

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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|-------------------------------|---|--------------------------------|
| In re: | § | Chapter 11 |
| | § | |
| AMERICAN LAFRANCE, LLC | § | Case No. 08-10178 (BLS) |
| | § | |
| Debtor. | § | |

AMENDED PLAN OF REORGANIZATION OF AMERICAN LAFRANCE, LLC

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

| | | |
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| IN RE: | § | |
| | § | |
| AMERICAN LaFRANCE, LLC, | § | CASE NO. 08--10178 (BLS) |
| | § | |
| Debtor. | § | CHAPTER 11 |

AMENDED PLAN OF REORGANIZATION OF AMERICAN LAFRANCE, LLC

American LaFrance, LLC, as debtor and debtor-in-possession, submits this Amended Plan of Reorganization (the “Plan”) pursuant to section 1121(a) of chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* for the resolution of the Debtor’s outstanding creditor claims. Reference is made to the Disclosure Statement (as defined below) for a discussion of the Debtor’s history, business, properties, and results of operations, and for a summary of this Plan and certain related matters.

All holders of Claims (as defined below) and Interests (as defined below) are encouraged to read the Plan and the Disclosure Statement in their entirety before voting to accept or reject this Plan. Other than the Disclosure Statement and any exhibits and schedules attached thereto or referenced therein, no materials have been approved by the Debtor for use in soliciting acceptances or rejections of this Plan.

**ARTICLE I.
SUMMARY OF THE PLAN**

An overview of the Plan is set forth in the Disclosure Statement. The Plan generally provides for the reorganization of the Debtor’s business, and specifically provides unsecured creditors in Class 4 with certain options as to how their claims will be treated. The Plan further provides for unsecured creditors in Classes 5 and 6 to receive payment in full.

**ARTICLE II.
DEFINITIONS**

As used in the Plan, the following terms shall have the respective meanings specified below. Any term used in the Plan but not defined below or herein shall be interpreted in accordance with the Rules of Construction and Interpretation set forth in the following Articles of this Plan.

2.1. Administrative Claim: Any cost or expense of administration of the Chapter 11 Case incurred on or before the Effective Date entitled to priority under section 507(a)(2) and allowed under section 503(b) of the Bankruptcy Code, including, without limitation, any actual and necessary expenses of preserving the Debtor’s estate, wages, salaries, or commissions for services rendered after the commencement of the Chapter 11 Case, certain taxes, fines, and penalties, any actual and necessary postpetition expenses of operating the

Debtor's business, certain postpetition indebtedness or obligations incurred by or assessed against the Debtor in connection with the conduct of the business, or for the acquisition or lease of property, or for providing of services to the Debtor, including all allowances of compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under the Bankruptcy Code, and any fees or charges assessed against the Estate under 28 U.S.C. § 1930. With respect to quarterly U.S. Trustee fees, the Trustee shall pay any accrued fees on the Distribution Date and timely pay all post-confirmation quarterly fees as they accrue until the date of the closing of the Chapter 11 Case.

2.2. Administrative Claimant: Any Person entitled to payment of an Administrative Claim.

2.3. ALF: American LaFrance, LLC, the Debtor.

2.4. Allowance Date: The date that a Claim becomes an Allowed Claim.

2.5. Allowed: The portion of a Claim that is not a Disputed Claim.

2.6. Allowed Claim: A Claim to the extent Allowed.

2.7. Allowed Administrative Claim: An Administrative Claim to the extent it is or becomes an Allowed Claim.

2.8. Allowed Convenience Claim: An Allowed Unsecured Claim that is (a) \$2,500 or less, or (b) more than \$2,500 if the holder of the Claim has elected to, on a timely basis, reduce its Claim to \$2,500 in accordance with Article 6.5 of the Plan.

2.9. Allowed Priority Non-Tax Claim: Any Claim, other than an Administrative Claim or a Priority Tax Claim, to the extent Allowed and entitled to priority in payment under section 507(a) of the Bankruptcy Code.

2.10. Allowed Priority Tax Claim: Any Claim, to the extent Allowed and entitled to priority in payment under section 507(a)(8) of the Bankruptcy Code.

2.11. Allowed Secured Claim: A Secured Claim of a creditor to the extent such Claim is an Allowed Claim, and the Lien securing such Claim has not become an Avoided Lien.

2.12. Allowed Unsecured Claim: An Unsecured Claim to the extent it is or becomes an Allowed Claim.

2.13. Assumed Liabilities: Certain ordinary-course liabilities that the Reorganized Debtor will pay in the ordinary course of its business.

2.14. Assumed Liability Claim: Any Claim for an Assumed Liability as identified on Schedule 6.6.1.

2.15. Assumed Plan Liabilities: The obligations of the Reorganized Debtor as agreed in writing by the Reorganized Debtor under this Plan.

2.16. Available Cash: All of the Cash held by the Debtor's Estate.

2.17. Avoidance Actions: Any and all rights, claims and causes of action arising under any provision of chapter 5 of the Bankruptcy Code with the exception of Insider Avoidance Actions.

2.18. Avoided Lien: A Lien to the extent it has been set aside, invalidated, or otherwise avoided pursuant to an Avoidance Action.

2.19. Balloting Agent: Kurtzman Carson Consultants, LLC.

2.20. Bankruptcy Code: The Bankruptcy Reform Act of 1978, as amended, Title 11, United States Code, as applicable to this Chapter 11 Case.

2.21. Bankruptcy Court: The United States Bankruptcy Court for the District of Delaware.

2.22. Bar Date: The deadline for filing proofs of claim established by the Bankruptcy Court and any supplemental bar dates established by the Bankruptcy Court pursuant to any other Final Order.

2.23. Business Day: Any day other than a Saturday, a Sunday, or any other day on which banking institutions in Delaware are required or authorized to close by law or executive order.

2.24. Cash: Cash, wire transfer, certified check, cash equivalents, and other readily marketable securities or instruments, including, without limitation, readily marketable direct obligations of the United States of America, certificates of deposit issued by banks, and commercial paper of any Person, including interest accrued or earned thereon, or a check from the Debtor's Estate.

2.25. Causes of Action: Any and all claims, causes of action or rights to legal or equitable remedies, whether known or unknown, reduced to judgment or not, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, secured or unsecured, and whether asserted or assertable directly or derivatively, in law, equity or otherwise, including Avoidance Actions.

2.26. Chapter 11 Case: The Debtor's case in the Bankruptcy Court under chapter 11 of the Bankruptcy Code.

2.27. Claim: Any right to payment from the Debtor whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or any right to any equitable remedy for future performance if such breach gives rise to a right of payment from the Debtor, whether or

not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, disputed, undisputed, secured, or unsecured.

2.28. Claimant or Claimholder: A person asserting a Claim against the Debtor, property of the Debtor, or the Debtor's Estate.

2.29. Claim Objection Deadline: As applicable, (a) the day that is the later of (i) the first Business Day that is 45 days after the Effective Date, (ii) with respect to governmental units, the first Business Day that is 45 days after the Governmental Bar Date and (iii) as to proofs of claim Filed after the applicable Bar Date, the first Business Day that is 45 days after a Final Order is entered deeming the late-filed claim to be treated as timely Filed, or (b) such later date as may be established by the Bankruptcy Court.

2.30. Class: One of the classes of Claims or Interests defined in Article IV hereof.

2.31. Collateral: Any property of the Debtor or interest in property of the Debtor that serves as security for the repayment of a debt or the performance of an obligation owed by the Debtor to the holder of an Allowed Secured Claim.

2.32. Confirmation: Entry of the Confirmation Order confirming this Plan at or after the Confirmation Hearing before the Bankruptcy Court pursuant to section 1129 of the Bankruptcy Code.

2.33. Confirmation Date: The date on which the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

2.34. Confirmation Hearing: The hearing held by the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code to consider confirmation of this Plan, as such hearing may be adjourned or continued from time to time.

2.35. Confirmation Order: The Order of the Bankruptcy Court approving and confirming the Plan in accordance with the provisions of chapter 11 of the Bankruptcy Code.

2.36. Convenience Claim: An Allowed Unsecured Claim in an amount of \$2,500 or less or in an amount that has been reduced to \$2,500 by the election of its Claimholder on the ballot for voting pursuant to the provisions of this Plan and Section 6.5 hereof.

2.37. Creditor: Any Person that holds a Claim against the Debtor that arose on or before the Petition Date, or a Claim against the Debtor of any kind specified in sections 502(f), 502(g), 502(h), or 502(i) of the Bankruptcy Code.

2.38. Creditors' Committee: The Official Committee of Unsecured Creditors duly constituted in the Chapter 11 Case pursuant to section 1102 of the Bankruptcy Code.

2.39. Debtor: American LaFrance, LLC.

2.40. Debtor-in-Possession: The Debtor in its capacity as Debtor in Possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2.41. Deficiency Claim: The amount by which an Allowed Claim exceeds the value of any Collateral securing such Claim as may be determined by the Bankruptcy Court in accordance with section 506(a) of the Bankruptcy Code. A Deficiency Claim is a General Unsecured Claim, but only if the holder of the Claim had recourse against the Debtor prior to any foreclosure on Collateral.

2.42. DIP Financing: That certain *Debtor In Possession Financing Amendment To Credit Agreement* attached as Exhibit 1 to the Interim Agreed Order Authorizing Limited Use Of Cash Collateral, Obtaining Postpetition Credit Secured By Senior Liens, And Granting Adequate Protection To Existing Lienholders (Docket No. 40), as amended, restated, supplemented, or otherwise modified from time to time, and all documents executed in connection therewith, by and between the Debtor and Patriarch Partners Agency Services, LLC, as agent for certain lenders and any final Order approving the same.

