

1 removed as Disbursing Agent (but not as manager of the Portfolio Entities or Intermediate
2 Entities, except in accordance with the applicable loan documents and Governing
3 Documents) in accordance with the terms of the ~~Term Sheet~~Plan Documents, and shall only be
4 entitled to compensation or consideration from the Portfolio Entities or Intermediate Entities as
5 specifically contemplated in the Plan and the ~~Term Sheet~~Plan Documents.

6 **D. Management of the Reorganized Debtors**

7 Following the Effective Date, Reorganized Debtor Gianulias will operate and manage his
8 interest in Reorganized Debtor Cameo, and the business operations of Reorganized Debtor Cameo
9 and its subsidiaries.

10 1. Funding of the Reorganized Debtors. Subject to the terms and conditions of the
11 ~~Term Sheet~~Plan Documents, during the first two years following the Effective Date, the
12 Reorganized Debtors shall receive \$1.8 million annually from the Cash distributed ~~from~~as Gross
13 Available Cash Flow, from which they will fund post-Effective Date expenses and operations.
14 The remaining funds representing Gross Available Cash Flows will be used first to pay other
15 Priority Payments. ~~The funds paid by the Companies to the Reorganized Debtors on account~~
16 ~~of the Portfolio Entities will be used to make the~~ Priority Payments will be made in the
17 following order of priority: (1) the following payments to Robbins on account of, and in full
18 satisfaction of her secured claim with respect to Debtors – (i) \$1,000,000 in the first year
19 following the Effective Date (\$83,333.33 per month), (ii) \$1,200,000 in the second year following
20 the Effective Date (\$100,000 per month), (iii) \$1,200,000 in the third year following the Effective
21 Date (\$100,000 per month), (iv) \$1,200,000 in the fourth year following the Effective Date
22 (\$100,000 per month), and (v) \$1,251,481 in the fifth year following the Effective Date,
23 representing the remaining balance owing to Robbins in connection with her claim in the Cases
24 (\$104,290.08 per month); (2) the payment of all Adjusted Income Taxes; (3) the payment of
25 \$1,800,000 per year in each of the first and second year following the Effective Date to Debtors
26 (\$150,000 per month); and (4) payment of all Allowed Administrative Claims, Allowed Gap
27 Claims, Allowed Priority Claims, and Allowed Priority Tax Claims incurred in the Cases. To the
28

1 extent any Gross Available Cash Flow remains following the foregoing payments, such Cash
2 will be paid to the Creditors' Trust for the benefit of Allowed General Unsecured Claims.

3 Commencing in the third year following the Effective Date and continuing until such time
4 as the Cash Flow Note is paid in full, and subject to the terms and conditions of the Plan
5 Documents, the Creditors' Trust shall receive 60% of Available Cash Flow, if any, on a monthly
6 basis, and the Reorganized Debtors shall receive 40% of Available Cash Flow, if any, on a
7 monthly basis, all pursuant to the terms and conditions of the Cash Flow Note and the other ~~Term~~
8 SheetPlan Documents.

9 Until the Cash Flow Note is paid in full, so long as Mesa Management is providing
10 services, Mesa Management shall be entitled to compensation for services it provides (other than
11 as ~~disbursing agent~~ Disbursing Agent, for which it is not entitled to receive any compensation or
12 other consideration) to the Portfolio Entities and/or the Intermediate Entities at, on an entity by
13 entity basis, in an amount limited to the current management rate of 5.0% of actual gross
14 collections with respect to ~~thesuch~~ Portfolio Entities Entity or Intermediate Entity, of which
15 0.5% is contractually due and payable as an expense to Robert Lucas, ~~until the Cash Flow Note~~
16 has been paid in full and shall be paid to Robert Lucas. G Companies Management, Inc. shall
17 not be entitled to receive any compensation or other fees with respect to the Portfolio Entities or
18 Intermediate Entities in connection therewith until the Cash Flow Note has been paid in full.

19 2. Management of the Control Assets. The Debtors and the Committee will agree
20 upon the Control Assets Budgets as of the Confirmation Date. Thereafter, so long as the
21 aggregate expenses of each of the Control Assets in subsequent years are not more than 10% in
22 excess of the prior year's expenses for ~~suchthe~~ Control Asset Assets, and subject to the terms and
23 conditions of the ~~Term SheetPlan~~ Documents, the Reorganized Debtors may continue to operate
24 ~~suchthe~~ Control Assets without obtaining any approvals from the Creditors' Trust Trustee. If the
25 annual aggregate expenses of any of the Control Assets are more than 10% in excess of the prior
26 year's actual aggregate expenses with respect to ~~suchthe~~ Control Assets, subject to the terms and
27 conditions of the ~~Term SheetPlan~~ Documents, the Creditors' Trust Trustee and the Reorganized
28 Debtors shall meet and confer regarding such additional expenses. If the Reorganized Debtors and

1 the Creditors' Trust Trustee are unable to agree upon such additional expenses, the parties shall
2 use the Dispute Resolution Procedure to resolve the dispute pursuant to the terms and conditions
3 of the ~~Term Sheet~~Plan Documents.

4 3. Reporting, Events of Default and Remedies. The ~~Term Sheet~~Plan Documents,
5 which are attached hereto as Exhibits C through H are specifically incorporated herein and are
6 made a part of the Plan, and are binding on all parties hereto.

7 **E. Transfer of the Recovery Rights to the Reorganized Debtors**

8 Pursuant to Section 1123(b)(3) of the Bankruptcy Code, all Recovery Rights of the
9 Debtors and the Estates, including but not limited to all Recovery Rights that could be brought
10 under any of Sections 362, 510, 542, 544, 545, 547, 548, 549, 550 and 553 of the Bankruptcy
11 Code and under applicable non-bankruptcy law, shall be retained, owned and enforced by the
12 Creditors' Trust Trustee and may be pursued by the Creditors' Trust Trustee, at its option, after
13 the Effective Date with like manner and effect as if commenced prior to the Confirmation Date.
14 ~~After the Payment of all Allowed Administrative Claims in full, the~~The Creditors' Trust shall
15 receive 100% of the proceeds of any recovery with respect to such Recovery Rights to fund the
16 payments to General Unsecured Creditors in accordance with the Plan.

17 **F. The Creditors' Trust**

18 1. Purpose Establishment of the Creditors' Trust. The Creditors' Trust shall be
19 deemed established on the Effective Date pursuant to the terms of the Creditors' Trust Agreement.
20 ~~The~~In accordance with sections VII.E and VII.H hereof, as of the Effective Date, the
21 Reorganized Debtors shall issue the Cash Flow Note and the Secondary Note and transfer
22 the Recovery Rights to the Creditors' Trust. For all purposes, including, without limitation,
23 federal income taxes, securities laws, and section 1145 of the Bankruptcy Code, all parties
24 (including, without limitation, the Debtors, the Trustee, and the holders of Class 3 Claims
25 Allowed by the Effective Date) shall treat the Creditors' Trust's receipt of the Cash Flow
26 Note, the Secondary Note, and the Recovery Rights as (i) a Pro Rata transfer or issuance of
27 such assets directly to such holders in satisfaction of such Allowed Claims (other than to the
28 extent allocable to Disputed General Unsecured Claims) followed by (ii) such holders'

1 transfer of such assets to the Creditors' Trust in exchange for their Interests in the
2 Creditors' Trust. Accordingly, the holders of Class 3 Claims Allowed by the Effective Date
3 shall be treated for all purposes as the grantors and owners of their respective shares of the
4 Creditors' Trust. With respect to the portion of the Cash Flow Note, the Secondary Note,
5 and the Recovery Rights allocable to Disputed General Unsecured Claims, the Debtors shall
6 be treated as transferring or issuing such assets directly to the Disputed Claims Reserve.

7 2. Purpose of the Creditors' Trust. The primary purpose of the Creditors' Trust is
8 to receive and disburse liquidate its assets, in accordance with Treasury Regulation section
9 301.7701-4(d), by receiving and disbursing amounts due under the Plan Cash Flow Note and
10 the Secondary Note to holders of Allowed Claims in Class 3 pursuant to the Plan. The
11 Creditors' Trust shall also be responsible for, and - if appropriate - by objecting to Claims in
12 Class 3, if appropriate, and exercising its Recovery Rights. The Creditors' Trust has no
13 intention to continue or engage in the conduct of a trade or business, except to the extent
14 reasonable necessary to, and consistent with, the liquidating purpose of the Creditors' Trust
15 and the terms and conditions of the Creditors' Trust Agreement.

