

1 **J. Class 3 ~ General Unsecured Claims**

2 Class 3 consists of all Allowed Claims against the Debtors (including Claims arising from  
3 the rejection of executory contracts and/or unexpired leases) other than: (a) Administrative  
4 Claims; (b) Priority Tax Claims; and (c) Claims included within any other Class designated in the  
5 Plan. Class 3 shall be deemed to include those Creditor(s) holding an alleged Secured Claim  
6 against the Debtors for which: (i) no collateral exists to secure the alleged Secured Claim; and/or  
7 (ii) liens, security interests, or other encumbrances that are senior in priority to the alleged Secured  
8 Claim exceed the fair market value of the collateral securing such alleged Secured Claim as of the  
9 Petition Date.

10 Due to the substantive consolidation of the Estates resulting from the Consolidation Order,  
11 the Creditors' Trust shall, subject to the terms and conditions of the Creditors' Trust Agreement,  
12 including, without limitation, after consideration of applicable reserves established by the  
13 Creditors' Trust Trustee pursuant to the terms and conditions thereof, make periodic Pro Rata  
14 distributions of Cash to Creditors holding Allowed Claims in Class 3 against the Debtors, except  
15 that Cash previously allocated to the Disputed Claims Reserve shall be distributed net of the  
16 income taxes owed with respect to the earnings of assets allocated to the Disputed Claims  
17 Reserve. See Section VII.F.9 hereof. In no event, however, will a Creditor receive an amount in  
18 excess of such Creditor's Allowed Claim in Class 3.

19 The proceeds from the Recovery Rights and the payments to be made by or on behalf of  
20 the Reorganized Debtors to the Creditors' Trust pursuant to the Cash Flow Note and the  
21 Secondary Note shall be the sole sources of distributions to holders of Allowed Claims in Class 3.  
22 Except to the extent that Cash previously allocated to the Disputed Claims Reserve is used to pay  
23 taxes owed with respect to the Disputed Claims Reserve, each Creditor holding an Allowed Claim  
24 in Class 3 is entitled to a Pro Rata share of available Cash received by the Creditors' Trust. The  
25 amount to be paid to a Creditor holding an Allowed Claim in Class 3 may depend upon which of  
26 the following categories of Claims applies to a particular Creditor's Claim: (1) the Creditor's  
27 Allowed Claim is asserted solely against the estate of Gianulias; (2) the Creditor's Allowed Claim  
28 is asserted solely against the estate of Cameo; or (3) the Creditor has valid, non-duplicative

1 Allowed Claims against both the Gianulias and Cameo estates (for example, a Creditor with  
2 enforceable guarantees issued by both Debtors).<sup>1</sup> The Creditors' Trust Trustee will determine the  
3 appropriate distributions for Creditors holding Allowed Claims in each of the foregoing three  
4 categories of claims, and shall ensure that each distribution is not less than the amount such a  
5 Creditor would have received absent the substantive consolidation of the Debtors' estates. When  
6 determining the amount to distribute to Allowed Claims (and after consideration of applicable  
7 reserves, if any, as permitted pursuant to the Creditors' Trust Agreement), the Creditors' Trust  
8 Trustee shall first allocate a Pro Rata amount of available Cash to the Allowed Claims and the  
9 Disputed Claims, and then place amounts allocated to Disputed Claims in the Disputed Claims  
10 Reserve on behalf of such Disputed Claims, so that holders of Disputed Claims may receive their  
11 Pro Rata allocations, net of their share of the income taxes owed with respect to assets allocated to  
12 the Disputed Claims Reserve, if, to the extent and when their Claims are Allowed.

13 The Reorganized Debtors shall make payments to the Creditors' Trust Trustee from  
14 Available Cash Flow for the benefit of holders of Allowed Claims in Class 3 under and pursuant  
15 to the terms of the following notes:

- 16 • The Cash Flow Note, in the principal amount of \$42 million, subject to  
17 adjustment as set forth therein, bearing interest at a rate of 3.75% per  
18 annum, and with a maturity date of December 31, 2024, subject to the terms  
19 and conditions of the Plan Documents.
- 20 • The Secondary Note, in the principal amount of \$5 million, which shall not  
21 bear interest, and with a maturity date of December 31, 2025, subject to the  
22 terms and conditions of the Plan Documents.

23  
24  
25 <sup>1</sup> For avoidance of doubt, the following hypothetical illustrates how distributions to  
26 creditors with dual claims will be made under the Plan: Assume that a creditor has a claim against  
27 each of the Debtors for \$10 million [for example, based on each Debtor having guaranteed the  
28 single loan of \$10 million], and further assume that the aggregate claims pool against both Debtors  
is \$200 million. Said creditor has claims of \$20 million as against a claims pool of \$200 million,  
or ten percent (10%) of the claims pool. Consequently, said creditor will receive ten percent  
(10%) of each distribution made by the Creditors' Trust Trustee. Further, under the Plan, no Class  
3 Claim will be disallowed on the ground it is duplicative if the claim would not have been  
disallowed as duplicative if the Debtors' two cases had not been substantively consolidated.

1 The payments to be made to the Creditors' Trust by the Reorganized Debtors pursuant to  
2 the Cash Flow Note and the Secondary Note, and the proceeds of any recovery with respect to the  
3 Recovery Rights, shall be the sole sources of distributions to holders of Allowed Claims in Class  
4 3.