2.43. DIP Financing Claim: The Allowed Claim on account of the DIP Financing.

2.44. Disallowed Claim: A Claim, or any portion thereof, that (a) has been disallowed by either a Final Order or pursuant to a settlement, or (b)(i) is set forth in the Schedules at zero or as contingent, disputed, or unliquidated and (ii) as to which a Bar Date has been established but no proof of claim has been Filed or deemed timely Filed with the Bankruptcy court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely Filed under applicable law.

2.45. Disclosure Statement: The Amended Disclosure Statement with respect to the Amended Chapter 11 Plan of Reorganization Filed by the Debtor with the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, as may be amended or supplemented.

2.46. Disputed Claim: A Claim as to which (i) a proof of claim has been Filed or deemed Filed under applicable law, as to which an objection has been timely Filed and which objection, if timely Filed, has not been withdrawn on or before any date fixed for Filing such objections by the Plan or Order of the Bankruptcy Court and has not been overruled or denied by a Final Order or (ii) no proof of claim was timely filed and such Claim was identified in the Schedules as contingent, unliquidated, and/or disputed.

2.47. Distribution: The property required by the Plan to be distributed to the holders of Allowed Claims.

2.48. Distribution Certificate: A certificate, to be included in the Plan Supplement, evidencing a contingent right to receive the sum of up to \$20 million on the following terms: in the event that within three (3) years after the Effective Date of the Plan the Reorganized Debtor consummates a transaction that provides for the recovery in cash by the Pre-Petition Lenders and Interest Holders and any post-Effective Date lenders or investors of all of their invested capital (both debt, including any accrued but unpaid interest, and equity), then the

Trust shall receive 15% of any excess cash proceeds, after such invested capital has been recovered, up to a maximum of \$20 million has been paid to the Trust.

2.49. Distribution Date: As to all Allowed Claims, the date that is within 90 days after the date upon which the Reorganized Debtor or Trustee (as appropriate), in its sole discretion, has sufficient funds to pay Allowed Claims of the highest priority of previously unpaid Allowed Claims.

2.50. Earned Interest: Interest, for purposes of Cash Distribution under the Plan, for each day during any calendar month, at an assumed rate per annum for each calendar month (or portion thereof) after the Effective Date, equal to the 30-Day Treasury Rate in effect on the first Business Day of such month.

2.51. Effective Date: The first Business Day after the Confirmation Date that (a) all conditions precedent to the occurrence of the Effective Date specified in the Plan have been satisfied or waived and (b) no stay of the Confirmation Order is in effect.

2.52. Estate: The estate created upon the filing of the Chapter 11 case pursuant to section 541 of the Bankruptcy Code, together with all rights, claims, and interests appertaining thereto.

2.53. Excluded Liability: Obligations of the Debtor and the Estate that are not Assumed Plan Liabilities.

2.54. Executive Committee: The Executive Committee established under the Plan, and, as of the Effective Date, is comprised of three individuals to be named in the Plan Supplement.

2.55. Executory Contract: Any unexpired lease or executory contract as set forth in section 365 of the Bankruptcy Code.

2.56. File or Filed: The filing of any document in this Chapter 11 Case.

2.57. Final Distribution: A Distribution made under the Plan that represents the only or last Distribution to be made to a particular Class of Creditors.

2.58. Final Distribution Date: The date on which the Reorganized Debtor or the Trustee (as appropriate) makes a Final Distribution.

2.59. Final Order: An order or judgment that has not been reversed, vacated, stayed, or amended, and is no longer subject to appeal, *certiorari* proceeding or other proceeding for review, re-argument, or rehearing, or as to which no appeal, *certiorari* proceeding or other proceeding for review, reargument, or rehearing has been requested or is then pending and the time to file any such appeals, *certiorari*, proceeding or other proceeding for review, reargument, or rehearing has expired, or as to which any right to appeal, petition for *certiorari*, reargue, or rehear shall have been waived in writing in form and substance satisfactory to the Debtor; or, in the event that an appeal, writ of *certiorari* or reargument or rehearing thereof has been sought, such order or judgment shall have been determined by the highest court to which such order or

judgment was appealed, or *certiorari*, reargument or rehearing shall have been denied and the time to take any further appeal, petition for *certiorari* or move for reargument or rehearing shall have expired; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or applicable state laws, may be filed with respect to such order or judgment shall not preclude it from being a Final Order.

2.60. Freightliner: Freightliner, LLC, now known as Daimler Trucks North America, LLC.

2.61. General Unsecured Claim: A Claim other than a Secured Claim, a DIP Financing Claim, an Administrative Claim, a Priority Non-Tax Claim, a Priority Tax Claim, an Assumed Liability Claim, or a Convenience Claim.

2.62. Governmental Bar Date: The deadline for governmental units to file proofs of claim related to pre-Petition Date period established by prior order of the Bankruptcy Court.

2.63. IBM Claims: Any and all claims or Causes of Action of the Debtor against IBM Corporation related to services provided by IBM Corporation to the Debtor.

2.64. Insider Avoidance Actions: Claims for recovery of (a) preferential payments or transfers to Freightliner (as defined in Bankruptcy Code section 101(31)) made within the period of one year prior to the Petition Date and (b) fraudulent transfers to Freightliner.

2.65. Insider Avoidance Action Share: 25% of the recovery, after costs, of the proceeds of the Reorganized Debtor's prosecution of Insider Avoidance Actions.

2.66. Interest: Any membership interest or other instrument evidencing an ownership interest in the Debtor, whether or not transferable, and any option, warrant or right, contractual or otherwise, to acquire any such interest.

2.67. Interest Holder: Any holder or owner of an Interest.

2.68. Lebanon Real Property: The Debtor's real property, land and building(s), located at 1800 Lehman Street, Lebanon, PA 17046.

2.69. Lien: A charge against or interest in property to secure payment of a debt or performance of an obligation that has not been avoided or invalidated under any provision of the Bankruptcy Code or other applicable law.

2.70. Litigation Assets: The IBM Claims.

2.71. Order: Any mandate, precept, command, or direction given by a court.

2.72. Person: An individual, a corporation, a partnership, an association, a joint stock company, a joint venture, an estate, a trust, an unincorporated association or organization, a governmental unit or any agency or subdivision thereof or any other entity.

2.73. Petition Date: January 28, 2008, the date on which the Debtor Filed its voluntary Chapter 11 petition commencing the Chapter 11 Case.

2.74. Plan: This Plan of Reorganization of the Debtor, as it may be amended or modified.

2.75. Plan Ballot: The form of ballot that the Debtor will transmit to Creditors who are, or may be, entitled to vote on the Plan.

2.76. Plan Supplement: The documents, including the forms of Restructured Note, Restructured Security Documents, the members of the Executive Committee and a list of the Executory Contracts, if any, to be assumed pursuant to the Plan, that shall be contained in a separate plan supplement Filed with the Clerk of the Bankruptcy Court at least fifteen (15) days prior to the date on which the Confirmation Hearing shall commence or such shorter period as ordered by the Bankruptcy Court. A copy of the Plan Supplement will be provided upon written request from the Debtor's counsel.

2.77. Post-Confirmation Service List: The list of those parties who have notified the Reorganized Debtor in writing, at or after the Confirmation Hearing, of their desire to receive electronic notice of all pleadings Filed by the Reorganized Debtor and have provided the e-mail address to which such notices shall be sent.

2.78. Preference Claim: Claim for recovery of a non-insider preferential transfer made within ninety (90) days prior to the Petition Date pursuant to 11 USC § 547(b).

2.79. Pre-Petition Lenders: Zohar CDO 2003-1, Limited ("Zohar"), Zohar II 2005-1, Limited ("Zohar II"), and Zohar III, Limited ("Zohar III") and Patriarch Partners Agency Services, LLC ("PPAS") as agent.

2.80. Priority Non-Tax Claim: Any Claim (other than an Administrative Claim or a Priority Tax Claim) to the extent entitled to priority in payment under section 507(a) of the Bankruptcy Code including, without limitation, a Claim of an employee of the Debtor for wages, salaries, or commissions, including vacation, severance or sick leave pay, earned within one hundred eighty (180) days prior to the Petition Date (to the extent of \$10,950 per employee).

2.81. Priority Tax Claim: Any Claim entitled to priority in payment under section 507(a)(8) of the Bankruptcy Code.

2.82. Pro Rata: The proportion that the dollar amount of an Allowed Claim in a Class bears to the aggregate amount of all Allowed Claims in such Class.

2.83. Professional: A person employed under sections 327 or 1103 of the Bankruptcy Code.

2.84. Reorganized Debtor: The Debtor as it will be reorganized as of the Effective Date in accordance with the Plan.

2.85. Restructured Note: The Restructured Promissory Note issued by the Reorganized Debtor to the Pre-Petition Lenders.

2.86. Restructured Security Documents: Credit and security documents necessary to grant liens in all the assets of the Reorganized Debtor to secure the Restructured Note.

2.87. Schedules: The Debtor's Schedules of Assets and Liabilities, as may be amended or supplemented, and Filed with the Bankruptcy Court in accordance with section 521(a)(1) of the Bankruptcy Code.