16 2.3. Payments to the Creditors' Trust by Reorganized Debtors. Payments of Available
17 Cash Flow shall be made by the Reorganized Debtors to the Creditors' Trust in accordance with
18 the terms of the Term Sheet Plan Documents and the Plan.

19 3.4. Management and Powers of the Creditors' Trust. After the Effective Date, the
20 affairs of the Creditors' Trust and all assets held or controlled by the Creditors' Trust shall be
21 managed under the direction of the Creditors' Trust Trustee in accordance with the terms of the
22 Creditors' Trust Agreement. The powers of the Creditors' Trust shall include: (a) the ability and
23 authority to object to Claims in Class 3, and the ability to prosecute or settle such objections and
24 defend claims and counterclaims asserted in connection therewith (including by way of asserting
25 the Debtors' rights of recoupment, setoff or otherwise); (b) enforcing and collection any rights
26 and remedies under the Plan Documents and collecting upon Recovery Rights as set forth in
27 Section VII.E of this Plan; (c) effecting distributions of Cash under the Plan to the holders
28 of Allowed Claims in Class 3; (d) participation in any post-Confirmation Date motions to amend

1 or modify the Plan or the Creditors' Trust Agreement, or appeals from the Confirmation Order as
2 it relates to Class 3; and (e) participation in actions to enforce or interpret the Plan as it relates to
3 Class 3. Notwithstanding anything to the contrary in this Plan, the Creditors' Trust Trustee
4 is under no obligation to sell, exchange, transfer, or otherwise dispose of any asset or
5 property of the Creditors' Trust if the Creditors' Trust Trustee determines, in the exercise
6 of his sole discretion, that such transaction is inconsistent with obtaining the full and fair
7 value of such asset or property.

8 The right and power of the Creditors' Trust Trustee to invest any Cash received
9 (including Cash allocated to the Disputed Claims Reserve) shall be limited to the right and
10 power to invest such Cash (pending periodic distributions in accordance with section VII.F.9
11 of the Plan) in United States Treasury Bills, interest-bearing certificates of deposit, tax
12 exempt securities or investments permitted by section 345 of the Bankruptcy Code or
13 otherwise authorized by the Bankruptcy Court, using prudent efforts to enhance the rates of
14 interest earned on such Cash without inordinate credit risk or interest rate risk.

15 If the holder of a Disputed Claim in Class 3 and the Creditors' Trust Trustee agree to a
16 settlement of such holder's Disputed Claim for an amount not in excess of the face amount of such
17 Disputed Claim, provided that the face amount of the Disputed Claim and the proposed settlement
18 amount are less than \$50,000, such Claim shall be deemed to be an Allowed Claim as of the
19 Effective Date in an amount equal to the agreed settlement amount without need for further review
20 or approval of the Court. If the proposed settlement involves a Disputed Claim in Class 3 that was
21 filed in a face amount greater than or equal to \$50,000, or the proposed settlement amount is
22 greater than or equal to \$50,000, then the Creditors' Trust Trustee shall provide notice of the
23 proposed settlement (with a 15-day period to object) to each of the members of the Committee (as
24 constituted on the Confirmation Date), the Office of the United States Trustee, and counsel for the
25 Reorganized Debtors. If no objection is received by the Creditors' Trust Trustee within the 15-day
26 period, the settled Claim shall be deemed to be an Allowed Claim as of the Effective Date without
27 the need for further review or approval of the Court. If an objection to a proposed settlement is
28

1 received within the 15-day period, the Creditors' Trust Trustee shall schedule a Court hearing to
2 resolve the objection.

3 4. Establishment of Reserve Accounts for Disputed Claims. Pursuant to the
4 terms of the Creditors' Trust Agreement section VII.F.1, above, the Creditors' Trust Trustee
5 shall ~~maintain a reserve in trust for the payment of any administrative expenses of the~~
6 ~~Creditors' Trust, taxes, and any Disputed Claims which later become Allowed~~
7 ~~Claims~~ allocate a portion of the Cash Flow Note, the Secondary Note, and the Recovery
8 Rights to the Disputed Claims Reserve. Any proceeds received with respect to such portion,
9 as well as any earnings of such proceeds, shall also be allocated to the Disputed Claims
10 Reserve. Its Cash shall be used to satisfy any expenses incurred in connection with the
11 maintenance of the Disputed Claims Reserve, including taxes payable with respect to the
12 Disputed Claims Reserve, if any, and repayment of any taxes paid on the income allocated to
13 the Disputed Claims Reserve using Cash that was not allocated to the Disputed Claims
14 Reserve. No distributions shall be made on account of any Disputed Claims unless and until such
15 Claims become Allowed Claims (or such Claims are disallowed and fewer assets need to be
16 held in the Disputed Claims Reserve), as provided in section VII.F.9(c) and (d) hereof.

17 6. Reserve Accounts for Funding Expenses of the Creditors' Trust and In
18 Connection with the Plan Documents. Pursuant to the terms of the Creditors' Trust
19 Agreement, the Creditors' Trust Trustee is authorized to maintain a reserve in trust in an
20 amount determined by the Creditors' Trust Trustee for the payment of any administrative
21 expenses of the Creditors' Trust, including taxes and for such other amounts as may
22 reasonably be required in connection with the Plan Documents. The Creditors' Trust Trustee
23 ~~shall~~ is authorized to establish a ~~sufficient~~ reserve in Cash so that the appropriate Pro Rata
24 distributions (net of taxes owed with respect to assets allocated to the Disputed Claims
25 Reserve) to Creditors holding Allowed Claims can be made in accordance with the Consolidation
26 Order.

27 5.7. Employment of Professionals. The Creditors' Trust Trustee is authorized, without
28 further order of the Court, to employ such Entities, including professionals, as he/she/it may deem

1 necessary to enable him/her/it to perform his/her/its functions under the Plan, and the costs of such
2 employment and other expenditures shall be paid solely from ~~assets transferred to, or payments~~
3 ~~received by,~~Cash held by the Creditors' Trust as provided in the Plan. Such Entities shall be
4 compensated and reimbursed for their reasonable and necessary fees and out-of-pocket expenses
5 on a monthly basis from the Creditors' Trust without further notice, hearing or approval of the
6 Court except as set forth in the Creditors' Trust Agreement.

7 6.8. Objections to Claims by the Creditors' Trust. All objections to Disputed Claims in
8 Class 3 to be filed by the Creditors' Trust Trustee shall be filed with the Court and served upon the
9 holders of such Claims by the Claim Objection Deadline, except as extended by an agreement
10 between the claimant and the Creditors' Trust, or by order of the Court upon a motion filed by the
11 Creditors' Trust, with notice of such motion to be served upon the Office of the United States
12 Trustee and those holders of Disputed Claims to whom the objection is made. If an objection has
13 not been filed to a proof of claim that relates to a Disputed Claim by the objection bar dates
14 established in this paragraph, the Claim to which the proof of claim relates shall be treated as an
15 Allowed Claim for purposes of distribution under the Plan.

16 ~~7. Distributions. Distributions~~

17 9. Allocations and Distributions. Pro Rata allocations of available Cash and
18 associated distributions by the Creditors' Trust Trustee shall be made in accordance with the
19 Plan, the Confirmation Order, ~~the Creditors' Trust Agreement and the Term Sheet~~
20 ~~Documents.~~

21 ~~_____ (a) Reserve for Unpaid Claims. For purposes of calculating Pro Rata~~
22 ~~distributions or any other distributions to be made under the Plan to holders of Allowed~~
23 ~~Claims, the calculation of the total Allowed Claims shall be computed as if all Disputed~~
24 ~~Claims then pending were allowed in the full amount thereof, and the Creditors' Trust~~
25 ~~Agreement, subject to sections VII.F.9(b) and (c) of the Plan.~~

26 _____ (a) Allocations. Before each distribution date, the Creditors' Trust Trustee
27 shall allocate the Cash available for distribution Pro Rata among the holders of Allowed
28 Claims in Class 3 that were Allowed on or before such distribution date and the holders of

1 any still pending Disputed Claims in Class 3. The Creditors' Trust Trustee shall then retain
2 in the Disputed Claims Reserve the Cash allocated to holders of pending Disputed Claims in
3 Class 3.

