

employees, advisors, officers and directors, agents, and attorneys or any thereof that are not Agent/Lender Subject Claims; (iii) against any affiliate of any Debtor that is not itself a Debtor;¹¹ (iv) assumed by any of the Acquisition Companies or that this Plan provides will otherwise survive the confirmation of this Plan (including, without limitation, letters of credit, cash management arrangements, swaps, hedges or other risk-hedging transactions); or (v) on account of transactions occurring after the Effective Date. Without limiting the generality of the preceding sentence, Claims in connection with, arising under or related to the following are also Exempt Claims: (AA) any agreements, instruments or other documents relating to the "Bonds" described (and/or as defined) in the Trust Indenture dated as of November 1, 2006 by and among New Jersey Economic Development Authority, Cedar Crest Village, Inc. and Wells Fargo Bank National Association, not individually but as successor to Manufacturers and Traders Trust Company, as indenture trustee, including, without limitation, the Letter of Credit Agreement dated as of November 1, 2006 among Cedar Crest Village, Inc., Point View Campus, LLC and Sovereign Bank (as Bank and Administrative Agent), (BB) the Loan Agreement dated as of June 4, 2008 between Sovereign Bank (as Lender) and St. Louis Campus, LLC (as Borrower), and any agreements, instruments or other documents relating thereto; (CC) the Letter of Credit Agreement dated as of December 1, 2007 by and between Sovereign (as Bank and Administrative Agent) and The Erickson Foundation, Inc., and any agreements, instruments or other documents relating thereto; (DD) any agreements, instruments or other documents relating to the "Bonds" described (and/or as defined) in the Trust Indenture, dated as of December 1, 2004, by and among Massachusetts Development Finance Agency, Brooksby Village, Inc. and Bank of America, N.A., including, without limitation, the Letter of Credit Agreement, dated as of September 1, 2002, between Brooksby Village, Inc. and Bank of America, N.A. (as successor by merger to LaSalle Bank National Association, as Bank and as agent); (EE) the International Swaps and Derivative Association 2002 Master Agreement and Schedule dated December 27, 2005 between Bank of America, N.A. and Charlestown Community, Inc., Henry Ford Village, Inc., Oak Crest Village, Inc., Greenspring Village, Inc., Brooksby Village, Inc., Ann's Choice, Inc., Linden Ponds, Inc., Riderwood Village, Inc., Cedar Crest Village, Inc., Seabrook Village, Inc., Fox Run Village, Inc. and Sedgebrook, Inc. and/or any agreements, instruments or other documents related thereto; (FF) any agreements, instruments or other documents relating to the "Bonds" described (and/or as defined) in the Trust Indenture dated as of March 1, 2004 by and among Montgomery County, Maryland, Riderwood Village, Inc. and Wells Fargo Bank, National Association, not individually but as successor to Manufacturers and Traders Trust Company, as indenture trustee), including, without limitation, the Amended and Restated Construction Loan Agreement dated as of June 1, 2001 among Silver Oaks Holdings, LLC, Riderwood Village, Inc. and Manufacturers and Traders Trust Company (as successor to Allfirst Bank, as Bank), as such agreements, instruments or other documents may have been amended, supplemented, restated, replaced or otherwise modified from time to time; (GG) any deposit account agreement, bank account agreement, bank account or other account management agreement, cash management agreement, credit card agreement, investment agreement, investment management agreement or similar agreement or any equipment lease by and between (in the event of any of the types of agreements or leases set forth in this clause (GG)) any Agent or Lender (whether as lessor or otherwise) and any NSC-NFP or any affiliate of a Debtor that is not itself a Debtor; (HH) the Promissory Note dated as of January 11, 2007 given by Westminster Campus, LLC (as Borrower) and payable to Capmark Bank (as Lender) and any agreements, instruments or other documents related thereto; (II) the Promissory Note dated August 27, 2008 in the stated principal amount of \$10,000,000 from Charlotte Campus, LLC as the maker thereof and payable to the order of PNC Bank, National Association and the Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated August 27, 2008 together with all other instruments and agreements evidencing or securing the obligations of Charlotte Campus, LLC under such Promissory Note; (JJ) any agreements, instruments or other documents relating

¹¹ The following are not affiliates of the Debtors: the NSC; the NSC-NFPs; or any of the Erickson Parties.