2.88. Secured Claim: A Claim to the extent of the value, as may be determined by the Bankruptcy Court pursuant to section 506 of the Bankruptcy Code, of any interest in property of the Debtor's Estate securing such Claim, or any Claim to the extent that it is subject to setoff under section 553 of the Bankruptcy Code. To the extent that the value of such interest is less than the amount of the Claim that has the benefit of such security, such Claim is a Deficiency Claim unless, in any such case, the class of which such Claim is part makes a valid and timely election under section 1111(b) of the Bankruptcy Code to have such Claim treated as a Secured Claim to the extent Allowed.

2.89. Subordinated Claim: A Claim that the Bankruptcy Court has entered a Final Order subordinating the Claim of such holder to the claims of General Unsecured Creditors.

2.90. Trust: The trust created pursuant to the provisions of Article 10 hereof.

2.91. Trust Agreement: The Liquidating Trust Agreement that will be substantially in the form contained in the Plan Supplement.

2.92. Trust Beneficiaries: The holders of Allowed Class 4 Claims that shall be satisfied only from Trust Property in accordance with the terms of the Plan.

2.93. Trust Expenses: All costs, expenses, and obligations incurred by the Trust, the Trustee, the Trustee's Professionals, or the Executive Committee in administering the Trust or in any manner incidental thereto.

2.94. Trust Property: The Trust Property includes the (a) Litigation Assets, (b) \$5,000,000.00 of Cash, (c) Avoidance Actions not settled pursuant to the provisions of this Plan or Section 6.4 hereof, (d) title to the Lebanon Real Property, (e) the Distribution Certificate, and (f) the Insider Avoidance Action Share.

2.95. Trustee: The Trustee of the Trust or any successor trustee designated or selected in accordance with the terms of the Plan and the Trust Agreement. The identity of the initial Trustee, who will be designated by the Creditors' Committee, shall be contained in the Plan Supplement.

2.96. Unsecured Claim: A Claim not secured by a charge, mortgage or lien against or interest in property in which the Estate has an interest, including, without limitation, any Deficiency Claim and any claim for damages resulting from the rejection of an Executory Contract.

**ARTICLE III.
RULES OF CONSTRUCTION AND INTERPRETATION**

3.1. Rule of Construction: The words “herein,” “hereof,” and “hereunder” and other words of similar import refer to this Plan as a whole and not to any particular section, subsection, or clause contained in this Plan, unless the context requires otherwise. Whenever from the context it appears appropriate, each term stated in either the singular or the plural includes the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender include the masculine, feminine, and the neuter. The section headings contained in the Plan are for reference purposes only and shall not affect in any way the meaning or interpretation of the Plan.

3.2. Additional Defined Terms: A term used in this Plan and not defined herein but that is defined in the Bankruptcy Code has the meaning ascribed to the term in the Bankruptcy Code. A term used in this Plan and not defined herein or in the Bankruptcy Code, but which is defined in the Bankruptcy Rules, has the meaning assigned to the term in the Bankruptcy Rules.

**ARTICLE IV.
DESIGNATION OF CLAIMS AND INTERESTS**

4.1. Summary: The following is a designation of the classes of Claims and Interests under the Plan:

| CLASS | TREATMENT | VOTING RIGHTS |
|---|------------|---------------|
| Class 1: Allowed Secured Claims of Pre-Petition Lenders | Impaired | Yes |
| Class 2: Other Allowed Secured Claims Against Debtor | Unimpaired | No |
| Class 3: Allowed Priority Non-Tax Claims | Unimpaired | No |
| Class 4: Allowed General Unsecured Claims | Impaired | Yes |
| Class 5: Allowed Convenience Claims | Impaired | Yes |
| Class 6: Assumed Liabilities | Unimpaired | No |
| Class 7: Interests | Unimpaired | No |

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Post-Petition Tax Claims described in Article V of the Plan have not been classified and are excluded from the following classes. A Claim or Interest is classified in a particular class only to

the extent that the Claim or Interest qualifies within the description of that class, and is classified in another class or classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other class or classes. A Claim or Interest is classified in a particular class only to the extent that the Claim or Interest is an Allowed Claim or Allowed Interest in that class and has not been paid, released, or otherwise satisfied before the Effective Date; a Claim or Interest that is not an Allowed Claim or Interest is not in any Class. Notwithstanding anything to the contrary contained in the Plan, no Distribution shall be made on account of any Claim or Interest that is not an Allowed Claim or Allowed Interest.

4.2. Controversy Concerning Classification, Impairment or Voting Rights:

If a controversy or dispute arises involving issues related to the classification, impairment, or voting rights of any Creditor or Interest Holder under the Plan, whether before or after the Confirmation Date, the Bankruptcy Court may, after notice and a hearing, determine such controversy. Without limiting the foregoing, the Bankruptcy Court may estimate for voting purposes the amount of any contingent or unliquidated Claim if the fixing or liquidation of the Claim through ordinary judicial processes would unduly delay the administration of the Chapter 11 Case. In addition, the Bankruptcy Court may, in accordance with section 506(b) of the Bankruptcy Code, conduct valuation hearings to determine the Allowed Amount of any Secured Claim.

**ARTICLE V.
TREATMENT OF UNCLASSIFIED CLAIMS**

5.1. Administrative Claims.

(a) General: Subject to the deadlines set forth herein, unless otherwise agreed to by the parties, each holder of an Allowed Administrative Claim shall receive Cash equal to the unpaid portion of such Allowed Administrative Claim on the later of, or as soon as practicable thereafter, (i) the Effective Date or as soon as practicable thereafter, (ii) the Allowance Date, or as soon as practicable thereafter, (iii) such date as is mutually agreed on by the Debtor or, after the Effective Date, the Reorganized Debtor and the holder of such Claim, and (iv) the Distribution Date.

(b) Payment of Statutory Fees: All fees payable pursuant to 28 U.S.C. §1930 shall be paid in Cash equal to the amount of such Administrative Claim when due.

(c) Bar Date for Administrative Claims:

(i) General Provisions: Except as provided below in Sections 5.1(c)(iii) of the Plan, requests for payment of Administrative Claims must be Filed no later than **forty-five (45) days after the Effective Date**. Holders of Administrative Claims (including, without limitation, professionals requesting compensation or reimbursement of expenses, members of the Creditors' Committee for reimbursement of expenses, holders of any Claims for federal, state or local taxes, the holders of any Claims under section 503(b)(9) of the Bankruptcy Code) that are required to File a request for payment of such Claims and that do not File such requests by the applicable bar date shall be forever barred from asserting such Claims against the Debtor or any of its property.

(ii) Professionals: All professionals or other entities requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b), and 1103 of the Bankruptcy Code for services rendered before the Effective Date (including, without limitation, any compensation requested by any professional or any other entity for making a substantial contribution in the Chapter 11 Case) shall File and serve on the Reorganized Debtor and Post-Confirmation Service List an application for final allowance of compensation and reimbursement of expenses no later than forty-five (45) days after the Effective Date. Objections to applications of professionals for compensation or reimbursement of expenses must be Filed and served on the Reorganized Debtor and the professionals to whose application the objections are addressed no later than seventy (70) days after the Effective Date. Any professional fees and reimbursements or expenses incurred by the Reorganized Debtor subsequent to the Effective Date may be paid without application to the Bankruptcy Court.

(iii) Tax Claims: All requests for payment of Administrative Claims and other Claims by a governmental unit for taxes (and for interest and/or penalties related to such taxes) for any tax year or period, that accrued or were assessed within the period from and including the Petition Date through and including the Effective Date (“Post-Petition Tax Claims”) and for which no bar date has otherwise been previously established, must be Filed on or before the later of (i) forty-five (45) days after the Effective Date; and (ii) ninety (90) days after the filing with the applicable governmental unit of the tax return for such taxes for such tax year or period. Any holder of any Post-Petition Tax Claim that is required to File a request for payment of such taxes and does not File such a request by the applicable bar date shall be forever barred from asserting any such Post-Petition Tax Claim against the Debtor or its property, whether any such Post-Petition Tax Claim is deemed to arise before, on, or subsequent to the Effective Date. To the extent that the holder of a Post-Petition Tax Claim holds a lien to secure its Claim under applicable state law, the holder of such Claim shall retain its lien until its Allowed Claim has been paid in full.

5.2. Allowed Priority Tax Claims: On, or as soon as reasonably practicable after, the later of (a) the Distribution Date, (b) the Allowance Date, and (c) the date on which such Allowed Claim would have been due had the Chapter 11 Case not been commenced (without regard to acceleration of the Claim), each holder of an Allowed Priority Tax Claim against a Debtor shall receive in full satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Priority Tax Claim, (i) Cash equal to the amount of such Allowed Priority Tax Claim plus interest from the Effective Date to the Distribution Date at a rate of 8% per annum, or (ii) such other less favorable treatment to the holders of an Allowed Priority Tax Claim as to which the Debtor or, after the Effective Date, the Reorganized Debtor and the holder of such Allowed Priority Tax Claims shall have agreed on in writing; provided, however, that any Claim or demand for payment of a penalty (other than a penalty of the type specified in section 507(a)(8)(G) of the Bankruptcy Code) shall be disallowed pursuant to the Plan, and the holder of an Allowed Priority Tax Claim shall not be allowed to assess or attempt to collect such penalty from the Debtor, its Estate, or the Reorganized Debtor. To the extent that there is insufficient Available Cash to pay all Allowed Class 3 Claims in full, no Distributions will be made on account of Allowed Priority Tax Claims until the Reorganized Debtor holds sufficient Available Cash to pay all Allowed Class 3 Claims in full.