5 **Class 3 is impaired under the Plan.**

6 **K. Class 4 ~ Inter-Debtor Claims**

7 Class 4 consists of all Allowed Claims of any Debtor against the other Debtor.

8 Inter-Debtor Claims of Class 4 will continue to exist and will not be eliminated under the  
9 Plan. However, Allowed Inter-Debtor Claims shall be subordinated to all Allowed General  
10 Unsecured Claims and shall not receive any distribution under the Plan.

11 **Class 4 is impaired under the Plan.**

12 **L. Class 5 ~ Subordinated Claims**

13 Class 5 consists of all Allowed Subordinated Claims.

14 Holders of Allowed Subordinated Claims of Class 5 shall retain, unaltered, all legal,  
15 equitable and contractual rights to which the holder of such Claim is entitled.

16 **Class 5 is unimpaired under the Plan.**

17 **M. Class 6 ~ Interests**

18 Class 6 consists of all Interests.

19 Holders of Class 6 Interests in Cameo shall retain, unaltered, all legal, equitable and  
20 contractual rights to which the holder of such Interest is entitled. In addition, because Gianulias is  
21 an individual, he is the Interest Holder with respect to his Estate. As set forth in section VII.B of  
22 the Plan, title to all assets, properties, and business operations of Gianulias and his Estate,  
23 including his Interests in Cameo, shall revert in Gianulias as Reorganized Debtor.

24 **Class 6 is unimpaired under the Plan.**

25 **ARTICLE VI**

26 **ACCEPTANCE OR REJECTION OF THE PLAN**

27 Each holder of an Allowed Claim in an impaired Class of Claims that is entitled to vote on  
28 the Plan shall be entitled to vote separately to accept or reject the Plan as provided in such order as

1 is entered by the Bankruptcy Court establishing procedures with respect to the solicitation and  
2 tabulation of votes to accept or reject the Plan, or any other order or orders of the Bankruptcy  
3 Court. In the event no holder of an Allowed Claim in an impaired Class of Claims submits a  
4 Ballot accepting or rejecting the Plan, such Class of Claims shall be deemed to have voted to reject  
5 the Plan.

6 **A. Classes Entitled to Vote**

7 Classes 1C, 1E, 1G, 1H, 2, 5, and 6 are unimpaired Classes under the Plan and are  
8 conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy  
9 Code.

10 Classes 1A, 1B-1, 1B-2, 1B-3, 1D, 1F, 3 and 4 are impaired Classes under this Plan and  
11 are entitled to vote to accept or reject this Plan.

12 **B. Non-Consensual Confirmation**

13 If a Class fails to accept this Plan by the statutory majorities provided in section 1126(c) of  
14 the Bankruptcy Code, the Debtors reserve the right to request the Bankruptcy Court to confirm  
15 this Plan as to such rejecting Class.

16 **C. Elimination of Vacant Classes**

17 Any Class of Claims that does not have a holder of an Allowed Claim or a Claim  
18 temporarily allowed under Bankruptcy Rule 3018 as of the date of commencement of the  
19 Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept  
20 or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such  
21 Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

22 **ARTICLE VII**

23 **IMPLEMENTATION OF THE PLAN AND EXECUTION OF ITS TERMS**

24 **A. Implementation of Plan**

25 The Debtors propose to implement and consummate the Plan through the means  
26 contemplated by sections 1123(a)(5)(A), (B), (D), (E) and (G), 1123(a)(8), 1123(b)(1), (b)(2),  
27 (b)(3)(A) and (B), (b)(4) and (b)(5), and 1145(a) of the Bankruptcy Code.  
28

1 **B. The Reorganized Debtors and Revesting of Assets**

2 Except as otherwise set forth herein, or as modified by appropriate corporate action after  
3 the Effective Date, the corporate structure and equity ownership of Cameo by Gianulias shall be  
4 unchanged.

5 On the Effective Date, title to all assets, claims, causes of action, properties, and business  
6 operations of the Debtors and of the Estates shall revest in each respective Reorganized Debtor,  
7 and thereafter, the Reorganized Debtors shall own and retain such assets free and clear of all liens  
8 and Claims, except as expressly provided in the Plan. From and after the Effective Date, except as  
9 otherwise described in this Plan, the Reorganized Debtors shall own and operate such assets  
10 without further supervision by or jurisdiction of this Court, except as otherwise provided herein;  
11 provided, however, that the same shall be in accordance with the applicable loan documents for  
12 the Portfolio Entities and Intermediate Entities and the Governing Documents. From and after the  
13 Effective Date, in accordance with the terms of this Plan and the Confirmation Order, the  
14 Reorganized Debtors shall perform all obligations under all executory contracts and unexpired  
15 leases assumed in accordance with Article IX of the Plan.

16 **C. The Disbursing Agent**

17 Mesa Management shall serve as Disbursing Agent, without bond, for purposes of making  
18 transfers and payments under this Plan, except with respect to distributions to be made by the  
19 Creditors' Trust, for which the Creditors' Trust Trustee shall serve as the disbursing agent,  
20 without bond. Mesa Management, as a disbursing agent in connection with the Plan Documents,  
21 shall act subject to and in accordance with the terms and conditions of the Plan Documents, as  
22 applicable. Mesa Management can be replaced or removed as Disbursing Agent (but not as  
23 manager of the Portfolio Entities or Intermediate Entities, except in accordance with the applicable  
24 loan documents and Governing Documents) in accordance with the terms of the Plan Documents,  
25 and shall only be entitled to compensation or consideration from the Portfolio Entities or  
26 Intermediate Entities as specifically contemplated in the Plan and the Plan Documents.