4 (b) Distributions. On each distribution date, the Creditors' Trust Trustee
5 shall distribute to the holders of Allowed Claims in Class 3 the available Cash allocated to
6 each, provided that in the reasonable discretion and judgment of the Creditors' Trust
7 Trustee, there shall be retained in the Creditors' Trust Cash in an amount sufficient to fund
8 reserves to pay the expenses (including, but not limited to, the federal income taxes of the
9 Disputed Claims Reserve and withholding taxes, if any, and all expenses and fees incurred in
10 objecting to Claims), debts, charges, liabilities, and obligations of the Creditors' Trust
11 and/or in connection with the Plan Documents, and provided that each distribution to a
12 single Creditor must exceed \$25.00. Any distribution that would be less than \$25.00 shall be
13 withheld and carried-over to the next distribution date only once; thereafter, the distribution
14 shall be made notwithstanding the fact that it may be less than \$25.00.

15 (bc) Allowance of Claims. Distributions of Cash shall be made with respect to
16 any Disputed Claim which becomes an Allowed Claim after the Effective Date on or as soon as
17 practicable after the date on which each such Disputed Claim becomes an Allowed Claim. The
18 amount of any distribution shall be calculated, on a Pro Rata basis, so that each Disputed
19 Claim that becomes an Allowed Claim receives an initial distribution equal to the total
20 percentage distributions made prior to the date of such allowance on account of other
21 Allowed Claims under the Plan and the Creditors' Trust Agreement. the Pro Rata amount of
22 Cash allocated to the Disputed Claims Reserve with respect to the Allowed portion of such
23 Claim; provided, however, that any Cash released from the Disputed Claims Reserve shall
24 be net of certain costs and expenses as provided in the Plan and subject to the prior
25 repayment of any taxes paid on the income associated with the released funds while allocated
26 to the Disputed Claims Reserve using Cash that was not allocated to the Disputed Claims
27 Reserve. In no event shall the Creditors' Trust Trustee be obligated to make a distribution
28 if, in the reasonable business judgment of the Creditors' Trust Trustee, the Cash then on

1 hand and the ultimate distribution of Cash to be made would not be justified, taking into
2 account all of the attendant costs of such distribution. In such case, any undistributed Cash
3 may be held over to the next distribution date.

4 (d) Reallocation upon Disallowance or Reduction of Claims. When a
5 Disputed Claim is reduced or disallowed, the corresponding Cash and other property
6 retained in the Disputed Claims Reserve shall be reallocated by the Trustee under section
7 VILF.9(a) of the Plan (to the extent provided by the Plan). Such reallocation shall occur
8 after the subsequent distribution date, however, if it would otherwise occur within the thirty
9 (30) day period preceding the subsequent distribution date.

10 ~~(e) Initial Distribution Date. Except for payments required to be made on~~
11 ~~the Effective Date in accordance with other sections of the Plan, and subject to the discretion~~
12 ~~of the Creditors' Trust Trustee, on the third anniversary of the Effective Date, or as soon as~~
13 ~~practicable thereafter, the Creditors' Trust Trustee shall distribute any property required to~~
14 ~~be distributed under the Plan (and in accordance with Creditors' Trust Agreement) to the~~
15 ~~holders of Allowed Claims in Class 3.~~

16 (e) Initial Distribution Date. Upon the Creditors' Trust's receipt of a
17 payment on the Cash Flow Note or the Secondary Note, the Creditors' Trust Trustee shall
18 evaluate under sections VILF.9(a) and (b) of the Plan the feasibility of making distributions
19 to holders of Class 3 Claims that are Allowed on or before the evaluation. The Creditors'
20 Trust Trustee shall continue to make such an evaluation every six (6) months, until the
21 Creditors' Trust Trustee determines that a distribution is feasible, at which point the
22 Creditors' Trust Trustee shall make such allocations and distributions as soon as
23 practicable.

24 (df) Subsequent Distribution Dates. After the Initial Distribution Date, unless
25 otherwise directed in a post-Confirmation Date Final Order, the Creditors' Trust Trustee shall
26 make additional bi-annual distributions to the holders of Allowed Claims in Class 3, provided
27 that in the reasonable discretion and judgment of 3 and corresponding allocations to the
28 Disputed Claims Reserve.

1 (g) Compliance with Tax Requirements. To the extent applicable, the
2 Creditors' Trust Trustee, ~~there shall be in the Creditors' Trust Cash in an amount sufficient to~~
3 ~~render feasible a distribution after making reasonable reserves to pay the expenses~~
4 ~~(including, but not limited to, federal income taxes and withholding taxes, if any, and all~~
5 ~~expenses and fees incurred in objecting to Claims), debts, charges, liabilities, and obligations~~
6 ~~of the Creditors' Trust, and provided that each distribution to a single Creditor must exceed~~
7 ~~\$25.00. Any bi-annual distribution which is less than \$25.00 shall be withheld and carried-~~
8 ~~over to the next period only once; thereafter, the distribution shall be made notwithstanding~~
9 ~~the fact that it may be less than \$25.00.~~ in making distributions under the Plan, shall comply
10 with all tax withholding and reporting requirements imposed on it by any Governmental
11 Unit, and all distributions pursuant to the Plan shall be subject to such withholding and
12 reporting requirements. The Creditors' Trust Trustee may withhold the entire distribution
13 due to any holder of an Allowed Claim until such time as such holder provides the necessary
14 information to comply with any withholding requirements of any Governmental Unit. Any
15 Cash so withheld will then be paid by the Creditors' Trust Trustee to the appropriate
16 authority. If the holder of an Allowed Claim fails to provide the information necessary to
17 comply with any withholding requirements of any Governmental Unit within ninety (90)
18 days from the date of first notification by the Person in need of such information, then the
19 holder's distribution shall be treated as Unclaimed Property in accordance with this section
20 VII.F.9.

21 (eh) Unclaimed Property. Until the expiration of one (1) year following the date
22 on which the distribution of the Unclaimed Property has been attempted, Unclaimed Property shall
23 be delivered upon presentation of proper proof by a holder of its entitlement thereto, after which
24 time any holder of an Allowed Claim entitled to Unclaimed Property shall cease to be entitled
25 thereto. Thereafter, all right, title and interest therein shall vest in the Creditors' Trust ~~for~~
26 ~~redistribution in the order and priority established in the Plan~~ and the Creditors' Trust
27 Agreement Trustee shall reallocate such Cash under section VII.F.9(a) above (to the extent
28 provided by the Plan).

1 (f) *Surrender.* Notwithstanding any other provision of the Plan, no holder of
2 an Allowed Claim shall receive any distribution under the Plan in respect of such Allowed Claim
3 until such holder has surrendered to the Creditors' Trust any promissory note or other document(s)
4 evidencing such Allowed Claim, or until evidence of loss and indemnity satisfactory to the
5 Creditors' Trust Trustee, in his/her/its sole and absolute discretion, shall have been delivered to
6 the Creditors' Trust in the case of any note or other document(s) alleged to be lost, stolen or
7 destroyed.

8 (g) *Final Distribution.* Upon resolution of all outstanding objections to
9 Disputed Claims in Class 3,3 and any associated distributions under section VII.F.9(c), and
10 after all payments to be made by the Reorganized Debtors to the Creditors' Trust required by the
11 Cash Flow Note, the Secondary Note, and the Plan have been received by the Creditors' Trust
12 and all Recovery Rights have been converted into Cash, and after the payment of all expenses
13 and other obligations of the Creditors' Trust, the Creditors' Trust shall cause the Pro Rata
14 allocation and distribution of all remaining available assets of the Creditors' Trust to holders of
15 Allowed Claims in Class 3 in accordance with the Plan.