5.3. DIP Financing Claims Against Debtor: On, or as soon as reasonably practicable after, the later of (a) the Distribution Date, and (b) the Allowance Date, the DIP Financing Claims shall receive the same treatment as holders of Allowed Class 1 Claims in an amount equal to the then outstanding amount of the DIP Financing Claims (including, without limitation, all accrued and unpaid interest, fees, and expenses and any other amounts that may then be due and payable under the DIP Financing) or such other less favorable treatment as agreed in writing by the holders of such DIP Financing Claims and the Debtor or, after the Effective Date, the Reorganized Debtor.

ARTICLE VI.

CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS

6.1. Class 1 – Secured Claims of Pre-Petition Lenders Against the Debtor.

(a) Classification: Class 1 consists of the Allowed Secured Claim of the Pre-Petition Lenders.

(b) Treatment: Class 1 is impaired, and the holder of the Allowed Secured Claim in Class 1 is entitled to vote on the Plan. On the Effective Date, in full satisfaction, release, and discharge of and in exchange for the Allowed Secured Claim in Class 1, the Pre-Petition Lenders shall receive a Restructured Note issued and Restructured Security Documents granted by the Reorganized Debtor to the Pre-Petition Lenders substantially in the form included in the Plan Supplement.

6.2. Class 2 – Other Secured Claims Against the Debtor.

(a) Classification: Class 2 consists of all Allowed Secured Claims other than the Secured Claims of the Pre-Petition Lenders.

(b) Treatment: Class 2 is unimpaired, and the holders of the Allowed Secured Claims in Class 2 are not entitled to vote on the Plan. On the Effective Date, or as soon as reasonably practicable thereafter, at the Debtor's option, (a) the Plan may leave unaltered the legal, equitable, and contractual rights of the holder of an Allowed Secured Claim, or (b) the Reorganized Debtor may pay the Allowed Secured Claim in full, in cash, on the later of the Allowance Date or the Distribution Date, or (c) the Reorganized Debtor may deliver to the holder of an Allowed Secured Claim the property securing such Claim, or (d) the Reorganized Debtor may pay an Allowed Secured Claim in such manner as may be mutually agreed to by the holder of such Claim and the Reorganized Debtor.

6.3. Class 3 – Allowed Priority Non-Tax Claims.

(a) Classification: Class 3 Consists of Allowed Priority Non-Tax Claims.

(b) Treatment: Class 3 is unimpaired, and the holders of Allowed Claims in Class 3 are not entitled to vote on the Plan. On, or as soon as reasonably practicable after, the later of (a) the Distribution Date, (b) the Allowance Date, and (c) the date on which such

Allowed Claim would have been due had the Chapter 11 Case not been commenced (without regard to acceleration of the Claim), each Allowed Priority Non-Tax Claim shall be assumed and paid by the Reorganized Debtor in full from Available Cash or on such other terms as may be agreed upon in writing by and between the holder of such Claim and the Reorganized Debtor. If there is insufficient Available Cash to pay all Allowed Claims in Class 3 in full, holders of Allowed Claims entitled to priority under section 507(a)(3) of the Bankruptcy Code shall be paid in full in Cash before Distributions are made to holders of Allowed Claims entitled to priority under section 507(a)(4). If there is insufficient Available Cash to pay all Class 3 Claims entitled to priority under a section of the Code in full, the Claimholders of that priority will receive Pro Rata Distributions.

6.4. Class 4 – General Unsecured Claims/Preference Waiver Election.

(a) Classification: Class 4 consists of Allowed General Unsecured Claims other than Allowed Convenience Claims.

(b) Treatment: Class 4 is impaired, and the holders of Allowed General Unsecured Claims are entitled to vote on the Plan. On the Distribution Date and from time to time thereafter, the holders of Allowed General Unsecured Claims shall each receive their Pro Rata share of the Trust Property except as provided below; provided, however, that there shall be no Distributions to holders of Allowed General Unsecured Claims unless all Allowed Administrative and Allowed Priority Claims have been paid in full.

If the Debtor holds a potential Preference Claim against a holder of an Allowed General Unsecured Claim, the Claimant may settle its liability (the “Preference Amount”) for such Preference Claim and be released therefrom by electing and agreeing (the “Preference Election”) to (i) provide the Reorganized Debtor, for a period of twelve (12) months after the Effective Date, with pricing for goods and services equal to or more favorable than the best pricing offered to ALF during 2007 and (ii) reduce any Distribution on account of its Allowed General Unsecured Claim by an amount equal to 10% of the Preference Amount; provided, however, in no event shall the Distribution on account of any Allowed General Unsecured Claim be reduced by more than 50%. The Preference Amount for each Holder of a Class 4 Claim shall be the amount set forth on **Exhibit D** of the Disclosure Statement under the column titled “Preference” and shall be binding on any Claimant exercising the Preference Election.

Illustrative examples of the application of the Preference Election are provided in section V.C.4 of the Disclosure Statement. A Claimant making such Preference Election shall, subject to the occurrence of the Effective Date, be deemed released from any Preference Claim. The sole method of exercising the Preference Election is to vote in favor of the Plan by checking the box titled “Accept the Plan and Exercise the Preference Election” on the Ballot for General Unsecured Creditors – Class 4 included in the solicitation package containing this Plan. If enough affirmative votes for the Plan are not obtained and the Plan is not approved by the Court, or the Plan is not approved by the Court for any other reason, the Preference Election is null and void and the Debtor may prosecute all Preference Claims. For the avoidance of doubt, the Preference Election is not available to recipients of transfers that are subject to Insider Avoidance Actions.

6.5. Class 5 – Convenience Claims.

(a) Classification: Class 5 consists of Allowed General Unsecured Claims that would otherwise be included in Class 4 that are either (i) \$2,500 or less or (ii) greater than \$2,500 but as to which the holder thereof elects (“Convenience Class Election”). The sole method of exercising the Convenience Class Election is to timely submit a “Ballot for Claim in Class 5 (Convenience Class) Against American LaFrance, LLC” included in the solicitation package containing this Plan. Any such election shall be effective only upon the receipt thereof by the Balloting Agent prior to the Ballot Deadline. Once the election is made and received by Balloting Agent, such election shall be irrevocable and binding on any successor-in-interest or assignee with respect to such Claim, but shall not preclude the Debtor or others from objecting to such Claim as reduced.

(b) Treatment: Class 5 is impaired, and the holders of Allowed Convenience Claims are entitled to vote on the Plan. The Reorganized Debtor will deliver to holders of Allowed Convenience Claims on the Distribution Date, Cash in an amount equal to 100% of the Allowed Amount of the Claim not to exceed \$2,500.

6.6. Class 6 – Assumed Liabilities.

(a) Classification: Class 6 consists of Assumed Liability Claims. A list of Assumed Liability Claims is set forth on Schedule 6.6.1, which may be amended or supplemented in the Plan Supplement.

(b) Treatment: Class 6 is unimpaired, and the holders of Allowed Assumed Liability Claims are not entitled to vote on the Plan. All Assumed Liabilities Claims shall be assumed by the Reorganized Debtor and paid pursuant to their ordinary terms.

6.7. Class 7 –Interests.

(a) Classification: Class 7 consists of all Interests.

(b) Treatment: The holders of Interests are unimpaired, and the holders of Interests are not entitled to vote on the Plan. Each holder of an Interest shall retain its Interest.

**ARTICLE VII.
ALLOWANCE AND RESOLUTION OF CLAIMS**

7.1. Allowed Claims: Notwithstanding any contrary provision herein, the Reorganized Debtor and Trustee (as appropriate) shall make Distributions only on account of Allowed Claims. No holder of a Disputed Claim will receive any Distribution on account thereof until, and then only to the extent that, its Disputed Claim becomes an Allowed Claim. The Reorganized Debtor and Trustee (as appropriate) shall withhold Distributions otherwise due hereunder to the holder of a Disputed Claim for a reasonable period of time to enable the Trustee or the Reorganized Debtor, as appropriate, to determine whether to object to the Claim. The presence of a Disputed Claim in any class will not be cause to delay Distribution to Allowed Claims in that class or in other classes, so long as a reserve is created for the Disputed Claim in

accordance herewith. Any holder of a claim that becomes an Allowed Claim after the Distribution Date will receive its Distribution on the next Distribution Date.

7.2. Full Satisfaction: The Reorganized Debtor or the Trustee (as appropriate) shall make, and each holder of an Allowed Claim shall receive, the Distributions provided for in the Plan in full and final satisfaction and discharge of the Claim.

7.3. Post-petition Interest. Except as otherwise expressly provided herein, no holder of a Claim is entitled to or will receive post-petition interest.

7.4. Alternative Treatment: Notwithstanding any contrary provision herein, any holder of an Allowed Claim may receive, instead of a Distribution or treatment to which it is entitled hereunder, any less favorable Distribution or treatment to which it and, as appropriate, (a) the Reorganized Debtor or (b) the Trustee may agree in writing.

7.5. Post Confirmation Claim and Asset Resolution: After the Effective Date, the Reorganized Debtor may defend, pursue or settle, without Bankruptcy Court approval, any Disputed Claim constituting an Assumed Plan Liability or any Cause of Action related to any right or asset of the Reorganized Debtor, including the Insider Avoidance Actions. Also after the Effective Date, the Trustee may defend, pursue or settle, without Bankruptcy Court approval, any Disputed Claim or Claim or right related to the Trust Property; provided, however, the Trustee may in its discretion seek Bankruptcy Court approval of such settlement.