**D. Management of the Reorganized Debtors**

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

1. Funding of the Reorganized Debtors. Subject to the terms and conditions of the Plan Documents, during the first two years following the Effective Date, the Reorganized Debtors shall receive \$1.8 million annually from the Cash distributed as Gross Available Cash Flow, from which they will fund post-Effective Date expenses and operations. The remaining funds representing Gross Available Cash Flows will be used first to pay other Priority Payments. The Priority Payments will be made in the following order of priority: (1) the following payments to ~~Robbins~~Marilyn Gianulias on account of, and in full satisfaction of her secured claim with respect to Debtors – (i) \$1,000,000 in the first year following the Effective Date (\$83,333.33 per month), (ii) \$1,200,000 in the second year following the Effective Date (\$100,000 per month), (iii) \$1,200,000 in the third year following the Effective Date (\$100,000 per month), (iv) \$1,200,000 in the fourth year following the Effective Date (\$100,000 per month), and (v) approximately \$1,593,563 in the fifth year following the Effective Date, representing the remaining balance owing to ~~Robbins~~Marilyn Gianulias in connection with her claim in the Cases (~~\$132,796.93 per month~~)approximately \$132,796.93 per month); provided, however, in the event that the remaining funds representing Gross Available Cash Flows for any month are not sufficient to pay the amount owed to Marilyn Gianulias for that month, any such shortfall shall be paid to Marilyn Gianulias from Gross Available Cash Flows for the following month before any payment is made to the Reorganized Debtors pursuant to the first sentence of this Section VII.D.1; (2) the payment of all Adjusted Income Taxes; ~~(3) the payment of \$1,800,000 per year in each of the first and second year following the Effective Date to Debtors (\$150,000 per month); and (4~~and (3) payment of all Allowed Administrative Claims, Allowed Gap Claims, Allowed Priority Claims, and Allowed Priority Tax Claims incurred in the Cases. To the extent any Gross Available Cash Flow remains following the foregoing payments, such Cash will be paid to the Creditors' Trust for the benefit of Allowed General Unsecured Claims.

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

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

16 2. Management of the Controlled Entities. The Debtors and the Committee will agree  
17 upon the Controlled Entities Budgets as of the Confirmation Date. Thereafter, so long as the  
18 aggregate expenses of the Controlled Entities in subsequent years are not more than 10% in excess  
19 of the prior year's expenses for the Controlled Entities, and subject to the terms and conditions of  
20 the Plan Documents, the Reorganized Debtors may continue to operate the Controlled Entities  
21 without obtaining any approvals from the Creditors' Trust Trustee. If the annual aggregate  
22 expenses of the Controlled Entities are more than 10% in excess of the prior year's actual  
23 aggregate expenses with respect to the Controlled Entities, subject to the terms and conditions of  
24 the Plan Documents, the Creditors' Trust Trustee and the Reorganized Debtors shall meet and  
25 confer regarding such additional expenses. If the Reorganized Debtors and the Creditors' Trust  
26 Trustee are unable to agree upon such additional expenses, the parties shall use the Dispute  
27 Resolution Procedure to resolve the dispute pursuant to the terms and conditions of the Plan  
28 Documents.

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

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

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

14     **F.     The Creditors' Trust**

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



1 Secondary Note, and the Recovery Rights allocable to Disputed General Unsecured Claims, the  
2 Debtors shall be treated as transferring or issuing such assets directly to the Disputed Claims  
3 Reserve.

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

12       3.     Payments to the Creditors' Trust by Reorganized Debtors. Payments of Available  
13 Cash Flow shall be made by the Reorganized Debtors to the Creditors' Trust in accordance with  
14 the terms of the Plan Documents and the Plan.

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

27 Notwithstanding anything to the contrary in this Plan, the Creditors' Trust Trustee is under no  
28 obligation to sell, exchange, transfer, or otherwise dispose of any asset or property of the

1 Creditors' Trust if the Creditors' Trust Trustee determines, in the exercise of his sole discretion,  
2 that such transaction is inconsistent with obtaining the full and fair value of such asset or property.

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

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

25 5. Reserve Accounts for Disputed Claims. Pursuant to the terms section VII.F.1,  
26 above, the Creditors' Trust Trustee shall allocate a portion of the Cash Flow Note, the Secondary  
27 Note, and the Recovery Rights to the Disputed Claims Reserve. Any proceeds received with  
28 respect to such portion, as well as any earnings of such proceeds, shall also be allocated to the

1 Disputed Claims Reserve. Its Cash shall be used to satisfy any expenses incurred in connection  
2 with the maintenance of the Disputed Claims Reserve, including taxes payable with respect to the  
3 Disputed Claims Reserve, if any, and repayment of any taxes paid on the income allocated to the  
4 Disputed Claims Reserve using Cash that was not allocated to the Disputed Claims Reserve. No  
5 distributions shall be made on account of any Disputed Claims unless and until such Claims  
6 become Allowed Claims (or such Claims are disallowed and fewer assets need to be held in the  
7 Disputed Claims Reserve), as provided in section VII.F.9(c) and (d) hereof.

8       6.     Reserve Accounts for Funding Expenses of the Creditors' Trust and In Connection  
9 with the Plan Documents. Pursuant to the terms of the Creditors' Trust Agreement, the Creditors'  
10 Trust Trustee is authorized to maintain a reserve in trust in an amount determined by the  
11 Creditors' Trust Trustee for the payment of any administrative expenses of the Creditors' Trust,  
12 including taxes and for such other amounts as may reasonably be required in connection with the  
13 Plan Documents. The Creditors' Trust Trustee is authorized to establish a reserve in Cash so that  
14 the appropriate Pro Rata distributions (net of taxes owed with respect to assets allocated to the  
15 Disputed Claims Reserve) to Creditors holding Allowed Claims can be made in accordance with  
16 the Consolidation Order.

