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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

Binder & Binder – The National Social Security  
Disability Advocates (NY), LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 14-23728 (RDD)

Jointly Administered

<sup>1</sup> The “Debtors” in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: (1) Binder & Binder - The National Social Security Disability Advocates (NY), LLC (1450); (2) SSDI Holdings, Inc. (3038); (3) Binder & Binder - The National Social Security Disability Advocates LLC (8580); (4) The Rep for Vets LLC (6421); (5) National Veterans Disability Advocates LLC (dba The Rep for Vets LLC) (7468); (6) The Social Security Express Ltd. (4960); (7) Binder & Binder - The National Social Security Disability Advocates (AZ), LLC (5887); (8) Binder & Binder - The National Social Security Disability Advocates (CA), LLC (1456); (9) Binder & Binder - The National Social Security Disability Advocates (CO), LLC (0945); (10) Binder & Binder - The National Social Security Disability Advocates (CT), LLC (0206); (11) Binder & Binder - The National Social Security Disability Advocates (FL), LLC (1455); (12) Binder & Binder - The National Social Security Disability Advocates (GA), LLC (4768); (13) Binder & Binder - The National Social Security Disability Advocates (IL), LLC (1457); (14) Binder & Binder - The National Social Security Disability Advocates (MD), LLC (3760); (15) Binder & Binder - The National Social Security Disability Advocates (MO), LLC (2108); (16) Binder & Binder - The National Social Security Disability Advocates (NJ), LLC (1454); (17) Binder & Binder - The National Social Security Disability Advocates (NC), LLC (1460); (18) Binder & Binder - The National Social Security Disability Advocates (OH), LLC (7827); (19) Binder & Binder - The National Social Security Disability Advocates (PA), LLC (1453); (20) Binder & Binder - The National Social Security Disability Advocates (TX), LLC (1458); (21) Binder & Binder - The National Social Security Disability Advocates (VA), LLC (7875); (22) Binder & Binder - The National Social Security Disability Advocates (WA), LLC (0225); (23) Binder & Binder - The National Social Security Disability Advocates

**NOTICE OF FILING OF FIRST AMENDED JOINT PLAN OF REORGANIZATION  
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, PROPOSED BY  
STELLUS CAPITAL INVESTMENT CORPORATION AND THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

**PLEASE TAKE NOTICE** that on November 18, 2015, Stellus Capital Investment Corporation (“Stellus”), prepetition unsecured lender and postpetition secured lender to the debtors and debtors-in-possession in the above-referenced chapter 11 cases (collectively, the “Cases”), and the Official Committee of Unsecured Creditors appointed in the Cases (the “Committee” and, together with Stellus, the “Proponents”) filed the Joint Plan of Liquidation under Chapter 11 of the Bankruptcy Code (the “Plan”) [Docket No. 389].

**PLEASE TAKE FURTHER NOTICE** that on the date hereof, the Proponents filed the First Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code (the “First Amended Plan”) [Docket No. 456].

**PLEASE TAKE FURTHER NOTICE** that a copy of the First Amended Plan is attached as Exhibit A. A blackline comparison of the initial Plan and the First Amended Plan is attached as Exhibit B.

**PLEASE TAKE FURTHER NOTICE** that the First Amended Plan will be served accordingly upon the service list in the Cases.

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(LA), LLC (8426); (24) Binder & Binder - The National Social Security Disability Advocates (MI), LLC (8762); and (25) Binder & Binder - The National Social Security Disability Advocates (DC), LLC (5265).

Dated: January 15, 2016

/s/ Stephen E. Gruendel

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**Exhibit A**

**First Amended Plan**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

Binder & Binder – The National Social Security  
Disability Advocates (NY), LLC, *et al.*

Debtors.

Chapter 11

Case No. 14-23728 (RDD)

Jointly Administered

**FIRST AMENDED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF  
THE BANKRUPTCY CODE, PROPOSED BY STELLUS CAPITAL INVESTMENT  
CORPORATION AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

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Dated: January 15, 2016

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## INTRODUCTION

Stellus Capital Investment Corporation and the Official Committee of Unsecured Creditors appointed in the above-captioned cases (the “Chapter 11 Cases”), as co-proponents within the meaning of section 1129 of title 11 of the United States Code (the “Bankruptcy Code”) and pursuant to the Exclusivity Termination Order, hereby jointly propose this Chapter 11 plan of reorganization for each of the debtors and debtors in possession in these Chapter 11 Cases (collectively, the “Debtors”). All capitalized terms used but not defined in this paragraph shall have the meaning set forth in Article 1 of the Plan.