7.6. Deadline to Object to Claims: No later than the Claims Objection Deadline (unless extended by an order of the Bankruptcy Court on motion by the Reorganized Debtor or the Trustee), the Reorganized Debtor or the Trustee, as appropriate, shall file objections to Claims with the Bankruptcy Court and serve such objections on holders of each Claim(s) to which objections are made. Nothing contained herein, however, shall limit the Reorganized Debtor's or the Trustee's right to object to Claims, if any, Filed or amended after the Claims Objection Deadline. Further, notwithstanding the expiration of the Claims Objection Deadline and unless subsequently ordered for good cause shown to shorten time, the Reorganized Debtor or the Trustee shall continue to have the right to amend any objection and to file and prosecute supplemental objections and counterclaims to a Disputed Claim until such Disputed Claim is Allowed.

ARTICLE VIII. MEANS FOR IMPLEMENTATION OF THE PLAN

8.1. Plan Funding: Other than Allowed Class 4 Claims, which shall be paid from Trust Property, the Plan obligations shall be funded by the Reorganized Debtor in accordance with this Plan. All proceeds realized from the liquidation of the Trust Property, including the prosecution of the Litigation Assets, shall be maintained by the Trustee for Distribution to holders of Allowed Class 4 Claims as provided herein. Allowed Class 4 Claims will not be paid by the Reorganized Debtor.

8.2. Reorganized Debtor: The Debtor will continue to operate its business as a debtor-in-possession and retain all assets other than Trust Property until the Effective Date. On

the Effective Date, the Debtor will be reorganized into the Reorganized Debtor and all assets of the Estate other than Trust Property will vest into the Reorganized Debtor. The Trust Property will be held by the Trustee subject to the provisions of the Trust Agreement.

8.3. Continued Corporate Existence and Revesting of Assets:

(a) ALF shall continue to exist after the Effective Date in accordance with the laws of the State of Delaware. ALF may amend its limited liability company agreement as necessary to satisfy the provisions of this Plan and the Bankruptcy Code.

(b) Except as otherwise provided in the Plan or the Confirmation Order, pursuant to sections 1123(a)(5) and 1141 of the Bankruptcy Code, on the Effective Date, and other than the Trust Assets, all property comprising the Estate shall revest in the Reorganized Debtor or its successors, free and clear of all Claims and Liens of Creditors. From and after the Effective Date, the Reorganized Debtor may operate its business and may use, acquire, and dispose of property, and settle and compromise Claims or Interests without supervision of the Bankruptcy Court free of any restrictions of the Bankruptcy Code, subject to the terms and conditions of this Plan.

8.4. Managers of the Reorganized Debtor: On the Effective Date, the operation of the Reorganized Debtor shall become the general responsibility of its Board of Managers. Such managers shall be deemed elected or appointed pursuant to the Confirmation Order.

8.5. Release of Liens: Except as otherwise provided in this Plan, any document related to the Plan, or the Confirmation Order: (i) each Creditor holding a Secured Claim or a judgment, shall on the Effective Date (a) turn over and release to the Reorganized Debtor any and all Collateral that secures or purportedly secures such Claim as it pertains to the properties currently owned or leased by the Debtor, or such Lien shall automatically, and without further action by the Debtor or Reorganized Debtors, be deemed released, and (b) execute such documents and instruments as the Reorganized Debtor requests to evidence such Creditor's release of such property or Lien; and (ii) all right, title, and interest in any and all property of the Estate shall revert or be transferred to the Reorganized Debtor, free and clear of all Claims, including, without limitation, Liens, escrows, charges, pledges, encumbrances, security interests, and/or other interests of any kind. No Distribution hereunder shall be made to or on behalf of any Creditor unless and until such Creditor executes and delivers to the Debtor or Reorganized Debtor such release of Liens or otherwise turns over and releases such Cash, pledge or other possessory Lien. Notwithstanding the immediately preceding sentence, any holder of a Disputed Claim shall not be required to execute and deliver such release until such time as the Claim is Allowed or Disallowed.

8.6. Additional Indebtedness: On the Effective Date, the Pre-Petition Lenders and the lenders providing the DIP Financing shall create a loan facility for the Reorganized Debtor pursuant to terms and conditions set forth in the Restructured Note and Restructured Security Documents. This loan facility shall be secured by substantially all of the Reorganized Debtor's assets. This loan facility is necessary for the feasibility of this Plan and must be entered into as a condition precedent to the Confirmation of this Plan. On the Effective

Date, the Reorganized Debtor shall execute and deliver such documents, instruments, and agreements as are necessary to grant Liens provided to secure this loan facility.

ARTICLE IX. DISTRIBUTION PROVISIONS

9.1. Distributions: The Trustee shall make Distributions related to Class 4 Claims and on account of Trust Property. The Reorganized Debtor shall make all other Distributions. Neither the Trustee nor the Reorganized Debtor shall be required to post a bond in connection with the making of any Distribution pursuant to the Plan.

9.2. Distribution Delivery: All Distributions shall be made to each holder of an Allowed Claim by regular mail, postage-prepaid, in an envelope addressed to (a) the address shown on the list of creditors Filed with the Bankruptcy Court, (b) the address listed in the Schedules if different than the address shown on the list of creditors Filed with the Bankruptcy Court, or (c) if a proof of claim is Filed, and the address is different than the address listed in the Schedules, at the address shown on the proof of claim. The Distribution Date shall be the date of mailing, and property distributed in accordance with this Section shall be deemed delivered to such Person regardless of whether such property is actually received by that Person. A holder of a Claim or Interest may designate a different address for notices and Distributions by notifying the Debtor, the Reorganized Debtor, or the Trustee of that address in writing. The new address shall be effective upon receipt by the Debtor, the Reorganized Debtor, or the Trustee (as appropriate).

9.3. Method of Cash Distributions: Any Cash payment to be made pursuant to this Plan may be made by draft, check, wire transfer, or as otherwise required or provided in any relevant agreement or by applicable law.

9.4. Distributions on Non-Business Days: Any Distribution due on a day other than a Business Day shall be made, without interest, on the next Business Day.

9.5. No De Minimis Distribution: Other than the final Distribution made by the Trust in accordance with the Trust Agreement, no Distribution in an amount of less than \$100.00 shall be made on account of any Allowed Claim. Such undistributed amount will be instead retained by the Reorganized Debtor or Trust (as appropriate) and added to subsequent Distributions until such Distribution equals or exceeds \$100.00.

9.6. Undeliverable or Unclaimed Distributions: If a holder of an Allowed Claim fails to negotiate a check issued to such holder pursuant to this Plan within ninety (90) days of the date such check was forwarded to such holder and such check was not returned to the Reorganized Debtor or Trustee due to an incorrect or incomplete address, the Reorganized Debtor or Trustee (as appropriate) shall issue a "stop payment order" for that non-negotiated check. The amount attributable to that non-negotiated check will be deemed vested in the Reorganized Debtor or the Trust (as appropriate), and the payee of such check and holder of such Claim will be deemed to have no further Claim and will not participate in any further Distributions under this Plan.

If a Distribution under this Plan to any holder of an Allowed Claim is returned to the Reorganized Debtor due to an incorrect address for such holder and such holder does not present itself within ninety (90) days of the date such check was forwarded to said holder, the amount of cash attributable to such check will be deemed vested in the Reorganized Debtor or the Trust (as appropriate), and the payee of such check and holder of such Claim will be deemed to have no further Claim and will not participate in any further Distributions under this Plan.

9.7. Withholding and Reporting Requirements: In making Distributions, the Reorganized Debtor or Trustee (as appropriate) shall comply with all tax withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority.

9.8. Defenses; Setoff: Any defenses, counterclaims, rights of setoff or recoupment of the Debtor with respect to a claim constituting an Assumed Plan Liability shall vest in and inure to the benefit of the Reorganized Debtor. The Trust shall be entitled to assert any and all of the Debtor's defenses, counterclaims and rights of setoff or recoupment with respect to any Claim constituting an Excluded Liability; provided, however, that the Trustee shall be able to assert such defenses, counterclaims and rights of setoff or recoupment (i) only for the purpose of reducing or eliminating such Excluded Liability and (ii) only to the extent such defenses, counterclaims and rights of setoff or recoupment arose, accrued, and became due and payable prior to the Petition Date. The sole exception from the immediately preceding sentence shall be the Debtor's defenses, counterclaims and rights of setoff or recoupment against Freightliner, which shall remain with the Reorganized Debtor. To the extent permitted by law, the Reorganized Debtor or the Trustee (as appropriate) may but are not required to set off a claim of any nature, the payments or other Distributions to be made with respect thereof that the Debtor, Reorganized Debtor, or the Trust may have against a Claim or its holder. Neither the failure to so set off nor the allowance of such Claim shall constitute a waiver or release of a claim or cause of action of the Reorganized Debtor or Trustee.

9.9. Exemption from Certain Transfer Taxes: In accordance with section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of a security or the making or delivery of an instrument of transfer under this Plan may not be taxed under any law imposing a stamp tax or similar tax. All governmental officials and agents shall forego the assessment and collection of any such tax or governmental assessment and shall accept for filing and recordation any of the foregoing instruments or other documents without payment of such tax or other governmental assessment.

ARTICLE X. THE TRUST

10.1. Purpose of Trust: The Trust is created pursuant to the Plan for the primary purpose of (a) collecting, liquidating, and distributing the Trust Property; (b) prosecuting any Cause of Action related to the Trust Property; (c) initiating actions to resolve any issues regarding the allowance and payment of Class 4 Claims, including, as necessary, initiation and participation in proceedings or matters before the Bankruptcy Court; and (d) enforcing all rights with respect to the Trust Property. The Trust has no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Trust. The Trust is intended to be classified as a "liquidating trust"

for federal income tax purposes within the meaning of Treasury Regulation § 301.7701-4(d). The Trustee shall ascribe valuations to the assets assigned or transferred to the Trust on the dates of assignment and transfer of such assets to the Trust, and such valuations shall be used by the Debtor and the Trustee for all federal income-tax reporting purposes. The Trust will be organized and will operate in such a manner as to minimize its tax obligations. The Trust will be responsible for paying any quarterly U. S. Trustee fees that accrue after the Effective Date. The Trust shall be approved by the Bankruptcy Court. The Trust Agreement shall designate a Trustee.