17       7.     Employment of Professionals. The Creditors' Trust Trustee is authorized, without  
18 further order of the Court, to employ such Entities, including professionals, as he/she/it may deem  
19 necessary to enable him/her/it to perform his/her/its functions under the Plan, and the costs of such  
20 employment and other expenditures shall be paid solely from Cash held by the Creditors' Trust as  
21 provided in the Plan. Such Entities shall be compensated and reimbursed for their reasonable and  
22 necessary fees and out-of-pocket expenses on a monthly basis from the Creditors' Trust without  
23 further notice, hearing or approval of the Court except as set forth in the Creditors' Trust  
24 Agreement.

25       8.     Objections to Claims by the Creditors' Trust. All objections to Disputed Claims in  
26 Class 3 to be filed by the Creditors' Trust Trustee shall be filed with the Court and served upon the  
27 holders of such Claims by the Claim Objection Deadline, except as extended by an agreement  
28 between the claimant and the Creditors' Trust, or by order of the Court upon a motion filed by the

1 Creditors' Trust, with notice of such motion to be served upon the Office of the United States  
2 Trustee and those holders of Disputed Claims to whom the objection is made. If an objection has  
3 not been filed to a proof of claim that relates to a Disputed Claim by the objection bar dates  
4 established in this paragraph, the Claim to which the proof of claim relates shall be treated as an  
5 Allowed Claim for purposes of distribution under the Plan.

6 9. Allocations and Distributions. Pro Rata allocations of available Cash and  
7 associated distributions by the Creditors' Trust Trustee shall be made in accordance with the Plan,  
8 the Confirmation Order, and the Creditors' Trust Agreement, subject to sections VII.F.9(b) and (c)  
9 of the Plan.

10 (a) *Allocations.* Before each distribution date, the Creditors' Trust Trustee  
11 shall allocate the Cash available for distribution Pro Rata among the holders of Allowed Claims in  
12 Class 3 that were Allowed on or before such distribution date and the holders of any still pending  
13 Disputed Claims in Class 3. The Creditors' Trust Trustee shall then retain in the Disputed Claims  
14 Reserve the Cash allocated to holders of pending Disputed Claims in Class 3.

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

26 (c) *Allowance of Claims.* Distributions of Cash shall be made with respect to  
27 any Disputed Claim which becomes an Allowed Claim after the Effective Date on or as soon as  
28 practicable after the date on which such Disputed Claim becomes an Allowed Claim. The amount

1 of any distribution shall be the Pro Rata amount of Cash allocated to the Disputed Claims Reserve  
2 with respect to the Allowed portion of such Claim; provided, however, that any Cash released  
3 from the Disputed Claims Reserve shall be net of certain costs and expenses as provided in the  
4 Plan and subject to the prior repayment of any taxes paid on the income associated with the  
5 released funds while allocated to the Disputed Claims Reserve using Cash that was not allocated  
6 to the Disputed Claims Reserve. In no event shall the Creditors' Trust Trustee be obligated to  
7 make a distribution if, in the reasonable business judgment of the Creditors' Trust Trustee, the  
8 Cash then on hand and the ultimate distribution of Cash to be made would not be justified, taking  
9 into account all of the attendant costs of such distribution. In such case, any undistributed Cash  
10 may be held over to the next distribution date.

11 (d) *Reallocation upon Disallowance or Reduction of Claims.* When a Disputed  
12 Claim is reduced or disallowed, the corresponding Cash and other property retained in the  
13 Disputed Claims Reserve shall be reallocated by the Trustee under section VII.F.9(a) of the Plan  
14 (to the extent provided by the Plan). Such reallocation shall occur after the subsequent  
15 distribution date, however, if it would otherwise occur within the thirty (30) day period preceding  
16 the subsequent distribution date.

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

24 (f) *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 annual distributions to the holders of Allowed Claims in Class 3 and  
27 corresponding allocations to the Disputed Claims Reserve.  
28

1 (g) *Compliance with Tax Requirements.* To the extent applicable, the  
2 Creditors' Trust Trustee, in making distributions under the Plan, shall comply with all tax  
3 withholding and reporting requirements imposed on it by any Governmental Unit, and all  
4 distributions pursuant to the Plan shall be subject to such withholding and reporting requirements.  
5 The Creditors' Trust Trustee may withhold the entire distribution due to any holder of an Allowed  
6 Claim until such time as such holder provides the necessary information to comply with any  
7 withholding requirements of any Governmental Unit. Any Cash so withheld will then be paid by  
8 the Creditors' Trust Trustee to the appropriate authority. If the holder of an Allowed Claim fails  
9 to provide the information necessary to comply with any withholding requirements of any  
10 Governmental Unit within ninety (90) days from the date of first notification by the Person in need  
11 of such information, then the holder's distribution shall be treated as Unclaimed Property in  
12 accordance with this section VII.F.9.

13 (h) *Unclaimed Property.* Until the expiration of one (1) year following the date  
14 on which the distribution of the Unclaimed Property has been attempted, Unclaimed Property shall  
15 be delivered upon presentation of proper proof by a holder of its entitlement thereto, after which  
16 time any holder of an Allowed Claim entitled to Unclaimed Property shall cease to be entitled  
17 thereto. Thereafter, all right, title and interest therein shall vest in the Creditors' Trust and the  
18 Creditors' Trust Trustee shall reallocate such Cash under section VII.F.9(a) above (to the extent  
19 provided by the Plan).

