(s) are associated with this transaction:

Document description:Main Document**Original filename:**C:\fakepath\Motion to Amend Employee Incentive Plan.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=12/7/2010] [FileNumber=9122133-0]

[7525dc1368128a0caab75c1673118c7f4c18014e40c550d4507ea4f1a21d27641fb9

e4849ef74a45aac192d5801f2dabec03b9529a0564fb749424b4278cb07e]]

Document description:Notice**Original filename:**C:\fakepath\Motion to Amend Employee Incentive Plan - Notice.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=12/7/2010] [FileNumber=9122133-1]

[7e03556e3d3663eda555fcb629cd129ef25cf07541deb189ebf2563ac064d7973b51

b31fe2c7561fdb8de9004b6bb0b783205f366c1bdfd1c6db845f203b3e76]]

Document description:Exhibit A**Original filename:**C:\fakepath\Motion to Amend Employee Incentive Plan - Ex A.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=12/7/2010] [FileNumber=9122133-2]

[38808c6dc90129095d9dd2cdb4ec3bbcd40dbf92556a593dab0105c49dd2cb0d1c2d

1932b84d4f2d524c91ebcc2a4961225036e3d170937d662ecbebdb89790]]

Document description:Declaration B**Original filename:**C:\fakepath\Motion to Amend Employee Incentive Plan - Ex B.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=12/7/2010] [FileNumber=9122133-3]