to the "Bonds" described (and/or as defined) in the Trust Indenture dated as of May 1, 2007 by and among Baltimore County, Maryland, Oak Crest Village, Inc. and Wells Fargo Bank National Association, not individually but as successor to Manufacturers and Traders Trust Company as indenture trustee; (KK) any agreements, instruments or other documents relating to the "Bonds" described (and/or as defined) in the Trust Indenture dated as of December 1, 2006 by and among New Jersey Economic Development Authority, Seabrook Village, Inc. and Wells Fargo Bank National Association, not individually but as successor to Manufacturers and Traders Trust Company as indenture trustee; (LL) any agreements, instruments or other documents relating to the "Bonds" described (and/or as defined) in the Trust Indenture dated as of October 1, 2006 by and among Fairfax County Economic Development Authority, Greenspring Village, Inc. and Wells Fargo Bank National Association, not individually but as successor to Manufacturers and Traders Trust Company as indenture trustee; and/or (MM) any agreements, instruments or other documents relating to those certain Hickory Chase Community Authority Infrastructure Improvement Revenue Bonds, Series 2008 (Hickory Chase Project). Any reference to an agreement in the immediately preceding sentence shall include such agreement as it may have been amended, supplemented or otherwise modified. All parties retain all defenses to all Exempt Claims.

12.3 *Term of Injunctions or Stays.* Unless otherwise provided in this Plan, all injunctions or stays pursuant to section 105 or 362 of the Bankruptcy Code arising under or entered during the Chapter 11 Cases, or otherwise, and in existence on the Plan Confirmation Date, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay and to the extent consistent with the terms and provisions of this Plan. Notwithstanding the foregoing, ~~the Lenders and Agents~~ no person or entity shall ~~not~~ be enjoined from commencing any actions, enforcing or pursuing in any manner the ~~NSC/NFP Carveout~~ Reserved Claims, nor shall ~~the NSC/NFPs~~ any person or entity be enjoined from asserting any defense to ~~said claims~~ the Reserved Claims.

12.4 *Injunction Against Interference with Plan.* Upon the Bankruptcy Court's entry of the Plan Confirmation Order, all Holders of Claims and Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, or principals, shall be enjoined from taking any actions to interfere with the Debtors', the Reorganized Debtors', Redwood's, or the Acquisition Companies' and their affiliates, employees, advisors, officers and directors, and agents implementation or consummation of the Plan or any Restructuring Transaction contemplated by the Definitive Agreement and to the extent consistent with the terms and provisions of this Plan. Notwithstanding the foregoing, ~~the Lenders and Agents~~ no person or entity shall ~~not~~ be enjoined from commencing any actions, enforcing or pursuing in any manner the ~~NSC/NFP Carveout~~ Reserved Claims; nor shall ~~the NSC/NFPs~~ any person or entity be enjoined from asserting any defense to ~~said claims~~ the Reserved Claims.

12.5 *Releases.* As of the Effective Date, the Debtors, the Reorganized Debtors, and Third Party Releasees shall be deemed to be forever released and discharged from any and all claims (including all Claims), obligations, suits, judgments, arbitrations, damages, rights, causes of action (including, without limitation, Bankruptcy Code chapter 5 causes of action) or liabilities, whether known or unknown, whether foreseen or unforeseen, based upon any action or omission, transaction or occurrence taking place on or before the Effective Date of the Plan in any way relating to the Debtors, the Chapter 11 Cases, the Estates, or the Plan, and/or which may have directly or indirectly impacted or affected in any way the value of any Claim or corresponding Distribution on any Claim against the Debtors. The Plan Confirmation Order will enjoin any prosecution of any Claim, debt, right, cause of action or liability which was or could have been asserted against the Debtors, Reorganized Debtors, or Third Party Releasees on or after the Effective Date; provided, however, that the foregoing will not neither the immediately preceding portion of this sentence nor the provisions of the first