Generally, the Plan contemplates (i) substantive consolidation of all Debtors for purposes of voting and implementation of the Plan; (ii) appointment on the Effective Date of the Plan Administrator for the purpose of overseeing and facilitating the implementation of the Plan by the Reorganized Debtors; (iii) gradual, orderly, and controlled downsizing of the Reorganized Debtors’ businesses over an extended period of time primarily through the elimination of advertising expenses that otherwise would be incurred by the Reorganized Debtors following the Effective Date in generating new SSA/VA Cases, at least until such time as the Allowed First DIP Lender Secured Claims are paid in full in accordance with the Plan, at which point the Reorganized Debtors may (but under the Plan are not obligated or committed to) resume incurrence of advertising expenses for the purpose of generating new SSA/VA Cases; (iv) cash payments distributed by or on behalf of the Reorganized Debtors to the holders of Allowed Claims in accordance with the Plan; and (v) continued employment on the Effective Date of substantially all of the Debtors’ existing employee base for the purpose of accomplishing the foregoing.

The classification scheme set forth in Article 3 of the Plan applies to each Debtor, and to the extent that there are no Claims in a certain Class against any of the Debtors, that Class shall be deemed not to exist for any purpose whatsoever under the Plan.

## ARTICLE 1

### DEFINITIONS AND RULES OF INTERPRETATION

#### Section 1.1 Scope of Definitions

For purposes of this Plan, except as expressly provided otherwise or unless the context requires otherwise, all capitalized terms not otherwise defined shall have the meanings ascribed to them in Section 1.2 of this Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules.

#### Section 1.2 Definitions

**“Administrative Expense Claim”** means any right to payment constituting a cost or expense of administration of any of the Chapter 11 Cases under sections 503(b) and 507(a)(2) of the Bankruptcy Code, arising on or prior to the Effective Date, including, without limitation, any actual and necessary costs and expenses of preserving the Debtors’ Estates, any actual and necessary expenses of operating the businesses of the Debtors, any indebtedness or obligations incurred or assumed by the Debtors in connection with the conduct of their businesses from and after the Commencement Date, and all Professional Claims.

**“Administrative Expense Claim Bar Date”** means the date that is the first Business Day that is thirty (30) days after the Effective Date.

**“Allowed”** means, with respect to a Claim, (i) any Claim that has been listed by a Debtor in the Schedules, as such Schedules may be amended by such Debtor from time to time in accordance with Bankruptcy Rule 1009, as liquidated in amount and not disputed or contingent and for which no contrary proof of claim or interest has been filed; (ii) any properly and timely filed, liquidated, non-contingent Claim with respect to which no objection to the allowance thereof has been filed within the applicable period fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules or a Final Order of the Bankruptcy Court; (iii) any Claim that is not Disputed; or (iv) any Claim allowed pursuant to this Plan, the Confirmation Order or a Final Order of the Bankruptcy Court.

**“Alternative DIP Agent”** means Stellus, as agent and lender under the Alternative DIP Facility.

**“Alternative DIP Collateral”** means Alternative DIP Collateral as defined in the Final Alternative DIP Order.

**“Alternative DIP Facility”** means that certain Post-Petition Credit Agreement Between the Debtors, as borrower or guarantor (as applicable), and Stellus, as administrative agent for itself and any other financial institutions from time to time party thereto, dated as of March 23, 2015.

**“Alternative DIP Liens”** means the liens encumbering the Alternative DIP Collateral granted to the Alternative DIP Agent under the Final Alternative DIP Order.

**“Alternative DIP Secured Parties Professional Fees”** means Alternative DIP Secured Parties Professional Fees as defined in the Final Alternative DIP Order.

**“Avoidance Actions”** means any actions commenced or that may be commenced before or after the Effective Date pursuant to any of sections 544, 545, 547, 548, 549, 551, 551 or 553 of the Bankruptcy Code.

**“Bank Accounts”** means all bank accounts in the name of the Debtors, and used by the Debtors for any purpose, as of immediately prior to the Effective Date.

**“Ballot”** means the ballot submitted to the Debtors by a holder of an Allowed Claim entitled to vote to accept or reject the Plan.

**“Bankruptcy Code”** means title 11 of the United States Code, as applicable to the Chapter 11 Cases.

**“Bankruptcy Court”** means the United States Bankruptcy Court for the Southern District of New York.

**“Bankruptcy Rules”** means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as applicable to the Chapter 11 Cases, and any local rules of the Bankruptcy Court.

**“Bar Date Order”** means the “Order Establishing Deadline for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof” entered by the Bankruptcy Court in the Chapter 11 Cases on August 31, 2015 [Docket No. 344].