20 (i) *Surrender.* Notwithstanding any other provision of the Plan, no holder of  
21 an Allowed Claim shall receive any distribution under the Plan in respect of such Allowed Claim  
22 until such holder has surrendered to the Creditors' Trust any promissory note or other document(s)  
23 evidencing such Allowed Claim, or until evidence of loss and indemnity satisfactory to the  
24 Creditors' Trust Trustee, in his/her/its sole and absolute discretion, shall have been delivered to  
25 the Creditors' Trust in the case of any note or other document(s) alleged to be lost, stolen or  
26 destroyed.

27 (j) *Final Distribution.* Upon resolution of all outstanding objections to  
28 Disputed Claims in Class 3 and any associated distributions under section VII.F.9(c), and after all

1 payments to be made by the Reorganized Debtors to the Creditors' Trust required by the Cash  
2 Flow Note, the Secondary Note, and the Plan have been received by the Creditors' Trust and all  
3 Recovery Rights have been converted into Cash, and after the payment of all expenses and other  
4 obligations of the Creditors' Trust, the Creditors' Trust shall cause the Pro Rata allocation and  
5 distribution of all remaining available assets of the Creditors' Trust to holders of Allowed Claims  
6 in Class 3 in accordance with the Plan.

7 (k) *Exemption From Certain Transfer Taxes.* Pursuant to section 1146(a) of  
8 the Bankruptcy Code, the issuance, transfer or exchange of a security, or the making or delivery of  
9 an instrument of transfer under a plan confirmed under section 1129 of the Bankruptcy Code, may  
10 not be taxed under any law imposing a stamp tax, transfer tax or similar tax. Pursuant to section  
11 1146(a) of the Bankruptcy Code, no transfer to or from the Creditors' Trust under the Plan, shall  
12 be subject to any stamp tax, transfer tax or similar tax.

13 (l) *Estimation of Unliquidated Disputed Claims.* As to any unliquidated  
14 Disputed Claim, including Claims based upon rejection of executory contracts or leases, or other  
15 Disputed Claims, the Court, upon motion by the Creditors' Trust, may estimate the amount of the  
16 Disputed Claim and may determine an amount sufficient to reserve for any such Claim. Any  
17 Entity whose Disputed Claim is so estimated shall have recourse only against the Creditors' Trust  
18 and against no other assets or person (including the Creditors' Trust Trustee), and in any case only  
19 in an amount not to exceed the estimated amount of such Entity's Claim, even if such Entity's  
20 Claim, as finally allowed, exceeds the maximum estimated amount thereof.

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

1           11.     Reporting Duties. The Creditors' Trust Trustee shall file returns for the Creditors'  
2 Trust (other than with respect to assets and related income and expenses attributable to the  
3 Disputed Claims Reserve) as a grantor trust pursuant to Treasury Regulation section 1.671-4(a).  
4 The Creditors' Trust Trustee shall also annually send to each holder of an Allowed Claim a  
5 separate statement setting forth the holder's share of items of income, gain, loss, deduction, or  
6 credit and will instruct all such holders to report such items on their federal income tax returns.  
7 The Creditors' Trust's taxable income will be allocated Pro Rata among the Disputed and Allowed  
8 Claims in Class 3. The Creditors' Trust Trustee shall (a) treat any Creditors' Trust assets allocable  
9 to, or retained on account of, Disputed Claims as held by one or more discrete funds for federal  
10 income tax purposes (the "Disputed Claims Reserve"), consisting of separate and independent  
11 shares to be established in respect of each Disputed Claim, in accordance with Treasury  
12 Regulations section 1.468B-9, (b) treat as taxable income or loss of the Disputed Claims Reserve,  
13 with respect to any given taxable year, the portion of the taxable income or loss of the Creditors'  
14 Trust that would have been allocated to the holders of Disputed Claims (determined as of such  
15 date during the taxable year as the Creditors' Trust Trustee shall reasonably determine) had such  
16 Claims been Allowed on the Effective Date (but only for the portion of the taxable year with  
17 respect to which such Claims are unresolved), (c) upon a distribution of property from the  
18 Disputed Claims Reserve or a reallocation of property from the Disputed Claims Reserve to an  
19 Allowed Claim, under Sections 7.5 and 7.6 of the Creditors' Trust Agreement, treat income  
20 subsequently earned by such property as no longer subject to income taxes imposed with respect  
21 to the Disputed Claims Reserve, and (d) to the extent permitted by applicable law, report  
22 consistently with the foregoing for state and local income tax purposes. All holders of Class 3  
23 Claims shall report, for tax purposes, consistently with the foregoing. In addition, the Creditors'  
24 Trust Trustee shall file (or cause to be filed) any other statements, returns, or disclosures relating  
25 to the Creditors' Trust that are required by any Governmental Unit.

26           12.     Termination. The Creditors' Trust shall terminate upon the liquidation of all its  
27 assets and the distribution of the proceeds thereof to the holders of Allowed Claims in Class 3 as  
28 set forth above, which date shall be no later than January 31, 2026 (the "Termination Date");



1 provided, however, that if in the reasonable determination of the Creditors' Trust Trustee, in light  
2 of existing facts and circumstances, such liquidation of all assets and distribution of the proceeds  
3 thereof will not be completed prior to the Termination Date, then the Trustee shall extend the  
4 Termination Date for an additional period of up to three (3) years (an "Extension Period"), subject  
5 to the approval of the Bankruptcy Court, which must be obtained at least six (6) months before the  
6 upcoming Termination Date, in conjunction with the Bankruptcy Court's finding that the  
7 Extension Period is necessary to the liquidating purpose of the Creditors' Trust.

