

Form of Liquidating Trust Agreement-Subject to Amendment

LIQUIDATING TRUST AGREEMENT

THIS LIQUIDATING TRUST AGREEMENT (this “Trust Agreement”) dated as of January [], 2016, by and among RAAM Global Energy Company, Century Exploration New Orleans, LLC, Century Exploration Houston, LLC, and Century Exploration Resources, LLC (each a “Debtor” and, collectively, the “Debtors”), and Douglas J. Brickley, as trustee (in such capacity as trustee of the Liquidating Trust, the “Liquidating Trustee”), is executed to facilitate the implementation of the Debtors’ Second Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code (as amended, modified and supplemented from time to time, the “Plan”). All capitalized terms used and not otherwise defined in this Trust Agreement and defined in the Plan shall have the meanings ascribed to them in the Plan.

WHEREAS, on October 26, 2015 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Bankruptcy Court”);

WHEREAS, the Plan provides for, among other things, the transfer of all Liquidating Trust Assets to the Liquidating Trust, the management and liquidation of the Liquidating Trust Assets by the Liquidating Trustee, and the making of Distributions, as applicable, by the Liquidating Trust to holders of Allowed Claims and Liquidating Trust Interests pursuant to the terms of the Plan;

WHEREAS, the Liquidating Trust is intended to qualify as a liquidating trust treated as a grantor trust within the meaning of Treasury Regulations Section 301.7701-(4)(d) and is established for the purpose of (i) liquidating the Liquidating Trust Assets for the benefit of the Liquidating Trust Beneficiaries in accordance with the Plan, and (ii) making such other Distributions as set forth in the Plan.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements contained herein and in the Plan, the parties hereto agree as follows:

ARTICLE I.

ESTABLISHMENT OF THE LIQUIDATING TRUST

1.1 **Establishment of Liquidating Trust.** Pursuant to the Plan, the Debtors and the Liquidating Trustee hereby establish the Liquidating Trust on behalf of the Liquidating Trust Beneficiaries. The Liquidating Trustee shall accept and hold the Liquidating Trust Assets in trust for the Liquidating Trust Beneficiaries subject to the terms of this Trust Agreement. The Liquidating Trust shall be established as a liquidating trust treated as a grantor trust within the meaning of Treasury Regulations Section 301.7701-(4)(d) with no objective or authority to carry on or conduct a trade or business, or accept an assignment of any claim or right of action from, or assume any liabilities of, any person or entity other than the Debtors, and no part of the Liquidating Trust Assets or the proceeds, revenue or income from the Liquidating Trust Assets shall be used or disposed of by the Liquidating Trust in furtherance of any trade or business.

1.2 **Purpose of Liquidating Trust.** The sole purpose of this Liquidating Trust is to (a) liquidate the Liquidating Trust Assets in a manner calculated to conserve, protect and maximize the value of the Liquidating Trust Assets and (b) make any such other Distributions from the Reserve Accounts and the General Account (each as defined below) as set forth in the Plan. In the exercise of such purpose, in addition to the powers listed in Section 4.1 of this Trust Agreement, as set forth in the Plan, the Liquidating Trustee shall be authorized to, among other things, (i) investigate and prosecute the Causes of Action, (ii) file all federal, state and local tax returns of the Liquidating Trust, including filing tax returns as a grantor trust pursuant to Treasury Regulations Section 1.671-4(a), and furnish appropriate tax reporting information to the Liquidating Trust Beneficiaries, (iii) establish reserves, including the Committee Professional Fee Reserve, the Debtor Professional Fee Reserve, the Liquidating Trust Administrative Expenses Reserve, and any additional accounts and reserves established in accordance with Section 4.6 (collectively, the “Reserve Accounts”), and open, maintain and administer bank accounts as necessary to discharge the duties of the Liquidating Trustee, and (iv) represent the Estates before the Bankruptcy Court or other courts of competent jurisdiction with respect to matters concerning the Liquidating Trust and the Liquidating Trust Assets. The Plan further provides that the Liquidating Trust will be responsible for making Distributions to the Liquidating Trust Beneficiaries in accordance with the Plan. Pursuant to these express purposes and subject to the provisions of Article IV and Article VII of this Trust Agreement, the Liquidating Trustee is hereby authorized and directed to take all reasonable and necessary actions to hold, conserve, protect and maximize the Liquidating Trust Assets, to collect upon, sell, or otherwise liquidate or dispose of the Liquidating Trust Assets, to make Distributions to holders of Allowed Claims from the applicable Reserve Accounts, and to distribute the Liquidating Trust Assets to the Liquidating Trust Beneficiaries, each in accordance with the provisions of the Plan and this Trust Agreement; provided, however, that the investment powers of the Liquidating Trustee, other than those reasonably necessary to maintain the value of the Liquidating Trust Assets and to further the liquidating purpose of the Liquidating Trust, shall be limited as set forth in Section 4.3 hereof.

1.3 **No Additional Beneficiaries.** The Liquidating Trust shall be solely for the benefit of the Liquidating Trust Beneficiaries.

1.4 **Transfer of Liquidating Trust Assets to the Liquidating Trust.** To fund the Liquidating Trust, all of the Liquidating Trust Assets shall be transferred and assigned to the Liquidating Trust, and the Liquidating Trust shall be in possession of, and have title to, all the Liquidating Trust Assets, as of the Effective Date. The Liquidating Trustee, as trustee of the Liquidating Trust shall be substituted as the plaintiff, defendant, or other party in all lawsuits regarding Causes of Action pending in which any of the Debtors or the Committee is the plaintiff as of the Effective Date. The conveyances of all Liquidating Trust Assets shall be accomplished pursuant to the Plan and the Confirmation Order and shall be effective upon the Effective Date. The conveyance of the Liquidating Trust Assets to the Liquidating Trust shall be free and clear of all Liens, Claims or other encumbrances. Upon the Effective Date, the Liquidating Trust shall also be deemed to have taken (a) an assignment of all Causes of Action against third parties for obligations or claims existing on or created by virtue of the Effective Date, unless expressly released in the Plan or assigned to the Purchaser under the Purchase Agreement, and (b) an assignment, bill of sale, deed and/or release covering all other Liquidating Trust Assets to the extent necessary to effect the transfer and assignment of such Liquidating Trust Assets. The

Liquidating Trustee may present such Orders to the Bankruptcy Court as may be necessary to require third parties to accept and acknowledge such conveyance to the Liquidating Trust. Such Orders may be presented without further notice other than as has been given in the Plan.