**“Binder Cooperation and Settlement Agreement”** means a definitive agreement by and among the Proponents, Charles Binder, and Harry Binder, memorializing the Binder Cooperation Covenants, which shall be acceptable to the Proponents and approved by the Court in advance of the hearing before the Court to consider the Proponents’ request for entry of the Disclosure Statement Approval Order.

**“Binder Cooperation Covenants”** means certain cooperation covenants of Charles Binder and Harry Binder attendant to the Plan confirmation and implementation processes, as shall be set forth in the Binder Cooperation and Settlement Agreement.

**“Business Day”** means any day other than a Saturday, a Sunday, a “legal holiday” as such term is defined in Bankruptcy Rule 9006(a), or any other day on which banking institutions in New York, New York are required or authorized to close by law or executive order.

**“Cash”** means legal tender of the United States of America.

**“Cash Distribution”** means Cash in an amount equal to twenty percent (20%) of the aggregate dollar amount of Allowed General Unsecured Claims, the holders of which elect GUC Option A pursuant to Section 4.4 of the Plan.

**“Causes of Action”** means, unless explicitly released by the Debtors pursuant to a Final Order entered by the Bankruptcy Court during the Chapter 11 Cases or pursuant to this Plan, the Binder Cooperation and Settlement Agreement, or the HIG and Debtor Cooperation and Settlement Agreement, any and all actions, proceedings, causes of action, suits, demands, rights to legal remedies, rights to equitable remedies, rights to payment and Claims, whether known, unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, non-contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, and whether asserted or assertable directly or derivatively in law, equity or otherwise, of the Debtors or their Estates, existing as of the Commencement Date, including, without limitation, any Avoidance Actions, any action commenced or which could be commenced by the Creditors’ Committee (or the Committee Representative, as applicable) derivatively and on behalf of the Debtors’ Estates against any party including, without limitation, the First DIP Agent or any First DIP Lender, and actions for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, unjust enrichment, corporate waste, or otherwise, against any of the Debtors’ current or former board of directors, officers, the HIG Parties, Charles Binder, or Harry Binder.

**“Chapter 11 Cases”** means the jointly administered cases under chapter 11 of the Bankruptcy Code commenced by the Debtors in the Bankruptcy Court and styled In re Binder & Binder – The National Social Security Disability Advocates (NY), LLC, et al., Case No. 14-23728 (RDD).

**“Charles Binder”** means Charles Binder, an individual.

**“Claim”** has the meaning set forth in section 101 of the Bankruptcy Code.

**“Claims Objection Deadline”** means the date that is the first Business Day that is one-hundred twenty (120) days after the Effective Date, subject to extension from time to time by order of the Bankruptcy Court upon motion of the Plan Administrator.

**“Class”** means any group of Claims or Equity Interests classified by this Plan pursuant to section 1122(a) of the Bankruptcy Code.

**“Commencement Date”** means December 18, 2014.

**“Committee Representative”** means an individual to be appointed by the Creditors’ Committee, with such appointment to become effective on the Effective Date simultaneously with the dissolution of the Creditors’ Committee, and vested with such authority and for such purposes as set forth in Section 12.11 of the Plan.

**“Confirmation Date”** means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order.

**“Confirmation Hearing”** means the hearing before the Bankruptcy Court to consider the request of the Proponents for entry of an order confirming this Plan under section 1129 of the Bankruptcy Code.

**“Confirmation Objection Deadline”** means the deadline to be established by the Bankruptcy Court pursuant to the Disclosure Statement Approval Order for the filing and service by any and all parties in interest of objections to confirmation of this Plan.

**“Confirmation Order”** means the order or orders of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code, which order or orders shall be in form and substance acceptable to the Proponents.

**“Creditor”** means any entity holding a Claim.

**“Creditors’ Committee”** means the statutory committee of unsecured Creditors appointed in the Chapter 11 Cases by the United States Trustee on January 8, 2015 [Docket No. 80], and subsequently reconstituted on January 30, 2015 [Docket No. 99], and on August 14, 2015 [Docket No. 330].

**“Cure”** means all monetary liabilities of the Debtors that must be paid or otherwise satisfied to cure all of the Debtors’ monetary defaults under any and all executory contracts or unexpired leases to be assumed, or assumed and assigned, by the Debtors pursuant to this Plan, the Confirmation Order, or Final Order of the Bankruptcy Court, pursuant to section 365 of the Bankruptcy Code.