16 (h) *Exemption From Certain Transfer Taxes.* Pursuant to section 1146(ea) of
17 the Bankruptcy Code, the issuance, transfer or exchange of a security, or the making or delivery
18 of an instrument of transfer under a plan confirmed under section 1129 of the Bankruptcy Code,
19 may not be taxed under any law imposing a stamp tax, transfer tax or similar tax. Pursuant to
20 section 1146(ea) of the Bankruptcy Code, no transfer to or from the Creditors' Trust under the
21 Plan, shall be subject to any stamp tax, transfer tax or similar tax.

22 (i) *Estimation of Unliquidated Disputed Claims.* As to any unliquidated
23 Disputed Claim, including Claims based upon rejection of executory contracts or leases, or other
24 Disputed Claims, the Court, upon motion by the Creditors' Trust, may estimate the amount of the
25 Disputed Claim and may determine an amount sufficient to reserve for any such Claim. Any
26 Entity whose Disputed Claim is so estimated shall have recourse only against the Creditors' Trust
27 and against no other assets or person (including the Creditors' Trust Trustee), and in any case only
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1 in an amount not to exceed the estimated amount of such Entity's Claim, even if such Entity's
2 Claim, as finally allowed, exceeds the maximum estimated amount thereof.

3 10. Valuation of Assets. As soon as possible after the Effective Date, but in no
4 event later than ninety (90) days thereafter, the Creditors' Trust Trustee shall make a good
5 faith valuation of the Recovery Rights, subject to the approval of the Debtors, which shall
6 not be unreasonably withheld, and apprise, in writing, Creditors that hold Class 3 Claims
7 that are Allowed by the Effective Date of the value of the Recovery Rights transferred to the
8 Creditors' Trust. The valuation shall be used consistently by all parties (including the
9 Reorganized Debtors, the Creditors' Trust Trustee and the Creditors that hold such Allowed
10 Class 3 Claims) for all federal income tax purposes.

11 11. Reporting Duties. The Creditors' Trust Trustee shall file returns for the
12 Creditors' Trust (other than with respect to assets and related income and expenses
13 attributable to the Disputed Claims Reserve) as a grantor trust pursuant to Treasury
14 Regulation section 1.671-4(a). The Creditors' Trust Trustee shall also annually send to each
15 holder of an Allowed Claim a separate statement setting forth the holder's share of items of
16 income, gain, loss, deduction, or credit and will instruct all such holders to report such items
17 on their federal income tax returns. The Creditors' Trust's taxable income will be allocated
18 Pro Rata among the Disputed and Allowed Claims in Class 3. The Creditors' Trust Trustee
19 shall (a) treat any Creditors' Trust assets allocable to, or retained on account of, Disputed
20 Claims as held by one or more discrete funds for federal income tax purposes (the "Disputed
21 Claims Reserve"), consisting of separate and independent shares to be established in respect
22 of each Disputed Claim, in accordance with Treasury Regulations section 1.468B-9, (b) treat
23 as taxable income or loss of the Disputed Claims Reserve, with respect to any given taxable
24 year, the portion of the taxable income or loss of the Creditors' Trust that would have been
25 allocated to the holders of Disputed Claims (determined as of such date during the taxable
26 year as the Creditors' Trust Trustee shall reasonably determine) had such Claims been
27 Allowed on the Effective Date (but only for the portion of the taxable year with respect to
28 which such Claims are unresolved), (c) upon a distribution of property from the Disputed

1 Claims Reserve or a reallocation of property from the Disputed Claims Reserve to an
2 Allowed Claim, under Sections 7.5 and 7.6 of the Creditors' Trust Agreement, treat income
3 subsequently earned by such property as no longer subject to income taxes imposed with
4 respect to the Disputed Claims Reserve, and (d) to the extent permitted by applicable law,
5 report consistently with the foregoing for state and local income tax purposes. All holders of
6 Class 3 Claims shall report, for tax purposes, consistently with the foregoing. In addition,
7 the Creditors' Trust Trustee shall file (or cause to be filed) any other statements, returns, or
8 disclosures relating to the Creditors' Trust that are required by any Governmental Unit.

9 12. Termination. The Creditors' Trust shall terminate upon the liquidation of all
10 its assets and the distribution of the proceeds thereof to the holders of Allowed Claims in
11 Class 3 as set forth above, which date shall be no later than January 31, 2026 (the
12 "Termination Date"); provided, however, that if in the reasonable determination of the
13 Creditors' Trust Trustee, in light of existing facts and circumstances, such liquidation of all
14 assets and distribution of the proceeds thereof will not be completed prior to the
15 Termination Date, then the Trustee shall extend the Termination Date for an additional
16 period of up to three (3) years (an "Extension Period"), subject to the approval of the
17 Bankruptcy Court, which must be obtained at least six (6) months before the upcoming
18 Termination Date, in conjunction with the Bankruptcy Court's finding that the Extension
19 Period is necessary to the liquidating purpose of the Creditors' Trust.

20 G. Issuance of Interests in the Creditors' Trust

21 On the Effective Date, or as soon thereafter as reasonably practicable, the Creditors'
22 Trust will issue Interests in the Creditors' Trust on account of Allowed Claims in Class 3.
23 The Interests in the Creditors' Trust issued pursuant to this provision shall be exempt from
24 the registration requirements of the Securities Exchange Act of 1933, as amended (the
25 "Securities Act"), and any State or local law requiring registration or qualification for the
26 offer or sale of a security, pursuant to section 1145(a) of the Bankruptcy Code.

27 1. Exemption from Registrations and Resale Issues. If Interests in the Creditors'
28 Trust are issued under the Plan, then on and after the Effective Date, the Interests in the

1 Creditors' Trust will not be required to be registered under the registration requirements of
2 the Securities Act, or registered or qualified under any applicable state and local securities
3 laws by virtue of section 1145 of the Bankruptcy Code. The Interests in the Creditors' Trust
4 shall not be subject to any statutory restrictions on transferability and, subject to the
5 restrictions set forth in the Creditors' Trust Agreement, may be resold by any holder
6 without registration under the Securities Act or other federal securities laws pursuant to the
7 exemption provided by section 4(1) of the Securities Act, unless the holder is an
8 "underwriter" with respect to such securities, as that term is defined in section 1145(b) of
9 the Bankruptcy Code. Entities who believe they may be "underwriters" under the definition
10 contained in section 1145 of the Bankruptcy Code are advised to consult their own counsel
11 with respect to the availability of the exemption provided by section 1145 of the Bankruptcy
12 Code.

13 2. Reporting Obligations. The Creditors' Trust may, under certain
14 circumstances, be required to register or otherwise report under the Securities Exchange
15 Act of 1934, as amended (the "Exchange Act"), and accordingly be required to file with the
16 SEC and send to the holders of Interests in the Creditors' Trust certain periodic reports and
17 other information pursuant to the Exchange Act. It is anticipated that the Creditors' Trust
18 will not be required to register or report under the Exchange Act.

19 H. ~~G.~~ The Cash Flow Note and the Secondary Note

20 The Cash Flow Note and the Secondary Note (both of which are Term SheetPlan
21 Documents) are attached hereto and incorporated herein. Other than the Recovery Rights, the
22 Cash Flow Note, the Secondary Note and, as applicable, the other Term SheetPlan Documents,
23 are the only sources of recovery for the Unsecured Creditors in Class 3.

24 I. ~~H.~~ The Creditors' Trust Lien

25 The Cash Flow Note shall be secured by a perfected lien in and to the Collateral in favor
26 of the Creditors' Trust, subject to the terms and conditions of the Term SheetPlan Documents.

1 **J. I- The Negative Pledge and Written Instructions**

2 The Reorganized Debtors shall grant to the Creditors' Trust the Negative Pledge and
3 execute and deliver to the Portfolio Entities and the Intermediate Entities the Written Instructions
4 as ~~permitted pursuant to~~required by the ~~Term Sheet~~Plan Documents.