1.5 **Instruments of Further Assurance; Information.** Such Persons as shall have the right and power after the Effective Date, upon reasonable request of the Liquidating Trustee or its successors or assigns, shall execute, acknowledge and deliver such further instruments, documents, books and records and take, or cause to be taken, all such further actions as may be necessary or proper to effectively carry out the purposes of this Trust Agreement and the Plan and to otherwise carry out the intent of the parties hereunder and under the Plan.

1.6 **Title to Liquidating Trust Assets.** On the Effective Date, the Liquidating Trust Assets shall be vested in, and transferred to, the Liquidating Trust pursuant to the Plan for the benefit of the Liquidating Trust Beneficiaries. As of the Effective Date, the Liquidating Trust shall hold legal title to all Liquidating Trust Assets and will succeed to all of the Debtors' right, title and interest in the Liquidating Trust Assets and the Debtors will have no further interest in or with respect to the Liquidating Trust Assets or the Liquidating Trust, except as provided in the Plan. The Liquidating Trustee hereby declares that it shall hold the Liquidating Trust Assets in trust to be administered and disposed of pursuant to the terms of this Trust Agreement and the Plan.

1.7 **Valuation of Trust Assets.** The fair market value of the Liquidating Trust Assets as of the Effective Date will be agreed to by the Debtors and the Liquidating Trustee. As soon as practicable after the Effective Date, the Liquidating Trustee shall inform the Liquidating Trust Beneficiaries in writing of the agreed upon value of the Liquidating Trust Assets transferred to the Liquidating Trust. Such valuation shall be used consistently by all parties, including, without limitation, the Debtors, the Liquidating Trustee and the Liquidating Trust Beneficiaries, for all federal income tax purposes.

1.8 **Reliance.** The Liquidating Trustee may rely upon the Schedules and all other information provided by the Debtors or their representatives concerning Claims against the Debtors, and their reconciliation and documents supporting such reconciliation.

1.9 **Governance of the Liquidating Trust.** The Liquidating Trust shall be governed by the Liquidating Trustee. The Liquidating Trustee's powers are exercisable solely in a fiduciary capacity consistent with, and in furtherance of, the purposes of this Trust Agreement and not otherwise. Subject to the terms and conditions of this Trust Agreement, the Liquidating Trustee may delegate responsibility for discrete issues or decisions to one or more third parties subject to continued oversight by the Liquidating Trustee.

1.10 **Appointment of the Liquidating Trustee.** As of the date hereof, the Liquidating Trustee shall be Douglas J. Brickley. The Liquidating Trustee accepts the trust imposed on him/her by this Trust Agreement and agrees to observe and perform that trust on and subject to the terms and conditions set forth in this Trust Agreement and the Plan.

1.11 Liquidating Trust Interests; Transferability.

(a) Liquidating Trust Interests shall be issued by the Liquidating Trustee to the Liquidating Trust Beneficiaries. In lieu of certificates evidencing Liquidating Trust Interests, the Liquidating Trustee shall maintain a register of the names, addresses, and interest percentages of the Liquidating Trust Beneficiaries based upon the provisions of the Plan which designate the Persons who are entitled to receive the Liquidating Trust Interests.

(b) The Liquidating Trust Interests may not be transferred, sold, pledged, or otherwise disposed of, or offered for sale except for transfers by operation of law.

ARTICLE II.

DURATION AND TERMINATION OF LIQUIDATING TRUST

2.1 **Duration.** The duties, responsibilities and powers of the Liquidating Trustee shall terminate after all Liquidating Trust Assets, including Causes of Action transferred and assigned to the Liquidating Trust, or involving the Liquidating Trustee on behalf of the Liquidating Trust, are fully resolved, abandoned or liquidated and the Cash and other assets have been distributed in accordance with the Plan and the Liquidating Trust Agreement. Except in the circumstances set forth below, the Liquidating Trust shall terminate no later than three years after the Effective Date. However, if warranted by the facts and circumstances provided for in the Plan, and subject to the approval of the Bankruptcy Court upon a finding that an extension is necessary for the purpose of the Liquidating Trust, the term of the Liquidating Trust may be extended one or more times (not to exceed a total of four extensions, unless the Liquidating Trustee receives a favorable ruling from the Internal Revenue Service that any further extension would not adversely affect the status of the Liquidating Trust as a grantor trust for federal income tax purposes) for a finite period, not to exceed six months, based on the particular circumstances at issue. Each such extension must be approved by the Bankruptcy Court within two months prior to the beginning of the extended term with notice thereof to all of the unpaid beneficiaries of the Liquidating Trust. Upon the occurrence of the termination of the Liquidating Trust, the Liquidating Trustee shall file with the Bankruptcy Court a report thereof, seeking an order discharging the Liquidating Trustee.

2.2 Continuance of Liquidating Trust for Winding Up.

(a) After the termination of the Liquidating Trust and for the purpose of liquidating and winding up the affairs of the Liquidating Trust, the Liquidating Trustee shall continue to act as such until all duties under the Plan and this Trust Agreement have been fully performed. Upon distribution of all of the Liquidating Trust Assets, or the proceeds thereof, the Liquidating Trustee shall hold the books, records and files delivered to or created by the Liquidating Trustee for a period of four years after the last Distribution of available Cash is made. All costs and expenses associated with the storage of such documents shall be paid by the Liquidating Trust. At the Liquidating Trustee's discretion, all such records and documents may be destroyed at any time after four years from the distribution of all of the Liquidating Trust Assets. Except as otherwise specifically provided herein, upon the distribution of all of the Liquidating Trust Assets, the Liquidating Trustee shall have no further duties or obligations

hereunder except (i) to account and report as provided in Sections 2.3 and 3.5 hereof and (ii) to perform such other acts as may be required by law.

2.3 **Final Accounting.** Upon termination of the Liquidating Trust, the Liquidating Trustee shall file an accounting with the Bankruptcy Court setting forth the amount he or she has collected and disbursed, and the fees and expenses incurred in administering the Liquidating Trust, including the fees and expenses incurred by the Liquidating Trustee and its professionals. The Liquidating Trustee shall seek the issuance and entry of any orders necessary to approve such accounting and discharge it from any and all liability for acting as Liquidating Trustee under the Plan and this Trust Agreement. The Liquidating Trust's professionals shall be required to maintain accurate time and expense records.

ARTICLE III.

ADMINISTRATION OF TRUST ESTATE

3.1 **Payment of Expenses.** The Liquidating Trustee shall pay all Liquidating Trust Expenses, including the U.S. Trustee Fees as set forth in the Plan, and the costs associated with winding up the Liquidating Trust, from the Liquidating Trust Administrative Expenses Reserve.

3.2 **Disbursements.** The Liquidating Trustee shall disburse funds in accordance with the Plan. The Liquidating Trustee shall distribute funds at least annually to the Liquidating Trust Beneficiaries, except that the Liquidating Trustee may retain an amount of funds reasonably necessary to maintain the value of the Liquidating Trust's assets or to meet claims and contingent liabilities.