sentence of this Section 12.5 will operate as a waiver or release ~~from~~of any Reserved Claim or any causes of action arising out of the ~~gross negligence~~, willful misconduct, intentional fraud, or criminal liability of the Debtors, the Reorganized Debtors, or Third Party Releasees. The provisions of the Plan shall not operate as a release of any of the Debtors', the Reorganized Debtors', or Third Party Releasees' obligations under the Plan (including as to claim number 265 or claim number 266 against the Debtors; and also including as to any claim arising on account of the interest set forth in financing statement no. 000000001812388268 filed with the Maryland Secretary of State on July 29, 2005 (as amended)) and the rights of the Debtors, the Reorganized Debtors, Redwood, or the Acquisition Companies and their affiliates, employees, advisors, officers and directors, successors, and assigns to enforce the Plan and the contracts, instruments, indentures and other agreements or documents delivered or assumed hereunder, including, without limitation, the Definitive Agreement- (including as to claim number 265 or claim number 266 against the Debtors; and also including as to any claim arising on account of the interest set forth in financing statement no. 000000001812388268 filed with the Maryland Secretary of State on July 29, 2005 (as amended)). Notwithstanding the above, neither the foregoing terms nor any other provision of the Disclosure Statement, the Plan or any order on the Disclosure Statement and/or Plan shall release or in any manner limit (i) the obligations of any NSC-NFP or other party not a Debtor in these cases under any Bond Documents; (ii) any rights or claims by any Bond Trustee or beneficial bondholder against any NSC-NFP or other party not a Debtor based on obligations under any Bond Documents; or (iii) any rights or claims by any NSC-NFP against any party not a Debtor in these cases based on obligations under any Bond Documents. ~~Notwithstanding the foregoing, the NSC/NFP Carveout Claims are not released or discharged. The Debtors reserve the right to amend or modify the language in this Section. Any such amendment or modification will be included in a Plan Supplement filed with the Bankruptcy Court no later than five(5) Business Days prior to the Plan Confirmation Hearing.~~ All persons and entities reserve all defenses to claims excepted from the release provided under this Section 12.5.

12.6 *Releases by Holders of Claims and Interests.* Subject to the right of each creditor to opt-out with respect to the Third Party Releasees, as of the Effective Date, the Debtors, the Reorganized Debtors, and Third Party Releasees shall be released from all claims (other than the rights of the Debtors and the Reorganized Debtors to enforce the Plan and the contracts, instruments, indentures and other agreements or documents delivered or assumed thereunder, including, without limitation, the Definitive Agreement) that may be asserted against them by each Holder of a Claim or Interest that votes in favor of the Plan (or is deemed to accept the Plan); provided, however, that the foregoing will not operate as a waiver or release of any Reserved Claim or from any causes of action arising out of the ~~gross negligence~~, willful misconduct, intentional fraud, or criminal liability of any such person or entity. Notwithstanding the above, neither the foregoing terms nor any other provision of the Disclosure Statement, the Plan or any order on the Disclosure Statement and/or Plan shall release or in any manner limit (i) the obligations of any NSC-NFP or other party not a Debtor in these cases under any Bond Documents; (ii) any rights or claims by any Bond Trustee or beneficial bondholder against any NSC-NFP or other party not a Debtor based on obligations under any Bond Documents; or (iii) any rights or claims by any NSC-NFP against any party not a Debtor in these cases based on obligations under any Bond Documents. ~~Notwithstanding the foregoing, the NSC/NFP Carveout Claims are not released or discharged. The Debtors reserve the right to amend or modify the language in this Section. Any such amendment or modification will be included in a Plan Supplement filed with the Bankruptcy Court no later than five(5) Business Days prior to the Plan Confirmation Hearing.~~ All persons and entities reserve all defenses to claims excepted from the release provided under this Section 12.6.

12.7 *Exculpation.* Notwithstanding anything provided in this Plan, as of the Effective Date, none of the Debtors, the Reorganized Debtors, or Third Party Releasees shall have or incur (including but not limited to claims or Causes of Action by any Lenders or participants) any liability for any claim, cause of action, or other assertion of liability for any act taken or omitted to be taken in connection with, or arising out of, the Chapter 11 Cases, the formulation, negotiation,