8 **G. Issuance of Interests in the Creditors' Trust**

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

15 1. **Exemption from Registrations and Resale Issues.** If Interests in the Creditors'  
16 Trust are issued under the Plan, then on and after the Effective Date, the Interests in the Creditors'  
17 Trust will not be required to be registered under the registration requirements of the Securities Act,  
18 or registered or qualified under any applicable state and local securities laws by virtue of section  
19 1145 of the Bankruptcy Code. The Interests in the Creditors' Trust shall not be subject to any  
20 statutory restrictions on transferability and, subject to the restrictions set forth in the Creditors'  
21 Trust Agreement, may be resold by any holder without registration under the Securities Act or  
22 other federal securities laws pursuant to the exemption provided by section 4(1) of the Securities  
23 Act, unless the holder is an "underwriter" with respect to such securities, as that term is defined in  
24 section 1145(b) of the Bankruptcy Code. Entities who believe they may be "underwriters" under  
25 the definition contained in section 1145 of the Bankruptcy Code are advised to consult their own  
26 counsel with respect to the availability of the exemption provided by section 1145 of the  
27 Bankruptcy Code.

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

7 **H.     The Cash Flow Note and the Secondary Note**

8           The Cash Flow Note and the Secondary Note (both of which are Plan Documents) are  
9 attached hereto and incorporated herein. Other than the Recovery Rights, the Cash Flow Note, the  
10 Secondary Note and, as applicable, the other Plan Documents, are the only sources of recovery for  
11 the Unsecured Creditors in Class 3.

12 **I.     The Creditors' Trust Lien**

13           The Cash Flow Note shall be secured by a perfected lien in and to the Collateral in favor of  
14 the Creditors' Trust, subject to the terms and conditions of the Plan Documents.

15 **J.     The Negative Pledge and Written Instructions**

16           The Reorganized Debtors shall grant to the Creditors' Trust the Negative Pledge and  
17 execute and deliver to the Portfolio Entities and the Intermediate Entities the Written Instructions  
18 as required by the Plan Documents.

19 **K.     Dispute Resolution Procedure**

20           1.     Matters to be Resolved through the Dispute Resolution Procedure. The Debtors  
21 and the Committee have agreed to use the Dispute Resolution Procedures with respect to any  
22 determination or other issues with respect to the Plan Documents and/or to address or resolve any  
23 disputes arising between the Debtors and the Committee or the Reorganized Debtors and the  
24 Creditors' Trust in connection with the terms or implementation of the Plan Documents and the  
25 Plan, including but not limited to the following matters:

- 26                     • any dispute concerning the terms or interpretation of the Plan Documents,
  - 27                     • any dispute relating to a default under the Plan or the Plan Documents;
- 28

- any dispute concerning expenses in excess of the Controlled Entities Budget; and
- any issue relating to the definition, determination and/or calculation of Gross Available Cash Flow, Priority Payments, Available Cash Flow as more fully set forth in the Plan Documents.

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

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

- The complaining party shall provide written notice of the dispute to the opposing party and allow the opposing party seven (7) calendar days or thirty (30) calendar days, as applicable under the Security Agreement, 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) or thirty (30) calendar days, as applicable, 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.
- The Mediator shall then resolve the dispute without further input from the disputing parties, provided, however, that the Mediator may, at his/her discretion, request that the parties provide additional information or conduct further mediations.
- The decision of the Mediator shall be a final, binding resolution on all parties.

3. Defaults by the Reorganized Debtors. Except with respect to certain specified events as set forth in the Security Agreement, to which the Dispute Resolution Procedure is not a prerequisite for a determination that an Event of Default has occurred, and subject to the terms and conditions of the Plan Documents, to the extent that the Reorganized Debtors contest that they are in default under the Plan or the Plan Documents, the Reorganized Debtors shall not be deemed to be in default unless and until the Reorganized Debtors are found to be in default by the Mediator, after utilization of the Dispute Resolution Procedure. After a determination by the Mediator that the Reorganized Debtors are in default, depending on the specific type of default, the Reorganized Debtors shall have either seven (7) or thirty (30) calendar days to cure such default. Depending on the Event of Default in question, the remedies available to the Creditors' Trust Trustee range from preventing the Reorganized Debtors from receiving their distributions, to seeking disgorgement

1 and recovery from Reorganized Debtors of any proceeds received, to offsetting any amounts  
2 otherwise owed to the Reorganized Debtors by the amount of any obligations owed to the  
3 Creditors' Trust under the Plan Documents, to acceleration of the Cash Flow Note and Secondary  
4 Note, to the appointment of a replacement Disbursing Agent and/or receiver (solely for the  
5 Collateral), as applicable.

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

## 9 ARTICLE VIII

### 10 POST-CONFIRMATION OBJECTIONS; ESTIMATION OF CLAIMS

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

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

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

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

4 The Reorganized Debtors or the Creditors' Trust Trustee (with respect to General  
5 Unsecured Claims) may at any time, request that the Court estimate any Disputed Claim pursuant  
6 to section 502(c) of the Bankruptcy Code regardless of whether the Debtors, the Reorganized  
7 Debtors or the Creditors' Trust Trustee have previously objected to such Claim. The Court will  
8 retain jurisdiction to estimate any Claim at any time, including during proceedings concerning any  
9 objection to such Claim. In the event that the Court estimates any Disputed Claim, such estimated  
10 amount may constitute either (a) the Allowed amount of such Claim, (b) the amount on which a  
11 reserve is to be calculated for purposes of any reserve requirement to the Plan, or (c) a maximum  
12 limitation on such Claim, as determined by the Court. If the estimated amount constitutes a  
13 maximum limitation on such Claim, the Debtors, the Reorganized Debtors or the Creditors' Trust  
14 Trustee as the case may be, may elect to object to ultimate payment of such Claim. All of the  
15 aforementioned Claims objection, estimation and resolution procedures are cumulative and not  
16 necessarily exclusive of one another.