3.3 **Fractional Dollars/De Minimis Distributions.** Payments of fractions of (a) dollars or (b) an applicable currency shall not be made. Whenever any payment of a fraction of (i) a dollar or (ii) an applicable currency under the Plan would otherwise be called for, the actual payment made shall reflect a rounding of such fraction to the nearest whole dollar or unit of such applicable currency (up or down), with half dollars or half units of an applicable foreign currency being rounded down. The Liquidating Trustee or the Disbursing Agent, as applicable, (or any indenture trustee, agent, or servicer), as applicable, shall not make any payment of less than twenty-five dollars (\$25.00), or its equivalent in an applicable foreign currency, with respect to any Claim unless a request therefore is made in writing to the Liquidating Trustee or the Disbursing Agent (or any indenture trustee, agent, or servicer), as applicable.

3.4 **Creditors Must Provide Identifying Information.** In order to receive Distributions, upon the Liquidating Trustee's written request, all holders of Allowed Claims or Liquidating Trust Interests, as applicable, shall be required to provide to the Liquidating Trustee, at the address set forth in Section 9.4 below, a notice identifying such holder's name, address, federal tax identification number, and any other information requested by the Liquidating Trustee to facilitate the filing of tax returns within 10 days after being requested by the Liquidating Trustee.

3.5 **Reports.**

(a) The Liquidating Trustee shall maintain good and sufficient books and records of account relating to the Liquidating Trust Assets, the available Cash, the management thereof, all transactions undertaken by the Liquidating Trustee, all expenses incurred by or on behalf of the Liquidating Trust, and all distributions either contemplated or effectuated under the Plan or this Trust Agreement.

(b) The Liquidating Trustee will file one report of quarterly disbursements made on behalf of the post-confirmation debtors for every quarter or portion thereof that any of the Debtors' bankruptcy cases remain open. The Liquidating Trustee will pay United States Trustee quarterly fees based on quarterly disbursements made by the Liquidating Trustee until all cases are closed by the Court. The Liquidating Trustee shall provide such other and further information regarding the Liquidating Trust and the Liquidating Trust Assets as may be necessary to be in compliance with applicable law and shall prepare such additional reports as required by the Bankruptcy Court or the Plan.

(c) No later than 35 days after the end of each fiscal year, the Liquidating Trustee shall furnish to each Liquidating Trust Beneficiary a written statement indicating (i) the assets and liabilities of the Liquidating Trust at the end of such fiscal year and the receipts and disbursements of the Liquidating Trust for such fiscal year, and (ii) any changes in the Liquidating Trust Assets or to the allowance of Claims which have not been previously reported.

(d) The fiscal year of the Liquidating Trust shall end on the last day of December of each year unless some other fiscal year-end date is required by applicable law and is permissible under the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code").

ARTICLE IV.

POWERS OF AND LIMITATIONS ON THE LIQUIDATING TRUSTEE

4.1 **General Powers of Liquidating Trustee.** Subject to the express limitations contained in this Trust Agreement or the Plan, the Liquidating Trustee shall have, in addition to any powers conferred by other provisions of this Trust Agreement or the Plan, the power to take any and all actions as, in the sole discretion of the Liquidating Trustee, are necessary or advisable to effectuate the purpose of the Liquidating Trust, including the following powers, which it may exercise without the approval of the Bankruptcy Court, except to the extent otherwise required under the provisions of the Plan or this Trust Agreement:

(a) To hold legal title to any and all rights of the Liquidating Trust Beneficiaries in or arising from the Liquidating Trust Assets, including, without limitation, the right to collect and receive any and all money and other property belonging to the Liquidating Trust;

(b) To invest or reinvest Liquidating Trust Assets as provided in Section 4.3 hereof and to cause such investments, or any part thereof, to be registered and held in its name, as Liquidating Trustee, or in the names of nominees;

(c) To establish and maintain such bank accounts as may be necessary or appropriate, to draw checks on such bank accounts and to perform such other necessary and appropriate duties with respect to such accounts, or designate individuals as signatories therefor, as the Liquidating Trustee may direct and authorize;

(d) To engage employees, agents and professional persons, including, without limitation, former employees or professional persons of any of the Debtors, to assist the Liquidating Trustee with respect to its responsibilities;

(e) To perform all of the Liquidating Trustee's obligations under the Plan and this Trust Agreement, including maintaining the Reserve Accounts, making all required Distributions to holders of Allowed Claims and Liquidating Trust Interests, as applicable, and payment of U.S. Trustee Fees;

(f) To maintain the Liquidating Trust Administrative Expense Reserve and to pay all Liquidating Trust Expenses;

(g) To avoid and recover transfers of the Debtors' property as may be permitted by the Bankruptcy Code, applicable state law, and the Plan, to the extent the right to avoid and recover such transfers are Liquidating Trust Assets under the Plan;

(h) To exercise setoffs and offsets against Claims as permitted under the Plan, to the extent such setoff and offset rights are Liquidating Trust Assets under the Plan;

(i) To object to the allowance of any Claims or Equity Interests that are not Allowed under the Plan or by Court Order and to compromise and settle Disputed Claims, both as set forth in and subject to the conditions of the Plan; provided, that, the Liquidating Trustee shall obtain the prior consent of the General Unsecured Trade Claims Representative to make decisions related to, or otherwise reconcile, object, and settle General Unsecured Trade Claims pursuant to the Plan.

(j) To pursue, prosecute, settle, and/or compromise all Causes of Action; provided, that, the Liquidating Trustee shall obtain the prior consent of the Liquidating Trust Committee prior to compromising or settling any Causes of Action with an amount in controversy in excess of \$100,000; provided further, however, that with respect to any Specified Litigation Claims, the Liquidating Trustee shall (i) obtain the prior unanimous consent of the Litigation Committee prior to compromising or settling any Specified Litigation Claim or (ii) in the absence of the unanimous consent of the Litigation Committee, seek approval of any such compromise or settlement of the Specified Litigation Claim from the Bankruptcy Court. For the

avoidance of doubt, in the event the Liquidating Trustee seeks Bankruptcy Court approval of the compromise or settlement of any Specified Litigation Claim, the rights of all parties, including the members of the Litigation Committee, are reserved in all respects;

(k) To institute, join or defend actions or other requests for relief and to take such other actions, including settlements thereof, on any terms deemed reasonable by the Liquidating Trustee, in its discretion, to enforce or collect upon any instruments, contracts, agreements or Causes of Action constituting or relating to the Liquidating Trust Assets, subject to the limitations set forth in Section 4.1(j) above;