10.2. Governing Document: The Trust shall be governed by the Trust Agreement, which shall be made available for inspection by any party in interest at the offices of the Debtor's counsel prior to the Confirmation Hearing. Among other things, the Trust Agreement shall identify the Trustee as the initial trustee of the Trust, the compensation of the Trustee, and the authorities and powers of the Trustee and the Executive Committee consistent with this Plan. If there are inconsistencies between this Article and the Trust Agreement, the Trust Agreement shall control.

10.3. Trustee and Trust Administration: From and after the Effective Date, the Trustee may administer the Trust pursuant to the terms of the Plan and the Trust Agreement, and may, among other things, borrow money and use, pledge, acquire, and dispose of Trust Property free of any restrictions imposed under the Bankruptcy Code. The Trustee shall accept his or her duties under the Trust Agreement on or before the Effective Date. The Trustee shall be approved by the Bankruptcy Court. The Trustee shall make all Distributions as and when provided for under the Plan. The Trustee shall serve without bond and shall receive no other fee for its services other than its fees earned as the Trustee. The Trustee shall receive compensation for his or her services in accordance with the Trust Agreement. The Trustee shall have the power and authority to perform the following acts:

- (a) Perfect and secure his right, title, and interest to the Trust Property;
- (b) Reduce the Trust Property to cash and hold the same;
- (c) Determine when to sell Trust Property and on what terms, and sell and convert the Trust Property to cash and distribute the net proceeds in accordance with the Plan and the Trust Agreement.
- (d) Manage and protect the Trust Property;
- (e) Release, convey, or assign any right, title, or interest in or about the Trust Property;
- (f) Pay and discharge any costs, expenses, collection fees or obligations deemed necessary to preserve the Trust Property, or any part thereof, which shall be governed by the Trust Agreement;
- (g) Deposit funds of the Trust and draw checks and make disbursements thereof;

(h) Employ and have such professionals, including, without limitation, attorneys and accountants and such other agents, consultants, and employees on behalf of the Trust as the Trustee shall deem necessary; provided, however, that the Trustee's authority to pay such professionals shall be governed by the provisions of the Trust Agreement. Notwithstanding the foregoing, the Trustee must disclose to the Bankruptcy Court, in advance, with notice to the Office of the United States Trustee, the Reorganized Debtor, and any other person that specifically requests notice of the post-Effective Date matters brought before the Bankruptcy Court, the identity of any insider of the Trustee or any member of the Executive Committee that the Trustee intends to employ at the Trust's expense. Nothing contained herein shall prohibit the Trustee from retaining counsel or such other person employed by the Creditors' Committee in the Chapter 11 Case.

(i) Except as expressly provided in the Plan, determine when Distributions should be made to the Trust Beneficiaries.

(j) Exercise any and all powers granted to the Trustee by any agreement or by common law or any statute that serves to increase the extent of the powers granted to the Trustee hereunder;

(k) Take any action required or permitted by the Plan;

(l) Negotiate, renegotiate, and enter into contracts and execute obligations negotiable and non-negotiable;

(m) Sue and be sued; provided, however, that any suit against the Trust or the Trustee acting in his or her capacity as Trustee of the Trust must be commenced in the Bankruptcy Court;

(n) Pursue Claims and Causes of Action and Trust Property assigned to the Trust;

(o) Institute, settle, or compromise or abandon on the Trust's behalf all Claims and the Trust Property, including Litigation Assets but excluding the Insider Avoidance Action Share;

(p) Waive or release rights of any kind;

(q) Object to Class 4 Claims;

(r) File all income and informational tax returns and forms of the Trust and reserve for Disputed Claims;

(s) Enforce all provisions of this Plan any Order of the Bankruptcy Court for the benefit of the Trust; and

(t) Without limiting any of the foregoing, deal with the Trust Property or any parts thereof and the Trust in ways that would be lawful.

10.4. Vesting of Assets in the Trust: Unless otherwise dealt with under the Plan, the Trust Property shall vest in the Liquidating Trust on the Effective Date without further act or action under any applicable agreement, law, or regulation. The Trust Property shall be subject to the Excluded Liabilities but free and clear of all liens, claims, encumbrances, and interests of holders of Claims and Interests. Trust Expenses shall be paid from Trust Property prior to any Distribution to Trust Beneficiaries.

10.5. Supervision by the Executive Committee: The Trustee, and all activities of the Trust, shall be subject to review and supervision of an Executive Committee. The Executive Committee shall have the powers and duties with respect to the Trust, the Trustee, and the Trust Property as set forth in the Trust Agreement. If there is a dispute between the Trustee and the Executive Committee, the Bankruptcy Court shall have jurisdiction to determine whether the proposed action should be taken.

10.6. Limitations on Liability: The Trustee shall not be liable for any act he or she may do or fail to do as the Trustee hereunder while acting in good faith and in the exercise of his or her best judgment. The fact that such act or omission was approved by the Executive Committee or advised or approved by counsel for the Trust shall be conclusive evidence of such good faith and best judgment. The Trustee shall not be liable in any way for claims, liabilities, or damages based on or arising out of conduct of the Trustee in the course of his or her duties as the Trustee, unless such claims, liabilities, or damages arise from his or her personal gross negligence or willful misconduct.

Neither the Trustee, the Executive Committee, nor any member of the Executive Committee shall be liable for any debt, liability, or obligation incurred or entered into on the Trust's behalf. No claim or cause of action may be asserted against the Trustee, the Executive Committee, or any member of the Executive Committee on account of any indebtedness, liability, or obligation entered into on the Trust's behalf, whether by legal or equitable proceedings, or by virtue of any bankruptcy or non-bankruptcy statute, rule, or regulation.

10.7. Termination of Trust: The Trustee shall continue until the earlier of: (a) the date that all Trust Property has been liquidated, all proceeds have been converted to Cash or distributed in kind, all Trust Expenses have been paid, all Claims to be paid under the Plan for which the Trustee is obligated to make Distributions have been paid, all Distributions to be made with respect to Trust Beneficiaries have been made, all litigation to which the Trust is a party has been concluded by dismissal or an Order by a court in which such litigation is pending, and the Chapter 11 Case is closed and (b) the expiration of five (5) years from the Effective Date; provided, however, the Trustee may ask the Bankruptcy Court to extend the permitted life of the Trust for such additional period as is reasonably necessary to conclude the liquidation and Distribution but not to exceed a total of ten (10) years from the Effective Date.

ARTICLE XI. EXECUTIVE COMMITTEE

11.1. Purpose and Procedures: The Executive Committee is to monitor the implementation of the Plan, supervise the activities of the Trust, and monitor the Distributions to holders of Allowed Claims under the Plan. The Executive Committee shall prescribe its own

rules of procedures and bylaws; provided, however, that such rules of procedure and bylaws shall not be inconsistent with the terms of the Plan or the Trust Agreement. These rules of procedure may provide for the appointment or replacement of any current member without approval of the Bankruptcy Court.

11.2. No Executive Committee Compensation: Except for reimbursement of reasonable actual costs and expenses incurred in with connection with duties to the Executive Committee, the members of the Executive Committee shall serve without compensation. Reasonable actual costs and expenses of members of the Executive Committee shall be paid by the Trust without the need for Bankruptcy Court approval.

11.3. Retention of Professionals by the Executive Committee: The Executive Committee shall have the authority to employ, at the Trust's expense, counsel and such other professionals as may be reasonably necessary, in its sole discretion, to assist in the Executive Committee's duties under the Plan. Such employment need not be approved by the Bankruptcy Court; provided, however, that such counsel and professionals disclose all connections to and conflicts with the Debtor, the Reorganized Debtor, and the Trust with regard to such employment. Nothing contained herein shall prohibit the Executive Committee from retaining counsel or such other Professionals

11.4. Limitations on Executive Committee Liability: Neither the Executive Committee nor its members shall be liable for any act or failure to act while made or omitted in good faith and in the exercise of best judgment. The fact that such act or omission was advised, directed, or approved by counsel acting for the Executive Committee shall be conclusive evidence of such good faith and best judgment. No Executive Committee member shall be liable for Claims, liabilities, or damages unless they arise from such member's gross negligence or willful misconduct.

11.5. Termination of the Executive Committee: The Executive Committee shall dissolve upon the completion of all Distributions under the Trust and the termination of the Trust in accordance with the terms of the Plan and the Trust Agreement.

ARTICLE XII. EXECUTORY CONTRACTS

12.1. Rejection of Contracts And Leases: Except as otherwise provided in the Confirmation Order, the Plan, or in any contract, instrument, release, or other agreement or document entered into in connection with the Plan, the Confirmation Order shall constitute an order under section 365 of the Bankruptcy Code rejecting all Executory Contracts to which the Debtor is a party on and subject to the occurrence of the Effective Date unless such contract or lease (a) previously was assumed or rejected by the Debtor, (b) previously expired or terminated pursuant to its own terms before the Effective Date, (c) is the subject of a pending motion to assume or reject on the Confirmation Date, or (d) is listed in the Plan Supplement as an executory contract to be assumed.