5 **K. J- Dispute Resolution Procedure**

6 1. Matters to be Resolved through the Dispute Resolution Procedure. The Debtors
7 and the Committee have agreed to use the Dispute Resolution Procedures ~~to~~with respect to any
8 determination or other issues with respect to the Plan Documents and/or to address or
9 resolve any disputes arising between the Debtors and the Committee or the Reorganized Debtors
10 and the Creditors' Trust in connection with the terms or implementation of the ~~Term Sheet, the~~
11 ~~Term Sheet~~Plan Documents, and the Plan, including but not limited to the following matters:

- 12 • any dispute concerning the terms or interpretation of the ~~Term Sheet~~Plan
13 Documents,
- 14 • any dispute relating to a default under the Plan or the ~~Term Sheet~~Plan
15 Documents;
- 16 • any dispute concerning expenses in excess of the Control Assets Budget;
17 and
- 18 • any issue relating to the definition , determination and/or calculation of
19 Gross Available Cash Flow not otherwise addressed, Priority Payments,
20 Available Cash Flow as more fully set forth in the Plan ~~or the Term~~
21 ~~Sheet~~ Documents.

22 The Dispute Resolution Procedure shall be subject to Section 20 of the Security
23 Agreement. Notwithstanding the foregoing, and until all disputed claims, if any, under the
24 Creditors' Trust Agreement have been fully resolved as provided therein, the Dispute
25 Resolution Procedure shall not apply to any dispute regarding whether the Creditors' Trust
26 has been overpaid by the Disbursing Agent, which shall instead be under the jurisdiction of
27 the Bankruptcy Court.

28 2. Dispute Resolution Procedures. The following procedures shall govern:

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- The complaining party shall provide written notice of the dispute to the opposing party and allow the opposing party seven (7) calendar days to respond and cure any alleged default. Notice shall be presumed to occur upon transmission of said notice by expedited means (email, facsimile or overnight mail).
- If the dispute is not resolved within seven (7) calendar days, or if the opposing party contests in good faith the assertion that they are in default, the opposing party shall provide written notice to the Mediator of the dispute.
- The parties and the Mediator shall mutually agree on a date for a mediation, which shall occur promptly following receipt of the opposing party's written notice to the Mediator of the dispute, as soon thereafter as practicable based on the Mediator's availability.
- Each party will prepare a list of individuals to attend the mediation and a one-page summary summarizing the dispute to submit to the Mediator no later than three (3) Business Days prior to the mediation.
- Each party may, but is not obligated to, prepare a mediation brief in support of its position. Absent mutual agreement, briefs may not exceed five (5) pages in length. Briefs shall be submitted to the Mediator no later than three (3) Business Days prior to the mediation. If briefs are prepared, they shall be exchanged at the mediation.
- The Mediator shall attempt to resolve the dispute through mediation.
- If the parties fail to resolve the dispute through the mediation, the parties may submit a reply to the mediation briefs exchanged at the mediation. Absent mutual agreement, such reply briefs may not exceed five (5) pages in length. Such reply briefs should be submitted to the Mediator no later than ten (10) calendar days after the mediation.

- 1 • The Mediator shall then resolve the dispute without further input from the
- 2 disputing parties, provided, however, that the Mediator may, at his/her
- 3 discretion, request that the parties provide additional information or conduct
- 4 further mediations.
- 5 • The decision of the Mediator shall be a final, binding resolution on all
- 6 parties.

7 3. Defaults by the Reorganized Debtors. Except with respect to certain specified
8 events as set forth in the Security Agreement, to which the Dispute Resolution Procedure is not a
9 prerequisite for a determination that an Event of Default has occurred, and subject to the terms and
10 conditions of the ~~Term Sheet~~Plan Documents, to the extent that the Reorganized Debtors contest
11 that they are in default under the Plan or the ~~Term Sheet~~Plan Documents, the Reorganized
12 Debtors shall not be deemed to be in default unless and until the Reorganized Debtors are found to
13 be in default by the Mediator, after utilization of the Dispute Resolution Procedure. After a
14 determination by the Mediator that the Reorganized Debtors are in default, depending on the
15 specific type of default, the Reorganized Debtors shall have either seven (7) or thirty (30) calendar
16 days to cure such default. Depending on the Event of Default in question, the remedies available
17 to the Creditors' Trust Trustee range from preventing the Reorganized Debtors from receiving
18 their distributions, to seeking disgorgement and recovery from Reorganized Debtors of any
19 proceeds received, to offsetting any amounts otherwise owed to the Reorganized Debtors by
20 the amount of any obligations owed to the Creditors' Trust under the Plan Documents, to
21 acceleration of the Cash Flow Note and Secondary Note, to the appointment of a replacement
22 Disbursing Agent and/or receiver (solely for the Collateral), as applicable.

23 4. Attorneys' Fees. The prevailing party to a dispute resolved under the Dispute
24 Resolution Procedures is entitled to recover reasonable attorneys' fees incurred in connection with
25 the resolution of such dispute.

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1 **ARTICLE VIII**

2 **POST-CONFIRMATION OBJECTIONS; ESTIMATION OF CLAIMS**

3 The Reorganized Debtors and the Creditors' Trust Trustee (with respect to General
4 Unsecured Claims) shall have the right and standing to (i) object to and contest the allowance of
5 any Disputed Claim by means of objections to Claims, and (ii) compromise and settle such
6 objections to Disputed Claims. The Reorganized Debtors and the Creditors' Trust Trustee may
7 litigate to Final Order objections to Disputed Claims.

8 All objections to Claims shall be filed with the Court and served upon the holders of such
9 Claims no later than the Claim Objection Deadline, except as extended by an agreement between
10 the claimant and the Reorganized Debtors and/or the Creditors' Trust Trustee, or by order of the
11 Court upon a motion filed prior to the Claim Objection Deadline, with notice of such motion to be
12 served upon the Office of the United States Trustee and those holders of Disputed Claims to which
13 the objection is made.

14 On the Effective Date, without further action, the Creditors' Trust Trustee shall be
15 substituted in as the real party in interest for the Debtors and/or the Committee in any and all
16 objections to General Unsecured Claims filed prior to the Effective Date. The Creditors' Trust
17 Trustee shall have the authority, in accordance with the Plan, the Confirmation Order, and the
18 Creditors' Trust, to settle and/or prosecute all objections to General Unsecured Claims.

19 If an objection has not been filed to a proof of claim that relates to a Disputed Claim by the
20 Claim Objection Deadline, the Claim to which the proof of claim relates shall be treated as an
21 Allowed Claim for purposes of distribution under the Plan.

22 The Reorganized Debtors or the Creditors' Trust Trustee (with respect to General
23 Unsecured Claims) may at any time, request that the Court estimate any Disputed Claim pursuant
24 to section 502(c) of the Bankruptcy Code regardless of whether the Debtors, the Reorganized
25 Debtors or the Creditors' Trust Trustee have previously objected to such Claim. The Court will
26 retain jurisdiction to estimate any Claim at any time, including during proceedings concerning any
27 objection to such Claim. In the event that the Court estimates any Disputed Claim, such estimated
28 amount may constitute either (a) the Allowed amount of such Claim, (b) the amount on which a

1 reserve is to be calculated for purposes of any reserve requirement to the Plan, or (c) a maximum
2 limitation on such Claim, as determined by the Court. If the estimated amount constitutes a
3 maximum limitation on such Claim, the Debtors, the Reorganized Debtors or the Creditors' Trust
4 Trustee as the case may be, may elect to object to ultimate payment of such Claim. All of the
5 aforementioned Claims objection, estimation and resolution procedures are cumulative and not
6 necessarily exclusive of one another.

7 **ARTICLE IX**

8 **EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

9 **A. Executory Contracts and Unexpired Leases to be Assumed**

10 All executory contracts and unexpired leases of the Debtors set forth in Exhibit "2B"
11 hereto shall be assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy
12 Code. Such assumed executory contracts and unexpired leases shall, as of the Effective Date, vest
13 in the corresponding Reorganized Debtor. The Debtors reserve the right to remove any of the
14 contracts or leases specified in Exhibit "2B" from the list of assumed contracts and leases, in their
15 discretion, thereby causing the rejection of such contract or lease pursuant to section IX.C of the
16 Plan, by filing a written election prior to the Confirmation Hearing and serving such election on
17 the parties to such contract or lease.