(l) To perform any act authorized, permitted or required under any instrument, contract, agreement, claim or Cause of Action constituting or relating to the Liquidating Trust Assets, whether in the nature of an approval, consent, demand or notice thereunder or otherwise, unless such act would require the consent of the Liquidating Trust Beneficiaries in accordance with the express provisions of this Trust Agreement;

(m) To file or cause to be filed all required federal, state, local and foreign tax filings of the Liquidating Trust and pay or cause to be paid taxes properly payable by the Liquidating Trust, make tax elections, if any, available to the Liquidating Trust under federal, state, local or foreign law, and prepare applications for rulings or other administrative determinations from federal, state, local and foreign tax authorities as may be reasonably necessary to determine the tax liabilities of the Liquidating Trust or the Liquidating Trust Beneficiaries;

(n) To request any appropriate tax determination with respect to the Liquidating Trust, including, without limitation, a determination pursuant to section 505 of the Bankruptcy Code;

(o) To file or cause to be filed all required federal, state, local and foreign tax filings of the Debtors;

(p) To obtain insurance coverage with respect to its liabilities and obligations as Liquidating Trustee under this Trust Agreement (in the form of an errors and omissions policy or otherwise);

(q) To assert or waive any privilege on behalf of the Debtors, solely with respect to the Liquidating Trust Assets, or on behalf of the Liquidating Trust; and

(r) To exercise such other powers as may be vested in or assumed by the Liquidating Trustee pursuant to the Plan, this Trust Agreement, or the Confirmation Order or as may be necessary and desirable to carry out the provisions of this Trust Agreement and applicable law.

4.2 **Limitations on Liquidating Trustee.** The Liquidating Trustee shall carry out the purposes of the Liquidating Trust and the directions contained herein, and shall not at any time, on behalf of the Liquidating Trust or the Liquidating Trust Beneficiaries, (a) enter into or engage in any business or (b) accept an assignment of any right of action from, or assume any liabilities of, any person or entity other than the Debtors, and no part of the Liquidating Trust Assets or the

proceeds, revenue, or income therefrom shall be used or disposed of by the Liquidating Trustee in furtherance of any business other than as contemplated by the Plan. This limitation shall apply irrespective of whether the conduct of any such business activities is deemed by the Liquidating Trustee to be necessary or proper for the conservation and protection of the Liquidating Trust. The Liquidating Trustee shall make continuing efforts to liquidate the Liquidating Trust Assets, make timely distributions, and not unduly prolong the duration of the Liquidating Trust. The Liquidating Trustee may not hold a controlling interest in the stock of, or be a partner, an officer, or a director of any of the Liquidating Trust Beneficiaries.

4.3 **Investment Power.** The investment power of the Liquidating Trustee, other than that reasonably necessary to maintain the value of the Liquidating Trust Assets and to further the liquidating purpose of the Liquidating Trust, shall be limited to the power to invest (a) in demand and time deposits, such as short-term certificates of deposit, (b) in banks or other savings institutions, or (c) in other temporary, liquid investments such as Treasury bills. Once such funds are so invested, the Liquidating Trustee shall not sell or otherwise liquidate the investment until such time as such funds are (a) needed to pay expenses incurred pursuant to this Trust Agreement or the Plan, or (b) to be distributed pursuant to the Plan or this Trust Agreement; provided, however, that the Liquidating Trustee may liquidate such investments if the Liquidating Trustee determines in his or her discretion that such liquidation is necessary to protect the Liquidating Trust from loss on the amounts invested. For the avoidance of doubt, the Liquidating Trustee shall not make any investments that would cause the Liquidating Trust to fail to be treated as a “liquidating trust” for purposes of Treasury Regulation Section 301.7701-4(d). The Liquidating Trustee shall be restricted to the holding and collection of the Liquidating Trust Assets and the payment and distribution thereof for the purposes set forth herein and in the Plan and to the conservation, protection and maximization of the Liquidating Trust Assets and to the administration thereof in accordance with the provisions of this Trust Agreement. The Liquidating Trustee shall keep all Liquidating Trust Assets segregated from and shall not commingle any Liquidating Trust Assets with any assets of any other Person, including any of the Liquidating Trustee’s own assets.

4.4 **Additional Powers of Liquidating Trustee.** Subject to the express limitations contained herein, the Plan, or the Confirmation Order, the Liquidating Trustee shall have, and may exercise with respect to the Liquidating Trust Assets, or any part thereof, and to the administration and distribution of the Liquidating Trust Assets, all powers now or hereafter conferred on trustees by the laws of the State of Texas. The powers conferred by this Section 4.4 in no way limit any power conferred on the Liquidating Trustee by any other section hereof but shall be in addition thereto; provided, however, that the powers conferred by this Section 4.4 are conferred and may be exercised only and solely within the limitations and for the limited purposes imposed and expressed in the Plan and in Article III and Section 4.4 hereof.

4.5 **Tax and Reporting Duties of the Liquidating Trustee.** The Liquidating Trustee shall be responsible for all tax and other matters as set forth in Article V of this Trust Agreement.

4.6 **Establishment and Maintenance of Accounts and Reserves.**

(a) On the Effective Date, or as soon thereafter as practicable, the Liquidating Trustee shall establish the following accounts and reserves (which, notwithstanding anything to the contrary contained in this Trust Agreement, may be effected by either establishing segregated accounts or establishing book entry accounts, in the sole discretion of the Liquidating Trustee):

(i) **General Account:** One or more general accounts (collectively, the “General Account”) into which shall be deposited all funds not required or permitted to be deposited into any other account or reserve described in or contemplated by this Trust Agreement.

(ii) **Liquidating Trust Administrative Expenses Reserve:** An account designated as the “Liquidating Trust Administrative Expenses Reserve,” as described more fully in the Plan.

(iii) **Committee Professional Fee Reserve:** An account designated as the “Committee Professional Fee Reserve,” as described more fully in the Plan.

(iv) **Debtor Professional Fee Reserve:** An account designated as the “Debtor Professional Fee Reserve,” as described more fully in the Plan.

(v) **Subsequent Establishment of Accounts and Reserves.** On or after the Effective Date, the Liquidating Trustee (i) shall establish and maintain such additional accounts and reserves as may be required by applicable law or by order of the Bankruptcy Court and (ii) may establish and maintain such additional accounts and reserves as it deems necessary or desirable to carry out the provisions of the Plan and this Trust Agreement.

ARTICLE V.