## 17 ARTICLE IX

### 18 EXECUTORY CONTRACTS AND UNEXPIRED LEASES

#### 19 A. Executory Contracts and Unexpired Leases to be Assumed

20 All executory contracts and unexpired leases of the Debtors set forth in Exhibit "B" hereto  
21 shall be assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code.  
22 Such assumed executory contracts and unexpired leases shall, as of the Effective Date, vest in the  
23 corresponding Reorganized Debtor. The Debtors reserve the right to remove any of the contracts  
24 or leases specified in Exhibit "B" from the list of assumed contracts and leases, in their discretion,  
25 thereby causing the rejection of such contract or lease pursuant to section IX.C of the Plan, by  
26 filing a written election prior to the Confirmation Hearing and serving such election on the parties  
27 to such contract or lease.  
28

1 **B. Cure Amounts**

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

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

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

15 **D. No Effect on Insurance**

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

19 **E. Pension Plan**

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

25 Cameo and all members of its controlled group are obligated to pay the contributions  
26 necessary to satisfy the minimum funding standards under section 412 of the Internal Revenue  
27 Code ("IRC") and section 302 of ERISA. 26 U.S.C. § 412(c)(11), 29 U.S.C. § 1082(c)(11).  
28

1 The Pension Plan may be terminated only if the statutory requirements of either ERISA  
2 section 4041, 29 U.S.C. § 1341 or ERISA section 4042, 29 U.S.C. § 1342, are met. In the event of  
3 a termination of the Pension Plan, Cameo and all members of its controlled group are jointly and  
4 severally liable for the unfunded benefit liabilities of the Pension Plan. See 29 U.S.C. § 1362(a).  
5 Cameo and all members of its controlled group are also jointly and severally liable to PBGC for  
6 all unpaid premium obligations owed by Cameo on account of the Pension Plan. See 29 U.S.C. §  
7 1307.

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

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

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

## 24 ARTICLE X

### 25 CONDITIONS TO CONSUMMATION

#### 26 A. Conditions to Consummation

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



1           1.       The Confirmation Order, entered in a form reasonably acceptable to the Debtors  
2 and the Committee, must have become a Final Order;

3           2.       No request for revocation of the Confirmation Order under section 1144 of the  
4 Bankruptcy Code shall have been made, or, if made, shall remain pending; and

5           3.       All actions, documents and agreements necessary to implement the Plan shall have  
6 been effectuated or executed.

7 **B.    Waiver of Conditions**

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

12 **ARTICLE XI**

13 **EFFECT OF CONFIRMATION**

14 **A.    Jurisdiction of Bankruptcy Court**

15           The Bankruptcy Court shall retain, from and after the Effective Date, jurisdiction over the  
16 Debtors, their assets and their Estates as set forth in Article XII of this Plan, except as otherwise  
17 provided in the Plan Documents. As set forth in the Plan Documents, following the Effective  
18 Date, the Mediator shall have authority to make any determination and/or resolve any disputes  
19 arising between the Debtors and the Committee or the Reorganized Debtors and the Creditors'  
20 Trust through the Dispute Resolution Procedure pursuant to the terms and conditions set forth  
21 herein and in the Plan Documents.

22 **B.    Binding Effect**

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

1 **C. Exculpation**

2       **The Committee (solely with respect to its conduct as a committee and not with respect**  
3 **to the actions of its members as individual creditors), or any of its respective present**  
4 **members and their representatives, Professionals, advisors, attorneys, financial advisors,**  
5 **investment bankers or agents (solely with respect to each member's conduct in furtherance**  
6 **of its, his, or her duties as a member of the Committee, and not with respect to the actions of**  
7 **such members as individual creditors), the Debtors and their representatives, Professionals,**  
8 **advisors, attorneys, investment bankers, officers, directors or agents, and the Financial**  
9 **Advisors shall neither have nor incur, and are hereby released from, any Claim, obligation,**  
10 **cause of action or liability to one another or to any holder of a Claim or an Interest, or any**  
11 **other party in interest, or any of its members, representatives, advisors, attorneys, financial**  
12 **advisors, investment bankers, agents, or affiliates, or any of its successors or assigns, for any**  
13 **act or omission in connection with, relating to, or arising out of, these Cases, the pursuit of**  
14 **Confirmation of the Plan, the consummation of this Plan, or the administration of this Plan**  
15 **or the property to be distributed under the Plan, except for (i) claims which arise or relate to**  
16 **actions or omissions occurring prepetition, and (ii) willful misconduct or gross negligence at**  
17 **any time. In all respects the Committee and/or the Debtors shall be entitled to reasonably**  
18 **rely upon the advice of counsel with respect to their duties and responsibilities under the**  
19 **Plan.**

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

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

25

26

27

28

ARTICLE XII

JURISDICTION

A. Retention of Jurisdiction

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

1. Allowance of Claims or Interests

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

2. Executory Contract Proceedings

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

5 3. Plan Interpretation

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

11 4. Plan Implementation

12 The Court shall retain jurisdiction to implement and enforce the provisions of the Plan, the  
13 Confirmation Order, and the Creditors' Trust Agreement, and otherwise to enter orders in aid of  
14 confirmation and implementation of the Plan, including, without limitation, appropriate orders to  
15 protect the Creditors' Trust from any action or other proceeding that may be initiated by any  
16 Creditor or Interest Holder. The Mediator shall have authority to resolve through the Dispute  
17 Resolution Procedure any disputes arising in connection with the implementation of the Plan  
18 Documents, other than a dispute regarding whether the Creditors' Trust has been overpaid by the  
19 Disbursing Agent.