18 **B. Cure Amounts**

19 Amounts due under section 365(b)(1)(A) of the Bankruptcy Code with respect to any
20 executory contract or unexpired lease assumed pursuant to section IX.A hereof shall be paid by the
21 Reorganized Debtors in full, in Cash, on the Effective Date (except for amounts due under any
22 contracts and leases that were assumed by the Debtors prior to the Confirmation Date, which
23 amounts shall be paid in accordance with the Court's order(s) authorizing such assumption -- any
24 unpaid obligations to cure arrearages under such contracts or leases over time shall become
25 obligations of the Reorganized Debtors if they have not otherwise been paid or assigned to a third
26 party prior to the Effective Date); provided, however, that as to any disputed portion of such cure
27 amounts, payment shall be made on or as soon as practicable after such disputed portion is
28 resolved by Final Order.

1 **C. Rejection of All Other Executory Contracts**

2 All executory contracts and unexpired leases of the Debtors other than those described in
3 section IX.A hereof are deemed rejected pursuant to the Plan and the Confirmation Order.

4 **D. No Effect on Insurance**

5 To the extent possible, and without impacting the existing coverage under the Insurance
6 Policies, the rejection of executory contracts shall not apply to, and shall have no effect upon, the
7 Insurance Policies.

8 **E. Pension Plan**

9 Cameo maintains a single-employer defined benefit pension plan for the benefit of its
10 employees, namely the Cameo Homes Defined Benefit Pension Plan (the "Pension Plan"). The
11 Pension Plan is covered by the pension plan termination insurance program administered by the
12 Pension Benefit Guaranty Corporation ("PBGC") under Title IV of the Employee Retirement
13 Income Security Act of 1974, as amended ("ERISA"), 29 U.S.C. §§ 1301-1461 (2006).

14 Cameo and all members of its controlled group are obligated to pay the contributions
15 necessary to satisfy the minimum funding standards under section 412 of the Internal Revenue
16 Code ("IRC") and section 302 of ERISA. 26 U.S.C. § 412(c)(11), 29 U.S.C. § 1082(c)(11).

17 The Pension Plan may be terminated only if the statutory requirements of either ERISA
18 section 4041, 29 U.S.C. § 1341 or ERISA section 4042, 29 U.S.C. § 1342, are met. In the event of
19 a termination of the Pension Plan, Cameo and all members of its controlled group are jointly and
20 severally liable for the unfunded benefit liabilities of the Pension Plan. See 29 U.S.C. § 1362(a).
21 Cameo and all members of its controlled group are also jointly and severally liable to PBGC for
22 all unpaid premium obligations owed by Cameo on account of the Pension Plan. See 29 U.S.C. §
23 1307.

24 PBGC has filed an estimated contingent claim of \$56,474 in the Cases against each Debtor
25 for unfunded benefit liabilities owed to the Pension Plan. PBGC has also filed an unliquidated
26 claim for statutory premiums owed to PBGC and an estimated claim in the amount of \$145,158
27 for minimum funding contributions owed to the Pension Plan.
28

1 Pursuant to the Plan, it is Cameo's intention to complete a standard termination of the
2 Pension Plan pursuant to 29 U.S.C § 1341. If Cameo is unable to complete a standard termination
3 prior to emergence from bankruptcy, the Debtors shall assume and continue the Pension Plan,
4 satisfy the minimum funding standards pursuant to 26 U.S.C §§ 412, 430, and 29 U.S.C. § 1082,
5 and administer the Pension Plan in accordance with the provisions of ERISA. To the extent that
6 Cameo is unable to terminate the Pension Plan, any payments made to the Pension Plan on behalf
7 of Gianulias shall not be paid from Available Cash Flow.

8 Nothing in the Plan shall be construed as discharging, releasing or relieving the Debtors or
9 the Debtors' successors, including the Reorganized Debtors, or any party, in any capacity, from
10 any liability imposed under any law or regulatory provision with respect to the Pension Plan or
11 PBGC. The PBGC and the Pension Plan shall not be enjoined or precluded from seeking to
12 enforce such liability as a result of any provision of the Plan or the Confirmation Order.

13 ARTICLE X

14 CONDITIONS TO CONSUMMATION

15 A. Conditions to Consummation

16 The following are conditions precedent to the occurrence of the Effective Date, each of
17 which must be (a) satisfied, or (b) waived by the Debtors and the Committee:

- 18 1. The Confirmation Order, entered in a form reasonably acceptable to the Debtors
19 and the Committee, must have become a Final Order;
- 20 2. No request for revocation of the Confirmation Order under section 1144 of the
21 Bankruptcy Code shall have been made, or, if made, shall remain pending; and
- 22 3. All actions, documents and agreements necessary to implement the Plan shall have
23 been effectuated or executed.

24 B. Waiver of Conditions

25 Each of the conditions set forth above may be waived in whole or in part by the Debtors
26 and the Committee in their sole and absolute discretion, without any notice to parties in interests
27 or the Bankruptcy Court, and without a hearing. The Debtors' waiver of any one condition shall
28 not be deemed a waiver of any other condition.

1 ARTICLE XI

2 EFFECT OF CONFIRMATION

3 A. **Jurisdiction of Bankruptcy Court**

4 ~~Until the Effective Date, the~~The Bankruptcy Court shall retain, from and after the
5 Effective Date, jurisdiction over the Debtors, their assets and their Estates. ~~Thereafter,~~
6 ~~jurisdiction of the Bankruptcy Court over the Debtors, their assets and their Estates shall be~~
7 ~~limited to the subject matters as~~ set forth in Article XII of this Plan, except as otherwise
8 provided in the Plan Documents. As set forth in the Plan Documents, following the Effective
9 Date, the Mediator shall have authority to make any determination and/or resolve any
10 disputes arising between the Debtors and the Committee or the Reorganized Debtors and the
11 Creditors' Trust through the Dispute Resolution Procedure pursuant to the terms and
12 conditions set forth herein and in the Plan Documents.

13 B. **Binding Effect**

14 Except as otherwise provided in section 1141(d) of the Bankruptcy Code, on and after the
15 Confirmation Date, the provisions of this Plan shall bind any holder of a Claim against or Interest
16 in the Debtors and such holder's respective successors and assigns, whether or not the Claim or
17 Interest of such holder is impaired under the Plan and whether or not such holder has accepted the
18 Plan.

19 C. **Exculpation**

20 **The Committee (solely with respect to its conduct as a committee and not with respect**
21 **to the actions of its members as individual creditors), or any of its respective present**
22 **members and their representatives, Professionals, advisors, attorneys, financial advisors,**
23 **investment bankers or agents (solely with respect to each member's conduct in furtherance**
24 **of its, his, or her duties as a member of the Committee, and not with respect to the actions of**
25 **such members as individual creditors), the Debtors and their representatives, Professionals,**
26 **advisors, attorneys, investment bankers, officers, directors or agents, and the Financial**
27 **Advisors shall neither have nor incur, and are hereby released from, any Claim, obligation,**
28 **cause of action or liability to one another or to any holder of a Claim or an Interest, or any**

1 other party in interest, or any of its members, representatives, advisors, attorneys, financial
2 advisors, investment bankers, agents, or affiliates, or any of its successors or assigns, for any
3 act or omission in connection with, relating to, or arising out of, these Cases, the pursuit of
4 Confirmation of the Plan, the consummation of this Plan, or the administration of this Plan
5 or the property to be distributed under the Plan, except for (i) claims which arise or relate to
6 actions or omissions occurring prepetition, and (ii) willful misconduct or gross negligence at
7 any time. In all respects the Committee and/or the Debtors shall be entitled to reasonably
8 rely upon the advice of counsel with respect to their duties and responsibilities under the
9 Plan.

10 **D. Waiver of Rights Under Section 1127(e) of the Bankruptcy Code**

11 In exchange for the consideration to be provided to the Creditors' Trust for the
12 benefit of holders of Allowed General Unsecured Claims under the Plan, the right of any
13 holder of a General Unsecured Claim to seek to modify the Plan pursuant to section 1127(e)
14 of the Bankruptcy Code is waived.