12.2. Rejection Damage Claims: Any Claim arising from the rejection of an Executory Contract and not barred by this Plan shall be treated as a Class 4 Unsecured Claim

pursuant to this Plan; *provided, however*, that any Claim based on the rejection of an unexpired lease of real property shall be limited in accordance with section 502(b)(6) of the Bankruptcy Code and any other applicable state law. Nothing contained herein shall be deemed an admission by the Debtor that such rejection gives rise to or results in a Claim or shall be deemed a waiver by the Debtor of any objections to such Claim if asserted.

12.3. Bar Date for Rejection Damages Claims: Damages arising from the rejection of an Executory Contract shall be a General Unsecured Claim. Any Claim for damages arising from the rejection of an Executory Contract must be asserted in a timely filed proof of claim. The bar date (deadline) for filing claims arising out of the rejection of all other Executory Contracts pursuant to this Plan shall be forty-five (45) days after the Effective Date. Any Claims not Filed by the appropriate date shall be forever barred from assertion against the Debtor, the Estate, the Reorganized Debtor and the Trust.

12.4. Assumption and Assignment of Executory Contracts and Unexpired Leases: Except as otherwise provided in the Confirmation Order, the Plan, or in any contract, instrument, release, or other agreement or document entered in connection with the Plan, the Confirmation Order shall constitute an order under section 365 of the Bankruptcy Code authorizing the Debtor to assume the Executory Contracts set forth in a schedule to be included in the Plan Supplement; provided, however, that the Debtor may amend the schedule at any time prior to the Confirmation Date. Any monetary amounts by which any Executory Contract set forth in the schedule to be included in the Plan Supplement is in default shall be subject to cure under section 365(b)(1) of the Bankruptcy Code from Available Cash or as agreed by the Debtor and the other party to that Executory Contract. If there is a dispute regarding the amount owed as any cure payment, the cure of any other default, the ability of any party to provide adequate assurance of future performance, or any other matter pertaining to assumption or assignment, the Debtor shall make such cure payment and cure such other defaults and provide adequate assurance of future performance, all as may be required by section 365(b) of the Bankruptcy Code only after entry of a Final Order resolving such dispute. If a party to an assumed Executory Contract has not Filed an appropriate pleading with the Bankruptcy Court on or before the thirtieth (30) day after the Effective Date disputing the amount of any cure payments offered to it, disputing the cure of any other defaults, disputing the promptness of the cure payments, or disputing the provisions of adequate assurance of future performance, then such party shall be deemed to have waived its right to dispute such matters.

ARTICLE XIII.

EFFECT OF REJECTION BY ONE OR MORE CLASSES OF CLAIMS

13.1. Impaired Classes to Vote: Each impaired class of Claims and Interests shall be entitled to vote separately to accept or reject the Plan. A holder of a Disputed Claim which has not been temporarily allowed for purposes of voting on the Plan may vote only such Disputed Claim in an amount equal to the portion, if any, of such Claim shown as fixed, liquidated, and undisputed in the Debtor's Schedules.

13.2. Acceptance by Class of Creditors: A class shall have accepted the Plan if the Plan is accepted by at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims of such class that have voted to accept or reject the Plan.

13.3. Reservation of Cramdown Rights: In the event that any impaired class shall fail to accept this Plan in accordance with section 1129(a) of the Bankruptcy Code, the Debtor reserves the right to request the Bankruptcy Court to confirm the Plan in accordance with the provisions of the section 1129(b) of the Bankruptcy Code.

ARTICLE XIV. EFFECT OF CONFIRMATION

14.1. Legally Binding Effect: The provisions of this Plan shall bind all Creditors and Interest Holders, whether or not they accept this Plan. On and after the Effective Date, all Claimholders shall be precluded and enjoined from asserting any Claim against the Debtor or its assets or properties based on any transaction or other activity of any kind that occurred prior to the Confirmation Date except as permitted under the Plan.

14.2. Injunction: Except as otherwise provided in the Plan, all Claimants of the Debtor are enjoined from threatening, commencing, or continuing any lawsuit or other legal or equitable action against the Debtor or the Debtor's property to recover any Claim or Interest.

ARTICLE XV. CONDITIONS TO EFFECTIVENESS OF THE PLAN

The Plan shall not become operative unless and until the Effective Date occurs. The Effective Date shall occur after the following conditions have been satisfied; provided, however, the Debtor may waive any and all of the following conditions, whereupon the Effective Date shall occur without further action by any Person:

- (a) All documents useful and necessary to implement this Plan shall be in the form and substance satisfactory to the Debtor and fully executed;
- (b) All governmental and regulatory approvals necessary to consummate this Plan have been obtained or waived in writing;
- (c) The Restructured Note and Restructured Security Documents have been fully executed;
- (d) The Confirmation Order has become a Final Order;
- (e) The Debtor has received all authorizations, consents, regulatory approvals, rulings, tax rulings, tax determinations, letters, no-action letters, opinions or documents that are determined by the Debtor to be necessary to implement the Plan; and
- (f) The Executive Committee has been appointed.

ARTICLE XVI. RETENTION OF JURISDICTION

16.1. Exclusive Bankruptcy Court Jurisdiction: Pursuant to sections 105(c) and 1142 of the Bankruptcy Code, and notwithstanding the entry of the Confirmation Order or

the occurrence of the Effective Date, the Bankruptcy Court shall retain and have such jurisdiction over the Chapter 11 Cases as is legally permissible, including, without limitation, for the following purposes:

(a) To allow, disallow, determine, liquidate, classify, or establish the priority or secured or unsecured status of or estimate any Claim or Interest, including, without limitation, the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of Claims or Interests;

(b) To ensure that Distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

(c) To determine any and all applications or motions pending before the Bankruptcy Court on the Effective Date of the Plan, including, without limitation, any motions for the rejection, assumption or assumption and assignment of any Executory Contract;

(d) To consider and approve any modification of this Plan, remedy any defect or omission, or reconcile any inconsistency in the Plan, or any order of the Bankruptcy Court, including the Confirmation Order;

(e) To determine all controversies, suits and disputes that may arise in connection with the interpretation, enforcement, or consummation of this Plan or any entity's obligations in connection with the Plan;

(f) To consider and act on the compromise and settlement of any claim or cause of action by or against the Debtor;

(g) To decide or resolve any and all applications motions, adversary proceedings, contested or litigated matters, and any other matters or grant or deny any applications involving the Debtor that may be pending on the Effective Date or that may be brought after the Effective Date, including claims arising under chapter 5 of the Bankruptcy Code;

(h) To issue orders in aid of execution and implementation of this Plan to the extent authorized by 11 U.S.C. § 1142 or provided by the terms of this Plan;

(i) To decide issues concerning the federal or state tax liability of the Debtor which may arise in connection with the confirmation or consummation of this Plan; and

(j) To enter an order closing this Chapter 11 Case.

16.2. Limitation on Jurisdiction: In no event shall the provisions of this Plan be deemed to confer in the Bankruptcy Court jurisdiction greater than that established by the provisions of 28 U.S.C. §§ 157 and 1334.

ARTICLE XVII. MISCELLANEOUS PROVISIONS

17.1. Termination of Creditors' Committee: On the Effective Date, the Creditors' Committee shall be terminated.

17.2. Amendment of the Plan: The Plan may be may be amended or modified by the Debtor before the Effective Date. After the Effective Date, the Plan may be amended or modified by the Reorganized Debtor.

17.3. Withdrawal of Plan: The Debtor reserves the right to withdraw this Plan at any time prior to the Confirmation Date. If the Debtor withdraws this Plan prior to the Confirmation Date, or if the Confirmation Date or the Effective Date does not occur, then this Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute an admission, waiver, or release of any Claims by or against the Debtor or any other person, or to prejudice in any manner the rights of the Debtor, the Estate or any Person in any further proceedings involving the Debtor.

17.4. Due Authorization By Creditors: Each and every Creditor who elects to participate in the Distributions provided for herein warrants that the Creditor is authorized to accept in consideration of its Claim against the Debtor the Distributions provided for in this Plan and that there are no outstanding commitments, agreements, or understandings, express or implied, that may or can in any way defeat or modify the rights conveyed or obligations undertaken by the Creditor under this Plan.

17.5. Filing of Additional Documentation: On or before the Effective Date, the Debtor may file with the Bankruptcy Court such agreements and other documents as may be reasonably necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan.

17.6. Governing Law: Except to the extent the Bankruptcy Code or the Bankruptcy Rules are applicable, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with the laws of the State of New York, without giving effect to the principles of conflicts of law thereof.

17.7. Successors and Assigns: The rights, benefits, and obligations of any entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor, or assign of such entity.

17.8. Transfer of Claims: Any transfer of a claim shall be in accordance with Bankruptcy Rule 3001(e) and this section. Notice of any such transfer shall be forwarded to the Debtor, before the Effective Date, or the Reorganized Debtor and the Trustee, after the Effective Date, by registered or certified mail, as set forth in the next section. Both the transferee and transferor shall execute any notice, and the signatures of the parties shall be acknowledged before a notary public. The notice must clearly describe the interest to be transferred. No transfer of a partial interest shall be allowed. All transfers must be of one hundred percent (100%) of the transferee's interest in the Claim.

17.9. Discharge: Except as otherwise provided in the Plan, the Debtor shall be discharged to the full extent provided by section 1141 of the Bankruptcy Code on the Effective Date.