TAX MATTERS

5.1 **Classification of the Liquidating Trust.** For all federal and applicable state and local income tax purposes, all Persons (including, without limitation, the Debtors, the Liquidating Trustee and the Liquidating Trust Beneficiaries) will treat the transfer and assignment of the Liquidating Trust Assets to the Liquidating Trust for the benefit of the Liquidating Trust Beneficiaries as (a) a transfer of the Liquidating Trust Assets directly to the Liquidating Trust Beneficiaries followed by (b) the transfer of the Liquidating Trust Assets by the Liquidating Trust Beneficiaries to the Liquidating Trust. The Liquidating Trust will be treated as a grantor trust for federal tax purposes and, to the extent permitted under applicable law, for state and local income tax purposes. The Liquidating Trust Beneficiaries will be treated as the grantors and deemed owners of their allocable portion of the Liquidating Trust Assets for federal income tax purposes.

The fair market value of the portion of the Liquidating Trust Assets that is treated for U.S. federal income tax purposes as having been transferred to each Liquidating Trust Beneficiary, as described in the preceding paragraph, and to each of the Reserve Accounts, will be determined by the Liquidating Trustee, and all parties (including, without limitation, the

Liquidating Trustee and the Liquidating Trust Beneficiaries) must utilize such fair market values determined by the Liquidating Trustee for federal and applicable state and local income tax purposes.

The Liquidating Trust's taxable income, gain, loss, deduction or credit will be allocated to the Liquidating Trust Beneficiaries in accordance with their relative beneficial interests in the Liquidating Trust during the applicable taxable period. Such allocation will be binding on all parties for federal and applicable state and local income tax purposes, and the parties will be responsible for the payment of any federal, state and local income tax due on the income and gain so allocated to them.

5.2 General Tax Reporting by the Liquidating Trust and the Liquidating Trust Beneficiaries.

(a) The Liquidating Trustee shall prepare, consistent with Section 5.1 hereof, and file on behalf of the Liquidating Trust, at the time and in the manner prescribed by the Internal Revenue Code and applicable state and local law, such tax returns and reports as may be required, including but not limited to returns and reports required by Treasury Regulations Section 1.671-4(a), and shall promptly furnish copies of such returns and reports as filed to the Liquidating Trust Beneficiaries at their request. The Liquidating Trustee shall pay or cause to be paid any and all taxes imposed on the Liquidating Trust.

(b) As soon as practicable after the close of each fiscal year, the Liquidating Trustee shall mail to each of the Liquidating Trust Beneficiaries a statement setting forth the beneficiary's share of items of the Liquidating Trust's income, gain, loss, deduction, or credit and will instruct all such beneficiaries to report such items on their federal income tax returns or to forward the appropriate information to their respective beneficial owners with instructions to report such items on their federal income tax returns. The Liquidating Trust's taxable income, gain, loss, deduction, or credit will be allocated to the Liquidating Trust Beneficiaries in accordance with their relative beneficial interests in the Liquidating Trust. Such items will be subject to tax to the Liquidating Trust Beneficiaries on a current basis, even if no cash distributions are made to the Liquidating Trust Beneficiaries.

(c) Absent definitive guidance from the IRS or a court of competent jurisdiction to the contrary, the Liquidating Trustee shall, to the extent permitted by applicable law, report consistently for state and local income tax purposes.

(d) The Liquidating Trustee shall be responsible for payments, out of the Liquidating Trust Assets, of any taxes imposed on the Liquidating Trust or its assets.

(e) The Liquidating Trust may retain professionals to perform the Liquidating Trustee's duties under this Section 5.2 and, subject to Section 6.6, may rely upon the performance of such professionals with respect to such duties.

(f) The Liquidating Trustee may request an expedited determination of taxes under section 505 of the Bankruptcy Code.

5.3 **Withholding of Taxes and Other Charges.** In connection with the Plan, to the extent applicable, the Liquidating Trustee or the Disbursing Agent, as applicable, shall comply with all tax withholding and reporting requirements imposed on them by any governmental unit, and all Distributions pursuant hereto shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Liquidating Trustee or the Disbursing Agent, as applicable, shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the Distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding Distributions pending receipt of information necessary to facilitate such Distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Liquidating Trustee shall have the right to allocate all Distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, liens and encumbrances. All Persons holding Claims or Equity Interests shall be required to provide any information necessary to effect information reporting and the withholding of such taxes, including providing executed originals of the appropriate Internal Revenue Service Form W-8 or Internal Revenue Service W-9, as applicable for each Person holding Claims or Equity Interests. Notwithstanding any other provision of the Plan to the contrary, each Holder of an Allowed Claim shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of such Distribution. The Liquidating Trustee, in the exercise of its discretion and judgment, may enter into agreements with taxing or other authorities for the payment of such amounts as may be withheld in accordance with the provisions of this Section 5.3.

5.4 **General Tax Reporting by the Debtors.** The Liquidating Trustee shall prepare and file on behalf of the Debtors at the time and in the manner prescribed by the Internal Revenue Code and applicable state and local law, such tax returns and reports as may be required for the Debtors. For all taxable periods ending on or prior to the Effective Date, the Liquidating Trustee shall have full and exclusive authority in respect of all taxes of the Debtors to the same extent as if the Liquidating Trustee was the debtor in possession. In furtherance of the Liquidating Trustee's authority hereunder, each of the Debtors shall execute a power of attorney authorizing the Liquidating Trust to correspond with any taxing authority on behalf of such Debtor and to sign, collect, negotiate, settle and administer tax payments, tax refunds and tax returns.

5.5 **Other.** The Liquidating Trustee shall file, or cause to be filed, any other statements, returns, or disclosures relating to the Liquidating Trust that are required by any governmental unit or applicable law.

ARTICLE VI.

THE LIQUIDATING TRUSTEE

6.1 Liquidating Trustee's Compensation and Reimbursement.

(a) The Liquidating Trustee's compensation, on a post-Effective Date basis, shall be 2.5% of the first \$10,000,000 of any and all Gross Recoveries¹ to the Liquidating Trust; plus 3.5% of the next \$10,000,000 of any and all Gross Recoveries to the Liquidating Trust; plus 4.5% of the next \$10,000,000 of any and all Gross Recoveries to the Liquidating Trust; plus 5.5% of any and all additional Gross Recoveries to the Liquidating Trust in excess of \$30,000,000 (collectively, the "Success Fee"). The Liquidating Trustee shall also be paid an up-front fee equal to \$25,000, paid from the Liquidating Trust Administrative Expenses Reserve. Such fee will be credited against any Success Fee earned by and paid to the Liquidating Trustee upon termination of the Liquidating Trust. The payment of the fees of the Liquidating Trustee and any professionals retained by the Liquidating Trustee shall be made by the Liquidating Trust from first the Liquidating Trust Administrative Expenses Reserve and, second, upon approval of the Liquidating Trust Committee, from the Liquidating Trust Assets or, upon approval of the Litigation Committee, from the proceeds of Specified Litigation Claims. The Liquidating Trustee shall provide copies of its fee statements to any Liquidating Trust Beneficiary upon request.