15 **ARTICLE XII**

16 **JURISDICTION**

17 **A. Retention of Jurisdiction**

18 Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective
19 Date, the Court shall retain, after the Effective Date, exclusive jurisdiction of all matters arising
20 out of, arising in or related to, these Cases to the fullest extent permitted by applicable law,
21 except with respect to those matters which shall be resolved through the Dispute Resolution
22 Procedure, to the fullest extent permitted by applicable law. As set forth in the Plan
23 Documents, following the Effective Date, the Mediator shall have authority to make any
24 determination and/or resolve any disputes arising between the Debtors and the Committee
25 or the Reorganized Debtors and the Creditors' Trust through the Dispute Resolution
26 Procedure pursuant to the terms and conditions set forth herein and in the Plan Documents.
27 Without limiting the foregoing, this Court shall retain jurisdiction over all other matters
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1 arising out of, arising in or related to, these Cases, including, without limitation, jurisdiction
2 toas follows:

3 1. Allowance of Claims or Interests

4 The Court shall retain jurisdiction to allowed, disallow, determine, liquidate, classify,
5 estimate or establish the priority or secured or unsecured status of any Claim or Interest (whether
6 filed before or after the Effective Date and whether or not contingent, disputed or unliquidated),
7 including the compromise, settlement and resolution of any request for payment of any
8 Administrative Claim or Priority Claim, the resolution of any objections to the allowance or
9 priority of Claims or Interests and the resolution of any dispute as to the treatment necessary to
10 reinstate a Claim pursuant to this Plan, and to hear and determine any other issue presented hereby
11 or arising hereunder, including during the pendency of any appeal relating to any objection to such
12 Claim or Interest (to the extent permitted under applicable law).

13 2. Executory Contract Proceedings

14 The Court shall retain jurisdiction to act with respect to proceedings regarding the rejection
15 of any executory contract or unexpired lease of a Debtor pursuant to sections 365 and 1123 of the
16 Bankruptcy Code and Article IX of this Plan, and to determine the allowance and proper
17 classification of any Claims arising from the resolution of any such proceedings.

18 3. Plan Interpretation

19 The Court shall retain jurisdiction to resolve controversies and disputes regarding the
20 interpretation of the Plan, the Confirmation Order, and the Creditors' Trust Agreement. The
21 Mediator shall have authority to resolve through the Dispute Resolution Procedure any
22 disputes arising in connection with the interpretation of the Plan Documents, other than a
23 dispute regarding whether the Creditors' Trust has been overpaid by the Disbursing Agent.

24 4. Plan Implementation

25 The Court shall retain jurisdiction to implement and enforce the provisions of the Plan, the
26 Confirmation Order, and the Creditors' Trust Agreement, and otherwise to enter orders in aid of
27 confirmation and implementation of the Plan, including, without limitation, appropriate orders to
28 protect the Creditors' Trust from any action or other proceeding that may be initiated by any

1 Creditor or Interest Holder. The Mediator shall have authority to resolve through the Dispute
2 Resolution Procedure any disputes arising in connection with the implementation of the Plan
3 Documents, other than a dispute regarding whether the Creditors' Trust has been overpaid
4 by the Disbursing Agent.

5 5. Plan Modification

6 The Court shall retain jurisdiction to modify the Plan pursuant to section 1127 of the
7 Bankruptcy Code and the applicable Bankruptcy Rules.

8 6. Adjudication of Controversies

9 The Court shall retain jurisdiction to adjudicate such contested matters and adversary
10 proceedings as may be pending or subsequently initiated in the Court including, but not limited to,
11 objections to Claims, or actions relating to taxes, brought by the Creditors' Trust. The same shall
12 not include, however, resolution of Portfolio Entity or Intermediate Entity disputes as
13 among members / partners or as to disputes between lenders and the Portfolio Entities or
14 Intermediate Entities unless consented to by the same.

15 7. Injunctive Relief

16 The Court shall retain jurisdiction to issue any injunction or other relief appropriate to
17 implement the intent of the Plan, and to enter such further orders enforcing any injunctions or
18 other relief issued under the Plan or pursuant to the Confirmation Order.

19 8. Correct Minor Defects

20 The Court shall retain jurisdiction to correct any defect, cure any omission or reconcile any
21 inconsistency or ambiguity in the Plan, the Confirmation Order or any document executed or to be
22 executed in connection therewith, including, without limitation, the Creditors' Trust Agreement,
23 as may be necessary to carry out the purposes and intent of the Plan, provided that the rights of
24 any holder of an Allowed Claim or Allowed Interest are not materially and adversely affected
25 thereby.

26 9. Post-Confirmation Orders Regarding Confirmation

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1 The Court shall retain jurisdiction to enter and implement such orders as may be
2 appropriate in the event the Confirmation Order is, for any reason, stayed, reversed, revoked,
3 modified or vacated.

4 10. Final Decree

5 The Court shall retain jurisdiction to enter a final decree closing any or all of the Cases.

6 **B. Failure of the Bankruptcy Court to Exercise Jurisdiction**

7 If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction over
8 any matter arising under, arising in or related to the Debtors' Estates, including with respect to the
9 matters set forth in this Article, this Article shall not prohibit or limit the exercise of jurisdiction
10 by any other court having competent jurisdiction with respect to such subject matter.

11 **ARTICLE XIII**

12 **MODIFICATION; MISCELLANEOUS**

13 **A. Binding Effect of Plan**

14 The provisions of this Plan and Confirmation Order shall be binding upon and inure to the
15 benefit of the Debtors, their Estates, any holder of any Claim or Interest treated herein or any
16 Person named or referred to in this Plan, and each of their respective heirs, executors,
17 administrators, representatives, predecessors, successors, assigns, agents, officers and directors,
18 and, as to the binding effect, to the fullest extent permitted under the Bankruptcy Code and other
19 applicable law, each other Person affected by this Plan and the Confirmation Order.

20 **B. Withdrawal of this Plan**

21 The Debtors reserve the right, at any time prior to the substantial consummation (as that
22 term is defined in section 1101(2) of the Bankruptcy Code) of this Plan, to revoke or withdraw this
23 Plan. If this Plan is revoked or withdrawn or if the Confirmation Date does not occur, this Plan
24 shall be null and void and have no force and effect. In such event, nothing contained herein shall
25 be deemed to constitute a waiver or release of any claims or interests by or against the Debtors or
26 any other Person, constitute an admission of any fact or legal conclusion by the Debtors or any
27 other Person or to prejudice in any manner the rights of the Debtors or any Person in any further
28 proceeding involving the Debtors.

1 **C. Plan Modification**

2 The Debtors may alter, amend, or modify this Plan under section 1127 of the Bankruptcy
3 Code or as otherwise permitted at any time before the Confirmation Date. After the Confirmation
4 Date and before the substantial consummation of this Plan, and in accordance with the provisions
5 of section 1127(b) of the Bankruptcy Code and the Bankruptcy Rules, the Debtors and any party
6 in interest may, so long as the treatment of holders of Claims under this Plan is not adversely
7 affected, institute proceedings in the Bankruptcy Court to remedy any defect or omission or to
8 reconcile any inconsistencies in this Plan, the Disclosure Statement or the Confirmation Order and
9 any other matters as may be necessary to carry out the purposes and effects of this Plan. However,
10 prior notice of such proceedings shall be served in accordance with Bankruptcy Rule 2002.

11 In exchange for the consideration to be provided to the Creditors' Trust for the benefit of
12 holders of Allowed General Unsecured Claims under the Plan, the right of any holder of a General
13 Unsecured Claim to seek to modify the Plan pursuant to section 1127(e) of the Bankruptcy Code
14 is waived.

15 **D. Inconsistency**

16 To the extent there is an inconsistency or ambiguity between any term or provision
17 contained in the Disclosure Statement and the ~~Term Sheet~~Plan Documents, the ~~Term Sheet~~Plan
18 Documents shall control. To the extent there is an inconsistency or ambiguity between any term
19 or provision contained in the Disclosure Statement and the Plan, the Plan shall control. To the
20 extent there is an inconsistency or ambiguity between any term or provision contained in the
21 ~~Term Sheet~~Plan Documents and the Plan, the ~~Term Sheet Documents shall control.~~ Plan
22 Documents shall control; provided, however, that the provisions of section VII.K hereof shall
23 be incorporated into and made a part of the Dispute Resolution Procedure as set forth in
24 Section 9 of the Cash Flow Note and Section 20 of the Security Agreement. To the extent
25 there is an inconsistency or ambiguity between any term or provision contained in the Plan
26 Documents and the Term Sheet Agreement, the Plan Documents shall control.