17.10. Retention of Rights to Pursue Causes of Action: Under section 1123(b)(3) of the Bankruptcy Code, and except as otherwise provided in the Plan, the Reorganized Debtor shall retain and is authorized but not required to enforce all or any Cause of Action (other than Litigation Assets transferred to the Trust) and all other similar claims arising under applicable state laws, if any, and the Bankruptcy Code, including 11 U.S.C. § 501 *et seq.*, including the Insider Avoidance Actions. In its sole discretion, the Reorganized Debtor may determine whether to bring, settle, release, compromise, or enforce such rights (or decline to do any of the foregoing) and shall not be required to seek further approval of the Bankruptcy Court for such action. The Reorganized Debtor or any successors may pursue such rights, Causes of Action, and Claims in accordance with the Reorganized Debtor's best interests or any successors holding such rights, causes of action, or Claims.

Under section 1123(b)(3) of the Bankruptcy Code, and except as otherwise provided in the Plan, the Trustee will be authorized to (a) hold, prosecute, settle, or otherwise dispose of the Trust Property and any Cause of Action or right related thereto (except for the Insider Avoidance Actions), including the Litigation Assets, and (b) File objections and otherwise initiate any action to resolve any remaining issues (i) regarding the allowance and payment of Class 4 Claims or (ii) held by defendants or potential defendants of the Litigation Assets, and the Confirmation Order shall provide for the automatic transfer by the Estate of the Litigation Assets, which transfers shall be free and clear of all liens, claims, interest, and encumbrances. As soon as practicable after the Effective Date, the Trustee shall be substituted as the plaintiff in all Litigation Assets that were commenced by the Debtor before the Effective Date. The determination whether to bring or prosecute or settle any Cause of Action assigned to the Trust or to file, object to, prosecute or settle any Claim in Class 4 shall be in the Trustee's sole discretion.

17.11. Full and Final Satisfaction: Except as otherwise specifically provided by the Plan, the Distributions and rights that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Confirmation Date (but subject to the occurrence of the Effective Date), of (i) all Claims and Causes of Action against, liabilities of, liens on, and obligations of the Debtor or the Reorganized Debtor and the assets and properties of the Debtor or the Reorganized Debtor, whether known or unknown, and (ii) all Causes of Action (whether known or unknown, either directly or derivatively through the Debtor or the Reorganized Debtor) against, Claims (as defined in section 101 of the Bankruptcy Code) against, liabilities (as guarantor of a Claim or otherwise) of, Liens on the direct or indirect assets and properties of, and obligations of successors and assigns of, the Debtor, the Reorganized Debtor, and their respective successors and assigns based on the same subject matter as any Claim or based on any act or omission, transaction, or other activity or security, instrument or other agreement of any kind or nature occurring, arising or existing prior to the Effective Date that was or could have been the subject of any Claim or Interest, in each case, regardless of whether a proof of Claim was Filed, whether or not Allowed and whether or not the holder of the Claim has voted on the Plan.

17.12. Exculpation and Limitation of Liability: To the maximum extent permitted by law, none of the Trust, the Debtor, the Reorganized Debtor, the Creditors' Committee, the Estate, Pre-Petition Lenders, PPMG, any lender providing post-petition financing, or any of their respective employees, officers, directors, managers, agents, members,

representatives, Professionals, or attorneys employed or retained by any of them, whether or not by Order of the Bankruptcy Court (each an “Exculpated Person”), shall have liability to nor Claim from any entity for an act taken or not taken in good faith, whether taken or not before or after the Petition Date, in connection with or related to the formulation of the Plan, the Disclosure Statement, a contract, instrument, release, or other agreement or document created in connection therewith, the solicitation of acceptances for or confirmation of the Plan, the consummation and implementation of the Plan, and the transactions contemplated therein, or any act or omission in connection with or arising out of the Chapter 11 Case, unless the act or omission constituted gross negligence or willful misconduct, and all Exculpated persons are excepted from any such liability.

17.13. Releases: On the Effective Date, to the extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, the Debtor, the Estate, and the Reorganized Debtor, on behalf of itself, shall be deemed to release unconditionally, and hereby are deemed to release unconditionally on such date (i) each present: officer, director, manager, member, employee, consultant, financial advisor, attorney, accountant and other representatives of the Debtor; (ii) Persons serving on the Creditors’ Committee and, solely in their capacity as members or representatives of the Creditors’ Committee or the Executive Committee, each consultant, attorney, and accountant or other representative or member of the Creditors’ Committee; (iii) the Pre-Petition Lenders and, solely in their capacity as representatives of such Pre-Petition Lenders, each of such Lender’s respective officers, directors, managers, members, shareholders, partners, agents, employees, consultants, attorneys, accountants, advisors, affiliates and other representatives; and (iv) PPMG (the Entities specified in clauses (i) through (iv) are referred to collectively as the “Releasees”), from any and all claims, obligations, suits, judgments, damages, rights, causes of action and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, based in whole or in part upon or related to any act or omission, transaction, event or other occurrence taking place on or at any time prior to the Effective Date in any way relating to the Debtor, the Reorganized Debtor, the Chapter 11 Case, or the Plan, except that no Releasees shall be released from acts or omissions that are the result of willful misconduct or fraud.

17.14. US Trustee Fees: The Debtor will pay pre-confirmation fees owed to the U. S. Trustee on or before the Effective Date of the Plan. After confirmation, the Reorganized Debtor will file with the Bankruptcy Court and serve on the U. S. Trustee quarterly financial reports in a format prescribed by the U. S. Trustee, and the Reorganized Debtor will pay post-confirmation quarterly fees to the U. S. Trustee until a final decree is entered or the case is converted or dismissed in accordance with 28 U.S.C. § 1930(a)(6).

17.15. Implementation: The Debtor, the Reorganized Debtor, and the Trustee shall be authorized to perform all reasonable, necessary, and authorized acts to consummate the terms and conditions of the Plan.

17.16. Severability: If, before confirmation, the Bankruptcy Court holds that any Plan provision is invalid, void, or unenforceable, the Debtor may correct the defect by amending or deleting the invalid, void, or unenforceable provision or withdrawing the Plan. The

Confirmation Order shall constitute a judicial determination that each Plan provision is valid and enforceable.

17.17. Computation of Time: Bankruptcy Rule 9006(a) governs the computation of any period of time prescribed or allowed by the Plan.

17.18. No Admissions: Notwithstanding anything herein to the contrary, nothing contained in the Plan shall be deemed an admission by the Debtor, the Reorganized Debtor, or the Trustee with respect to any matter set forth herein, including, without limitation, liability on any Claim or the propriety of any Claim's classification.

17.19. Notices: Any notice required to be given under this Plan shall be in writing. Any notice that is allowed or required hereunder, except for a notice of change of address, shall be considered complete on the earlier of (a) three days after the date the notice is sent by United States mail, postage-prepaid, or by overnight courier service, or in the case of mailing to a non-United States address, air mail, postage-prepaid, or personally delivered; or (b) the date the notice is actually received by facsimile or computer transmission.

(a) If to the Debtor:

American LaFrance, LLC .
1090 Newton Way
Summerville, South Carolina 29483
Attention: William Hinz, Chief Executive Officer
Fax No.: 843.486.7500

with mandatory copies to:

Haynes and Boone, LLP
901 Main Street, Suite 3100
Dallas, Texas 75202
Attention: Ian T. Peck
Fax No.: 817.348.2350

and

Klehr, Harrison, Harvey, Branzburg & Ellers LLP
919 Market Street, Suite 1000
Wilmington, Delaware 19801
Attn: Christopher A. Ward
Fax No.: 302.426.9193

(b) If to the Pre-Petition Lenders:

Patriarch Partners Management Group ("PPMG")
227 West Trade Street, Suite 1400
Charlotte, NC 28202

Attention: Lara Parker
Fax: 704.227.1208

and

Gardere Wynne Sewell LLP
1601 Elm Street, Suite 3000
Dallas, TX 75201-4761
Attention: Richard M. Roberson
Fax No.: 214.999.3955

and

Ashby & Geddes
500 Delaware Avenue
P.O. Box 1150
Wilmington, DE 19899
Attn: Don A. Beskrone
Fax No.: 302.654.2067

(c) If to the U.S. Trustee:

Richard L. Schepacarter
Office of the United States Trustee
J. Caleb Boggs Federal Building
844 North King Street, 2nd Floor
Wilmington, Delaware 19801
Fax: 302.573.6497

Dated: March 11, 2008

Debtor and Debtor-In-Possession

/s/ William J. Hinz
By: William J. Hinz
Its: President and Chief Executive Officer

HAYNES AND BOONE, LLP
901 Main Street, Suite 3100
Dallas, Texas 75202
Tel. No. (214) 651-5000
Fax No. (214) 651-5940

/s/ Ian Peck
Texas State Bar No. 24013306

COUNSEL TO THE DEBTOR AND THE DEBTOR-IN-POSSESSION

SCHEDULE 6.6.1
ASSUMED LIABILITY CLAIMS

1. All bid and performance bonds (“Bonds”).
2. All letters of credit that collateralize the Bonds.
3. All customer deposits.
4. All customer warranty obligations.
5. With respect to Executory Contracts assumed pursuant to Article XII of the Plan, all of the following:
 - a. Customer deposits;
 - b. Commissions;
 - c. Rent or lease obligations; and
 - d. Cure amounts due pursuant to section 365(b)(1) of the Bankruptcy Code.
6. All insurance premiums (or related premium-financing charges) due and owing prior to the Petition Date.
7. All income-tax reimbursement payments in the amount of \$3,382,838.00 due to PPAS.
8. All management fees in the amount of \$297,522.54 due to Patriarch Partners Management Group.