(b) The Liquidating Trustee shall have the right to retain the services of attorneys, accountants, and other professionals that, in the discretion of the Liquidating Trustee, are necessary to assist the Liquidating Trustee in the performance of his or her duties. The payment of the reasonable fees and expenses of the Liquidating Trustee's retained professionals shall be made in the ordinary course of business from first the Liquidating Trust Administrative Expenses Reserve and, second, upon approval of the Litigation Committee, from the proceeds of Specified Litigation Claims, or upon approval of the Liquidating Trust Committee, from the Liquidating Trust Assets, and shall not be subject to the approval of the Bankruptcy Court. Professionals of, among others, the Debtors and the Committee, shall be eligible for retention by the Liquidating Trustee, and former employees of the Debtors shall be eligible for retention by the Liquidating Trust and Liquidating Trustee. The Liquidating Trustee shall provide copies of its professionals' fee statements to any Liquidating Trust Beneficiary upon request.

(c) All costs, expenses and obligations incurred by the Liquidating Trustee in administering the Plan, the Liquidating Trust, or in any manner connected, incidental or related thereto, in effecting distributions from the Liquidating Trust thereunder (including the reimbursement of reasonable expenses) shall be a charge against the Liquidating Trust Administrative Expenses Reserve remaining from time to time in the hands of the Liquidating Trustee. Such expenses shall be paid as they are incurred without the need for Bankruptcy Court approval.

(d) Ace, the Committee, Highbridge, and the Senior Secured Noteholders Ad Hoc Group shall be entitled to object to the reasonableness of any fees, expenses or costs

¹ "Gross Recoveries" shall mean assets recovered for the benefit of the Liquidating Trust Beneficiaries. Gross Recoveries excludes (i) funds from the Liquidating Trust Administrative Expenses Reserve and (ii) any reductions in the amounts of creditor claims amounts as a result of the claims resolution process.

incurred by the Liquidating Trustee or professionals employed by the Liquidating Trustee. Such objections shall be heard by the Bankruptcy Court, which shall retain jurisdiction for this purpose under the Plan and this Trust Agreement.

6.2 **Resignation.** The Liquidating Trustee may resign as Liquidating Trustee hereunder by giving not less than 90 days' prior written notice thereof to the Liquidating Trust Beneficiaries, the Liquidating Trust Committee, and the Litigation Committee. Such resignation shall become effective on the later to occur of: (a) the day specified in such notice or (b) the appointment of a successor Liquidating Trustee pursuant to Section 6.4 of this Trust Agreement and the acceptance of such successor Liquidating Trustee of such appointment. If a successor Liquidating Trustee is not appointed or does not accept his or her appointment within 90 days following delivery of notice of resignation, the Liquidating Trustee may petition the Bankruptcy Court for the appointment of a successor Liquidating Trustee.

6.3 **Removal.** The Liquidating Trustee (and its successors) may be removed by (i) an order of the Bankruptcy Court for cause shown and upon notice and a hearing and the Bankruptcy Court shall retain jurisdiction for this purpose under the Plan and this Trust Agreement or (ii) the Liquidating Trust Committee and the Litigation Committee, in their joint sole discretion, at any time.

6.4 **Appointment of Successor Liquidating Trustee.** In the event of the resignation, removal or incapacity of the Liquidating Trustee, the Liquidating Trust Committee and the Litigation Committee shall designate a successor Liquidating Trustee, subject to the approval of the Bankruptcy Court, after notice and a hearing. The successor Liquidating Trustee shall give written notice of his or her appointment to the Liquidating Trust Beneficiaries as soon thereafter as is practicable. Any successor Liquidating Trustee appointed hereunder shall execute, acknowledge and deliver to the Bankruptcy Court and the retiring Liquidating Trustee an instrument duly accepting such appointment and agreeing to be bound by the terms of this Trust Agreement and thereupon such successor Liquidating Trustee, without further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the Liquidating Trustee under this Trust Agreement. All fees and expenses of the Liquidating Trustee shall be paid unless disputed by the successor Liquidating Trustee, in which case such dispute shall be subject to resolution by the Bankruptcy Court.

6.5 **Liquidating Trust Continuance.** The resignation or removal of the Liquidating Trustee shall not operate to terminate the Liquidating Trust or to revoke any existing agency created pursuant to the terms of this Trust Agreement or invalidate any action theretofore taken by the Liquidating Trustee or any prior Liquidating Trustee. In the event of the resignation or removal of the Liquidating Trustee, such Liquidating Trustee shall promptly execute and deliver such documents, instruments and other writings as may be reasonably requested by the successor Liquidating Trustee to effect the termination of the Liquidating Trustee's capacity under this Trust Agreement and the conveyance of the Liquidating Trust Assets then held by the Liquidating Trustee to such Liquidating Trustee's successor; deliver to the successor Liquidating Trustee all documents, instruments, records and other writings related to the Liquidating Trust as may be in the possession of the Liquidating Trustee; and otherwise assist and cooperate in effecting the assumption of his or her obligations and functions by such successor Liquidating Trustee.

6.6 **Reliance by Liquidating Trustee.** The Liquidating Trustee may rely, and shall be fully protected personally in acting upon, any resolution, statement, certificate, instrument, opinion, report, notice, request, consent, order, or other instrument or document which the Liquidating Trustee believes to be genuine and to have been signed or presented by the proper party or parties or, in the case of facsimile transmissions or electronic mail, to have been sent by the proper party or parties, in each case without obligation to satisfy itself that the same was given in good faith and without responsibility for errors in delivery, transmission, or receipt. In the absence of fraud, willful misconduct, or gross negligence on the Liquidating Trustee's part, the Liquidating Trustee may rely as to the truth of any statements contained therein in acting thereon. The Liquidating Trustee may consult with and rely on the advice of legal counsel and such other experts, advisors, consultants, or other professionals as shall have been retained pursuant to this Trust Agreement and shall be fully protected in respect of any action taken or suffered by them in accordance with the written opinion of legal counsel. Notwithstanding such authority, the Liquidating Trustee shall be under no obligation to consult with attorneys, accountants, or his or her agents, and his or her determination to not do so should not result in imposition of liability on the Liquidating Trustee unless such determination is based on willful misconduct, gross negligence, or fraud.

6.7 **Standard of Care.** Except in the case of fraud, willful misconduct, or gross negligence, the Liquidating Trustee shall not be liable for any loss or damage by reason of any action taken or omitted by the Liquidating Trustee pursuant to the discretion, power, and authority conferred on the Liquidating Trustee by this Trust Agreement, the Plan, and the Confirmation Order.