dissemination, confirmation, consummation, or administration of the Plan, or property to be distributed under the Plan, or any other act or omission in connection with the Chapter 11 Cases, the Plan, or any contract, instrument, indenture, or other agreement or document related ~~thereto~~ to the Plan or delivered thereunder, including, without limitation, the Definitive Agreement; provided, however, that the foregoing shall not affect the liability of any person that otherwise would result from any such act or omission to the extent that such act or omission is determined by a Final Order of a court of competent jurisdiction to have constituted willful misconduct, intentional fraud, or criminal conduct or the liability of any person on account of a Reserved Claim. The foregoing shall not release or in any manner limit (i) the obligations of any NSC-NFP or other party not a Debtor in these cases under any Bond Documents; (ii) any rights or claims by any Bond Trustee or beneficial bondholder against any NSC-NFP or other party not a Debtor based on obligations under any Bond Documents; or (iii) any rights or claims by any NSC-NFP against any party not a Debtor in these cases based on obligations under any Bond Documents. ~~This Section shall not apply to the NSC/NFP Carveout Claims, the liability for which is fully preserved. The Debtors reserve the right to amend or modify the language in this Section. Any such amendment or modification will be included in a Plan Supplement filed with the Bankruptcy Court no later than five(5) Business Days prior to the Plan Confirmation Hearing.~~ All persons and entities reserve all defenses to claims excepted from the exculpation provided under this Section 12.7.

12.8 *Retention of Causes of Action/Reservation of Rights.*

12.8.1 Except as provided in Section 6.4 of the Plan ~~(Liquidating Creditor Trust) or Section 12.5 of the Plan (Releases)~~ or Sections 12.2 through and including 12.7 of this Plan, nothing contained in this Plan ~~(including Section 12 (but excluding Section 12.5) of the Plan)~~, the Plan Documents, or in the Plan Confirmation Order shall be deemed to be a waiver or the relinquishment of any rights or causes of action that the Debtors, the Reorganized Debtors, Redwood, or the Acquisition Companies may have or which the Reorganized Debtors may choose to assert on behalf of their respective Estates under any provision of the Bankruptcy Code or any applicable non-bankruptcy law or rule, common law, equitable principle or other source of right or obligation, including, without limitation, (i) any and all Claims against any person or entity, to the extent such person or entity asserts a crossclaim, counterclaim, and/or Claim for setoff which seeks affirmative relief against the Debtors, the Reorganized Debtors, their officers, directors, or representatives; and (ii) the turnover of all property of the Debtors' estates. This Section shall not apply to any claims released herein. Any ~~NSC/NFP Carveout~~ Reserved Claims are not waived or relinquished ~~by the Lenders or the Agents.~~

12.8.2 Except as expressly provided in this Plan, nothing contained herein, the Plan Documents, or in the Plan Confirmation Order shall be deemed to be a waiver or relinquishment of any claim, cause of action, right of setoff, or other legal or equitable defense. No entity may rely on the absence of a specific reference in this Plan, the Plan Supplement, or the Disclosure Statement to any cause of action against it as any indication that the Debtors or the Reorganized Debtors, as applicable, will not pursue any and all available causes of action against them. The Debtor and the Reorganized Debtors expressly reserve all rights to prosecute any and all causes of action against any entity, except as otherwise expressly provided in this Plan. Specifically, any ~~NSC/NFP Carveout~~ Reserved Claims are not waived or relinquished ~~by the Lenders and Agents.~~

12.9 *Solicitation.* As of and subject to the occurrence of the Plan Confirmation Date: (i) the Debtors shall be deemed to have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including without limitation, sections 1125(a) and (e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation and (ii) the Debtors and each of their respective directors, officers, employees, their affiliates, agents, and Advisors shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of any securities under the Plan, and therefore are not, and on account of such offer,

EXHIBITS TO THE PLAN

Exhibit A Definitive Agreement

Exhibit B TIP

Exhibit C Redwood Retained Employees

Exhibit D Warminster Term Sheet

Exhibit E New Management Agreement

Exhibit F Bank Accounts Included in Purchased Assets

Exhibit B

TIP

TIP¹

(\$ in thousands)	<u>Payments</u>
PNC Claim Secured by Corporate Headquarters	\$ 1,203
Dallas Construction Loan Payment	2,000
Kansas Construction Loan Payment ²	4,347
Littleton Junior Loan Payment	1,000
Warminster Junior Loan Payment	8,022
Trust Cash ³	2,500
Strategic Ashby Ponds Lender, LLC and Strategic Concord Landhold, LP	1,000
Unsecured Creditors committee Professional Fees	<u>500</u>
Total TIP	<u>\$20,572</u>

¹ See in addition Section 11.1(t) of the Plan

² Proceeds available to Kansas Construction Loan Claims are net of \$1.6 million of administrative costs

³ As defined in the Disclosure Statement