IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

Chapter 11

In re:

PILLOWTEX CORPORATION, : Case Nos. 03-12339 (PJW)

et al.,

V.

v.

______ Debtors. :

JOHN WAHOSKI, as Liquidating Trustee:

of Pillowtex Corporation, : Adversary Proceeding No.

Plaintiff : 05-52131 (KJC)

: [related docket nos. 30, 92]

AMERICAN & EFRID, INC.

Defendant:

JOHN WAHOSKI, as Liquidating Trustee:

of Pillowtex Corporation, : Adversary Proceeding No.

Plaintiff : 05-30238 (KJC)

: [related docket no. 74]

XYMID, LLC : Defendant :

ORDER

AND NOW, this 15th day of October, 2009, upon consideration of American & Efrid, Inc's Motion for Partial Summary Judgment (Adv. No. 05-52131, docket no. 30)(the "A&E Motion"), and XYMID, LLC's Motion for Partial Summary Judgment (Adv. No. 05-30328, docket no. 74) (the "Xymid Motion"), and the Trustee's responses and related filings to the motions, after oral argument, and for the reasons set forth in the foregoing Memorandum, it is hereby **ORDERED** and **DECREED** that the A&E Motion and the Xymid Motion are **GRANTED**, in part, so that the Defendants may assert the subsequent new value defense of 11 U.S.C. §547(c)(4) against the amounts claimed to be preferential in the respective complaints, as

long as payments for that new value are not otherwise unavoidable; and it is further **ORDERED** and **DECREED** that:

- 1. Pursuant to that Stipulation (docket no. 92) entered into between the Trustee and A&E in Adversary Proceeding No. 05-52131 (John Wahoski, Liquidating Trustee v. American & Efrid, Inc.), judgment is entered in favor of the Trustee and against A&E in the amount of \$100,930.42.
- 2. The parties to Adversary Proceeding No. 05-30238 (John Wahoski, Liquidating Trustee v. Xymid, LLC) should meet and confer. The parties shall be prepared to discuss their remaining pre-trial needs, and, if appropriate, to set a trial date, at a status hearing on November 5, 2009 at 10:00 a.m.

BY THE COURT:

KEVIN J. CAREY

UNITED STATES BANKRUPTCY JUDGE

cc: William H. Sudell, Jr., Esquire¹

¹Counsel shall serve a copy of this Order and the accompanying Memorandum upon all interested parties and file a Certificate of Service with the Court.