6.8 **No Liability for Acts of Predecessor Trustees.** No successor Liquidating Trustee shall be in any way liable for the acts or omissions of any predecessor Liquidating Trustee unless a successor Liquidating Trustee expressly assumes such responsibility.

6.9 **Insurance.** The Liquidating Trustee may purchase, at the expense of the Liquidating Trust, errors and omissions insurance with regard to any liabilities, losses, damages, claims, costs and expenses it may incur, including but not limited to attorneys' fees, arising out of or due to its actions or omissions or consequences of such actions or omissions, other than as a result of its fraud, gross negligence or willful misconduct, with respect to the implementation of this Trust Agreement, the Plan, or the Confirmation Order.

6.10 **No Implied Obligations.** No Liquidating Trustee shall be liable for any duties or obligations except for the performance of such duties and obligations as are specifically set forth herein, and no implied covenants or obligations shall be read into this Liquidating Trust.

6.11 **No Personal Liability.** Persons dealing with the Liquidating Trust must look solely to the Liquidating Trust or the Liquidating Trust Assets for the enforcement of any claims against the Liquidating Trust or to satisfy any liability incurred by the Liquidating Trustee to such Persons in carrying out the terms of this Liquidating Trust, and neither the Liquidating Trustee nor the Debtors or any other Person shall have any personal liability or individual obligation to satisfy any such liability.

6.12 **Liability; Indemnification.** The Liquidating Trustee shall not be liable for any act or omission taken or omitted to be taken in his or her capacity as the Liquidating Trustee, other than acts or omissions resulting from such Person's willful misconduct, gross negligence or fraud. The Liquidating Trustee may, in connection with the performance of his or her functions, and in his or her sole absolute discretion, consult with attorneys, accountants and agents, and shall not be liable for any act taken, omitted to be taken, or suffered to be done in accordance with advice or opinions rendered by such professionals. Notwithstanding such authority, the Liquidating Trustee shall be under no obligation to consult with attorneys, accountants or his or her agents, and his or her determination to not do so should not result in imposition of liability on the Liquidating Trustee unless such determination is based on willful misconduct, gross negligence or fraud. The Liquidating Trust shall indemnify and hold harmless the Liquidating Trustee and his or her agents, representatives, professionals, and employees from and against and in respect to any and all liabilities, losses, damages, claims, costs and expenses, including, but not limited to attorneys' fees and costs arising out of or due to their actions or omissions, or consequences of such actions or omissions, with respect to the Liquidating Trust or the implementation or administration of the Plan; provided, however, that no such indemnification will be made to such Persons for such actions or omissions as a result of willful misconduct, gross negligence or fraud.

ARTICLE VII.

TRUST COMMITTEES

7.1 Creation of Liquidating Trust Committee; Replacement of Members.

(a) The Liquidating Trust Committee shall be comprised of three members. The members of the Liquidating Trust Committee shall be selected by the Committee in consultation with Ace, the Debtors, Highbridge, and the Senior Secured Noteholders Ad Hoc Group.

(b) If a member of the Liquidating Trust Committee resigns or is otherwise removed, a replacement Liquidating Trust Committee member will be appointed by the remaining Liquidating Trust Committee members or, in the absence of agreement of the members, by the Bankruptcy Court upon motion by the Liquidating Trustee.

7.2 Creation of Litigation Committee; Replacement of Members.

(a) The Litigation Committee shall be comprised of a member appointed by the Senior Secured Noteholders Ad Hoc Group and a member appointed by Highbridge.

(b) If a member of the Litigation Committee resigns or is otherwise removed, a replacement Litigation Committee member will be appointed by the same Entity that appointed the original Litigation Committee member.

7.3 **Appointment of General Unsecured Trade Claims Representative.** Subject to the Plan, a representative appointed by the Committee to represent the interests of the General Unsecured Trade Claims Creditors (the "General Unsecured Trade Claims Representative") shall have sole authority to direct the Liquidating Trustee to make decisions related to, or to otherwise

reconcile, object, and settle general unsecured claims pursuant to the Plan. If the General Unsecured Trade Claims Representative resigns or is otherwise removed, a replacement General Unsecured Trade Claims Representative will be appointed by the Liquidating Trust Committee member that was previously appointed by the Committee.

7.4 **Procedures.** The Liquidating Trust Committee and the Litigation Committee may adopt bylaws to provide for the governance of the Liquidating Trust Committee and the Litigation Committee, as applicable.

7.5 **Function, Duties, and Responsibilities of the Liquidating Trust Committee.** Subject to the Plan, the Liquidating Trust Committee shall have the following function, duties, and responsibilities; provided, however, that notwithstanding anything in this section 7.5 to the contrary, the Litigation Committee shall have the sole authority, function, duty, and responsibility to make decisions related to, or otherwise settle, compromise, resolve, abandon, or dispose of, the Specified Litigation Claims.

(a) it shall meet with the Liquidating Trustee on such regular basis as the Liquidating Trust Committee and the Liquidating Trustee deem appropriate, but in no event less frequently than quarterly; and

(b) it shall consult with the Liquidating Trustee regarding the carrying out of his or her duties, including but not limited to:

- (i) pursuit and resolution of claims and Causes of Action against third parties;
- (ii) resolution of Claims filed by creditors against the Debtors;
- (iii) administration of the trust estate; and
- (iv) Distributions to Liquidating Trust Beneficiaries and holders of Allowed Claims.

7.6 **Function, Duties, and Responsibilities of the Litigation Committee.** The Litigation Committee shall have the sole authority to make decisions related to, or to otherwise settle, compromise, resolve, abandon, or dispose of, the Specified Litigation Claims.

7.7 **Duration.** The Liquidating Trust Committee and Litigation Committee shall remain in existence until the Liquidating Trust is terminated in accordance with the Plan.