20 5. Plan Modification

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

23 6. Adjudication of Controversies

24 The Court shall retain jurisdiction to adjudicate such contested matters and adversary  
25 proceedings as may be pending or subsequently initiated in the Court including, but not limited to,  
26 objections to Claims, or actions relating to taxes, brought by the Creditors' Trust. The same shall  
27 not include, however, resolution of Portfolio Entity or Intermediate Entity disputes as among  
28

1 members / partners or as to disputes between lenders and the Portfolio Entities or Intermediate  
2 Entities unless consented to by the same.

3 7. Injunctive Relief

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

7 8. Correct Minor Defects

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

14 9. Post-Confirmation Orders Regarding Confirmation

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

18 10. Final Decree

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

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

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

ARTICLE XIII

MODIFICATION; MISCELLANEOUS

A. Binding Effect of Plan

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

B. Withdrawal of this Plan

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

C. Plan Modification

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

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

5 **D. Inconsistency**

6 To the extent there is an inconsistency or ambiguity between any term or provision  
7 contained in the Disclosure Statement and the Plan Documents, the Plan Documents shall control.

8 To the extent there is an inconsistency or ambiguity between any term or provision contained in  
9 the Disclosure Statement and the Plan, the Plan shall control. To the extent there is an  
10 inconsistency or ambiguity between any term or provision contained in the Plan Documents and  
11 the Plan, the Plan Documents shall control; provided, however, that the provisions of section  
12 VII.K hereof shall be incorporated into and made a part of the Dispute Resolution Procedure as set  
13 forth in Section 9 of the Cash Flow Note and Section 20 of the Security Agreement. To the extent  
14 there is an inconsistency or ambiguity between any term or provision contained in the Plan  
15 Documents and the Term Sheet Agreement, the Plan Documents shall control.

16 **E. Headings Do Not Control**

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

19 **F. No Transfer Taxes**

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

23 **G. Taking Action**

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

27

28

1 **H. Termination of Committee**

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

5 **I. Limitation of Liability**

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

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

20 Transfers from the Debtors' Estates to the Creditors' Trust pursuant to the Plan or the Plan  
21 Documents shall be treated as disbursements pursuant to 28 U.S.C. § 1930(a)(6) and shall be paid  
22 by the Debtors or the Reorganized Debtors. Distributions from the Creditors' Trust pursuant to  
23 the Plan or the Creditors' Trust Agreement shall not be treated as disbursements pursuant to 28  
24 U.S.C. § 1930(a)(6).

25 **K. Governing Law**

26 Except to the extent that the Bankruptcy Code or Bankruptcy Rules or other federal laws  
27 are applicable, and subject to the provisions of any other agreement or document entered into in  
28 connection with this Plan, the construction, implementation and enforcement of this Plan and all



rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of California, without giving effect to conflicts of law principles which would apply the law of a jurisdiction other than the state of California or the United States of America.

**L. Notice**

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

To the Debtors:

William Lobel  
The Lobel Firm, LLP  
840 Newport Center Drive, Suite 750  
Newport Beach, California 92660

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

To the Committee:

Victor A. Sahn  
Elissa D. Miller  
SulmeyerKupetz  
333 South Hope Street, 35th Floor  
Los Angeles, California 90071

To the United States Trustee:

Michael Hauser  
The Office of the United States Trustee  
411 West Fourth Street, Suite 9041  
Santa Ana, California 92701

**M. Filing of Additional Documents**

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

1 **N. No Attorneys' Fees**

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

5 **O. Successors and Assigns**

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

9 **P. Preservation of Rights of Setoff**

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

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

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

20 **R. No Injunctive Relief**

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

23 **S. No Admissions**

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

28

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

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

5 **ARTICLE XIV**

6 **CONFIRMATION REQUEST**

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

12  
13 Dated: May 27, 2010

14  
15 \_\_\_\_\_  
James C. Gianulias

16  
17 \_\_\_\_\_  
Cameo Homes  
18 By: James C. Gianulias  
19 Its: Chairman  
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28

1 **Presented by:**

2

3 /s/ Alan J. Friedman

4 William N. Lobel

5 Mike D. Neue

6 THE LOBEL FIRM, LLP

7

8 Attorneys for Debtors and  
9 Debtors-in-Possession

10

11 *-and-*

12

13 Alan J. Friedman

14 Kerri A. Lyman

15 IRELL & MANELLA LLP

16

17 Attorneys for Debtors and  
18 Debtors-in-Possession

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**EXHIBITS TO PLAN**

- 1
- 2 A - Creditors' Trust Agreement
- 3 B - Schedule of executory contracts to be assumed
- 4 C - The Secured Promissory Note
- 5 D - The Secondary Note
- 6 E - The Security Agreement
- 7 F - The Disbursing Agent Agreement
- 8 G - The Negative Pledge
- 9 H - The Written Instructions
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