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1 **E. Headings Do Not Control**

2 In interpreting the Plan, the headings of individual sections are provided for convenience
3 only, and are not intended to control over the text of any section.

4 **F. No Transfer Taxes**

5 Pursuant to section 1146(ea) of the Bankruptcy Code, no transfer or sale by the Debtors
6 that has occurred during the Cases shall be subject to any stamp tax, transfer tax or similar tax,
7 including any transfers to or from the Creditors' Trust.

8 **G. Taking Action**

9 After the Effective Date, to the extent the Plan requires an action by a Debtor, the action
10 may be taken only by the Creditors' Trust, acting through the Creditors' Trust Trustee, as
11 representative and on behalf of the Estates.

12 **H. Termination of Committee**

13 The Committee shall be dissolved as of the Effective Date, and the members of the
14 Committee shall be relieved of all of their responsibilities and duties in the Cases, and the
15 Committee shall have no further participation in the Cases.

16 **I. Limitation of Liability**

17 Neither the Debtors, the Committee, the Creditors' Trust, nor any of their respective
18 officers, directors, employees, trustees, members, or agents, nor any Professionals employed by
19 one or more of them, shall have or incur any liability to any person for any act taken or omission
20 made in good faith in connection with or related to: (a) the business judgment of the Debtors and
21 any affiliated or subsidiary entities, including, but not limited to, the filing of these Cases; (b) the
22 business judgment of the Committee; and (c) the post-Petition Date administration of these Cases,
23 including, but not limited to, the formulation, implementation, confirmation, or consummation of
24 the Plan, the Disclosure Statement, the business operations of the Debtors, the duties and
25 obligations of the Committee, liquidation of the Debtors' assets, the negotiation and
26 implementation of any settlement agreement or any security contract, instrument, release, or other
27 agreement or document created in connection with the Plan, or regarding any distributions made
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1 pursuant to the Plan, other than a claim based, in whole or in part, upon a breach of a written
2 contract.

3 **J. United States Trustee's Fees**

4 Transfers from the Debtors' Estates to the Creditors' Trust pursuant to the Plan or the
5 ~~Settlement Agreement~~ Plan Documents shall be treated as disbursements pursuant to 28 U.S.C. §
6 1930(a)(6) and shall be paid by the Debtors or the Reorganized Debtors. Distributions from the
7 Creditors' Trust pursuant to the Plan or the Creditors' Trust Agreement shall not be treated as
8 disbursements pursuant to 28 U.S.C. § 1930(a)(6).

9 **K. Governing Law**

10 Except to the extent that the Bankruptcy Code or Bankruptcy Rules or other federal laws
11 are applicable, and subject to the provisions of any other agreement or document entered into in
12 connection with this Plan, the construction, implementation and enforcement of this Plan and all
13 rights and obligations arising under the Plan shall be governed by, and construed and enforced in
14 accordance with, the laws of the State of California, without giving effect to conflicts of law
15 principles which would apply the law of a jurisdiction other than the state of California or the
16 United States of America.

17 **L. Notice**

18 Any notice required or permitted to be provided under this Plan shall be in writing
19 and served by either (a) certified mail, return receipt requested, postage prepaid, (b) hand delivery,
20 or (c) reputable overnight delivery service, freight prepaid, to be addressed as follows:

21 To the Debtors: William Lobel
22 The Lobel Firm, LLP
23 840 Newport Center Drive, Suite 750
Newport Beach, California 92660

24 Alan J. Friedman
25 Irell & Manella LLP
840 Newport Center Drive, Suite 400
Newport Beach, California 92660

26 To the Committee: Victor A. Sahn
27 Elissa D. Miller
SulmeyerKupetz
28 333 South Hope Street, 35th Floor
Los Angeles, California 90071

1 To the United States Trustee: Michael Hauser
2 The Office of the United States Trustee
3 411 West Fourth Street, Suite 9041
4 Santa Ana, California 92701

5 **M. Filing of Additional Documents**

6 On or before substantial consummation of this Plan, the Debtors shall issue,
7 execute, deliver, and file with the Bankruptcy Court or record any agreements and other
8 documents, and take any action as may be necessary or appropriate to effectuate, consummate and
9 further evidence the terms and conditions of this Plan, including by making such supplemental
10 disclosures or notices as the Debtors deems useful.

11 **N. No Attorneys' Fees**

12 No attorneys' fees will be paid by the Debtors or the Creditors' Trust Trustee with respect
13 to any Claim or Interest, except as expressly specified herein or allowed by a Final Order of the
14 Bankruptcy Court.

15 **O. Successors and Assigns**

16 The rights, benefits and obligations of any Person named or referred to in this Plan shall be
17 binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign
18 of such Person.

19 **P. Preservation of Rights of Setoff**

20 The Creditors' Trust Trustee may, but shall not be required to, setoff against any Claim,
21 and the payments or other distributions to be made pursuant to this Plan in respect of such Claim,
22 claims of any nature whatsoever that the Debtors may have against the holder of such Claims; but
23 neither the failure to do so nor the Allowance of any Claim hereunder shall constitute a waiver or
24 release by the Debtors of any such claim that the Debtors may have against such holder.

25 **Q. Defenses with Respect to Claims**

26 Except as otherwise provided in this Plan, nothing shall affect the rights and legal and
27 equitable defenses of this Creditors' Trust Trustee or the Debtors with respect to any Claims,
28 including all rights in respect of legal and equitable defenses to setoffs or recoupments against
Claims.

1 **R. No Injunctive Relief**

2 No Claim or Interest shall under any circumstances be entitled to specific performance of
3 other injunctive, equitable, or other prospective relief.

4 **S. No Admissions**

5 Notwithstanding anything herein to the contrary, nothing contained in this Plan shall be
6 deemed an admission by the Debtors with respect to any matter set forth herein, including, without
7 limitation, liability on any Claim or Interest or the propriety of any classification of any Claim or
8 Interest.

9 **T. Allocation of Plan Payments to Principal and Interest**

10 Distributions under the Plan in respect of Allowed Claims will be allocated first to the
11 stated principal amount of such Claims, with any excess allocated to interest that accrued but was
12 unpaid while the Claim was held by the Creditor, if applicable.

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ARTICLE XIV
CONFIRMATION REQUEST

The Debtors request that the Bankruptcy Court confirm this Plan under the cramdown provisions of section 1129(b) of the Bankruptcy Code with respect to any Class presumed to have rejected the Plan and/or any Class that does not vote to accept the Plan, on the basis that this Plan is fair and equitable, and does not discriminate unfairly, with respect to each Class of Claim and Interests that is impaired under, and has not accepted, this Plan.

Dated: ~~February 22,~~ May 12, 2010

James C. Gianulias

Cameo Homes
By: James C. Gianulias
Its: Chairman

1 **Presented by:**

2

3 /s/ Alan J. Friedman

William N. Lobel

4 Mike D. Neue

THE LOBEL FIRM, LLP

5

6 Attorneys for Debtors and

Debtors-in-Possession

7

-and-

8

Alan J. Friedman

9 **Kerri A. Lyman**

IRELL & MANELLA LLP

10

11 Attorneys for Debtors and

Debtors-in-Possession

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EXHIBITS TO PLAN

- A - Creditors' Trust Agreement
- ~~B - The Binding Term Sheet~~
- B - Schedule of executory contracts to be assumed**
- C - The Secured Promissory Note
- D - The Secondary Note
- E - The Security Agreement
- F - The Disbursing Agent Agreement
- G - The Negative Pledge
- H - The Written Instructions
- ~~I - Schedule of executory contracts to be assumed~~

In re: James C. Gianulias and Cameo Homes	Debtor(s).	CHAPTER 11. CASE NUMBER 8:08-bk-13150-RK
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This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

In re: James C. Gianulias and Cameo Homes	Debtor(s).	CHAPTER 11 CASE NUMBER 8:08-bk-13150-RK
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