7.8 **Liability; Indemnification.** Neither the Liquidating Trust Committee or the Litigation Committee, nor any of their members, or designees, nor any duly designated agent or representative of the Liquidating Trust Committee or Litigation Committee, or their respective employees, shall be liable for the act or omission of any other member, designee, agent or representative of the Liquidating Trust Committee or Litigation Committee, as applicable, nor shall any member of the Liquidating Trust Committee or Litigation Committee be liable for any act or omission taken or omitted to be taken in its capacity as a member of the Liquidating Trust Committee or Litigation Committee, as applicable, other than acts or omissions resulting from

such member's willful misconduct, gross negligence or fraud. The Liquidating Trust Committee and Litigation Committee may, in connection with the performance of its functions, and in its sole and absolute discretion, consult with attorneys, accountants, and its agents, and shall not be liable for any act taken, omitted to be taken, or suffered to be done in accordance with advice or opinions rendered by such professionals. Notwithstanding such authority, the Liquidating Trust Committee and or Litigation Committee shall be under no obligation to consult with attorneys, accountants or its agents, and its determination to not do so shall not result in the imposition of liability on the Liquidating Trust Committee or Litigation Committee, or its members and/or designees, unless such determination is based on willful misconduct, gross negligence or fraud. The Liquidating Trust shall indemnify and hold harmless the Liquidating Trust Committee, the Litigation Committee, and their members, designees, and Professionals, and any duly designated agent or representative thereof (in their capacity as such), from and against and in respect to any and all liabilities, losses, damages, claims, costs and expenses, including but not limited to attorneys' fees and costs arising out of or due to their actions or omissions, or consequences of such actions or omissions with respect to the Liquidating Trust or the implementation or administration of the Plan; provided, however, that no such indemnification will be made to such Persons for such actions or omissions as a result of willful misconduct, gross negligence or fraud.

7.9 **Actions, Approvals, and Consents of the Liquidating Trust Committee.** Any action, approval, or consent of the Liquidating Trust Committee shall only be deemed authorized if a majority of the members of the Liquidating Trust Committee vote in favor of such action, approval, or consent.

7.10 **Actions, Approvals, and Consents of the Litigation Committee.** Any action, approval, or consent of the Litigation Committee shall only be deemed authorized if the members of the Litigation Committee unanimously vote in favor of such action, approval, or consent. In the absence of such unanimous approval by the members of the Litigation Committee, the Liquidating Trustee may seek approval of the Bankruptcy Court of such action, approval, or consent, in which case the rights of all parties, including the members of the Litigation Committee, are reserved in all respects.

ARTICLE VIII.

AMENDMENTS

8.1 **Amendments.** The parties hereto may make and execute written amendments to this Trust Agreement; provided, however, that in no event shall this Trust Agreement be amended (a) so as to change the purpose of the Liquidating Trust as set forth in Article I hereof, (b) so as to allow funds constituting Liquidating Trust Assets to be invested in a manner other than as permitted in Section 4.3 hereof, (c) so as to adversely affect the Distributions to be made under this Trust Agreement to any Liquidating Trust Beneficiaries or holders of Allowed Claims, (d) so as to adversely affect the U.S. Federal income status of the Liquidating Trust as a grantor trust in accordance with Section 5.1, or (e) so as to amend or modify any provision relating to the Litigation Committee or the Specified Litigation Claims, including, without limitation, Sections 7.2, 7.6, and 7.10 hereof, without the written consent of the Senior Secured Noteholders Ad Hoc Group and Highbridge.

ARTICLE IX.

MISCELLANEOUS PROVISIONS

9.1 **Applicable Law.** The Liquidating Trust created herein shall be construed, regulated and administered under the laws of the State of Texas without regard to principles of conflicts of law; provided, that, the Liquidating Trust and any interpretation or enforcement of the provisions of this Trust Agreement shall be subject to the jurisdiction of the Bankruptcy Court.

9.2 **No Association, Partnership or Joint Venture.** This Trust Agreement is not intended to create and shall not be interpreted as creating an association, partnership, or joint venture of any kind.

9.3 **Partial Invalidity.** If any term or provision of this Trust Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Trust Agreement, such term or provision shall be fully severable and this Trust Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Trust Agreement; and the remaining terms and provisions of this Trust Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Trust Agreement, and this Trust Agreement shall be construed so as to limit any term or provision so as to make it a legal, valid, and enforceable provision, provided that such construction, to the maximum extent possible, shall give effect to the purposes of the Plan.

9.4 **Notices.** All notices, requests, consents and other communications hereunder shall be in writing and shall be addressed (i) if to the Liquidating Trustee, to Douglass J. Brickely, The Claro Group, LLC, One Houston Center , 1221 McKinney Street, Suite 2850, Houston, TX 77010, or such other address as such Liquidating Trustee will have furnished; and (ii) if to any Liquidating Trust Beneficiary, at the address determined as set forth in Section 5.06 of the Plan. All such notices, requests, consents and other communications shall be given to the Liquidating Trustee by facsimile, hand delivery, overnight delivery, or, to a Liquidating Trust Beneficiary, by first-class mail, postage prepaid, and shall be deemed given when actually delivered (with respect to the Liquidating Trustee), or three business days after deposit in the U.S. mail if mailed (with respect to a Liquidating Trust Beneficiary).

9.5 **Counterparts.** This Trust Agreement may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute one and the same instrument.

9.6 **Headings.** The section headings contained in this Trust Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of this Trust Agreement or of any term or provision hereof.

9.7 **Confidentiality.** The Liquidating Trustee shall, during the period that it serves in such capacity under this Trust Agreement and following either the termination of this Trust Agreement or such Liquidating Trustee's removal, incapacity, or resignation hereunder, hold

strictly confidential and not use for personal gain any material, non-public information of or pertaining to any entity to which any of the Liquidating Trust Assets relates or of which it has become aware in its capacity as Liquidating Trustee.

9.8 **Bond Not Required.** Notwithstanding any state law to the contrary, the Liquidating Trustee (including any successor trustee) shall be exempt from giving any other bond or surety in any jurisdiction.

9.9 **Retention of Jurisdiction.** The Bankruptcy Court shall retain jurisdiction as set forth in the Plan over issues related to the enforcement or interpretation of this Trust Agreement, including the determination of all claims, controversies, disputes, and issues arising under or in connection with the Liquidating Trust or this Trust Agreement and the management and administration of the Liquidating Trust and for all of the purposes contemplated herein.

9.10 **Relationship to Plan.** The principal purpose of this Trust Agreement is to aid in the implementation of the Plan and, therefore, this Trust Agreement incorporates and is subject to the provisions of the Plan. In the event any provision of this Trust Agreement is found to be inconsistent with a provision of the Plan or the Confirmation Order, the provision of the Plan or the Confirmation Order shall control.

[Remainder of Page Internationally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement or caused this Trust Agreement to be duly executed as of the day and year first written.

CENTURY EXPLORATION HOUSTON, LLC

By: _____
Name: _____
Title: _____

CENTURY EXPLORATION NEW ORLEANS, LLC

By: _____
Name: _____
Title: _____

CENTURY EXPLORATION RESOURCES, LLC

By: _____
Name: _____
Title: _____

RAAM GLOBAL ENERGY COMPANY

By: _____
Name: _____
Title: _____

**DOUGLAS J. BRICKLEY, LIQUIDATING
TRUSTEE**

By: _____

Name: Douglas J. Brickley

Title: Liquidating Trustee