**“Debtors”** means, collectively, (i) Binder & Binder - The National Social Security Disability Advocates (NY), LLC; (ii) SSDI Holdings, Inc.; (iii) Binder & Binder - The National Social Security Disability Advocates LLC; (iv) The Rep for Vets LLC; (v) National Veterans Disability Advocates LLC (dba The Rep for Vets LLC); (vi) The Social Security Express Ltd.; (vii) Binder & Binder - The National Social Security Disability Advocates (AZ), LLC; (viii) Binder & Binder - The National Social Security Disability Advocates (CA), LLC; (ix) Binder & Binder - The National Social Security Disability Advocates (CO), LLC; (x) Binder & Binder - The National Social Security Disability Advocates (CT), LLC; (xi) Binder & Binder - The National Social Security Disability Advocates (FL), LLC; (xii) Binder & Binder - The National Social Security Disability Advocates (GA), LLC; (xiii) Binder & Binder - The National Social Security Disability Advocates (IL), LLC; (xiv) Binder & Binder - The National Social Security Disability Advocates (MD), LLC; (xv) Binder & Binder - The National Social Security Disability Advocates (MO), LLC; (xvi) Binder & Binder - The National Social Security Disability Advocates (NJ), LLC; (xvii) Binder & Binder - The National Social Security Disability Advocates (NC), LLC; (xviii) Binder & Binder - The National Social Security Disability Advocates (OH), LLC; (xix) Binder & Binder - The National Social Security Disability Advocates (PA), LLC; (xx) Binder & Binder - The National Social Security Disability Advocates (TX), LLC; (xxi) Binder & Binder - The National Social Security Disability Advocates (VA), LLC; (xxii) Binder & Binder - The National Social Security Disability Advocates (WA), LLC; (xxiii) Binder & Binder - The National Social Security Disability Advocates (LA), LLC; (xxiv) Binder & Binder - The National Social Security Disability Advocates (MI), LLC; and (xv) Binder & Binder - The National Social Security Disability Advocates (DC), LLC.

**“Disclosure Statement Approval Order”** means the order to be entered by the Bankruptcy Court, in form and substance acceptable to the Proponents, (i) scheduling the

Confirmation Hearing; (ii) establishing the Distribution Record Date; (iii) establishing the Voting Deadline; and (iv) establishing the Confirmation Objection Deadline.

**“Distribution”** means any initial or subsequent payment or transfer made to any holder of an Allowed Claim under the Plan.

**“Distribution Record Date”** means the date to be established by the Bankruptcy Court pursuant to the Disclosure Statement Approval Order as the date on which recordholders of any Claim against or Equity Interest in the Debtors are fixed for purposes of Distributions.

**“Disallowed”** means, with respect to a Claim or Equity Interest, any Claim or Equity Interest that has been disallowed by this Plan, the Confirmation Order or Final Order of the Bankruptcy Court.

**“Disputed”** means, with respect to a Claim or Equity Interest, any Claim or Equity Interest that is not Allowed or Disallowed.

**“Effective Date”** means the first Business Day on which all conditions to effectiveness of this Plan set forth in Article 10 of this Plan are satisfied, or waived in writing by a party entitled to waive such condition.

**“Equity Interest”** means the legal, equitable, contractual and other rights of a holder of an ownership interest in any of the Debtors, including, without limitation, any interest evidenced by any Existing Stock, common or preferred stock, membership interests and options or other rights to purchase or otherwise receive any ownership interest in any of the Debtors.

**“Estate”** means as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

**“Estate Assets”** means all property of the Debtors’ Estates pursuant to section 541 of the Bankruptcy Code including, without limitation, all Causes of Action and all proceeds thereof.

**“Excess Cash”** means, as tested by the Plan Administrator on the last day of each month following the Payment Commencement Date, (i) the Reorganized Debtors’ aggregate cash on hand and cash equivalents plus, (ii) for the immediately following month, the amount of one payroll due to be paid to the Reorganized Debtor Management Team and the Reorganized Debtors’ employees in the event that three (3) material payrolls are scheduled for such month, but only to the extent that the sum of (i) and (ii) exceeds three million dollars (\$3,000,000).

**“Exclusivity Termination Order”** means the “Order Granting Stellus Capital Investment Corporation’s Motion to Terminate Exclusivity Pursuant to Section 1121(d) of the Bankruptcy Code,” entered by the Bankruptcy Court on October 29, 2015 [Docket No. 372].

**“Existing Common Stock”** means all authorized, issued, and outstanding common shares of SSDI, of which 1,687.5 shares are held by Charles Binder, and 5,062.5 shares are held by Harry Binder.

**“Existing Preferred Stock”** means the Series A Preferred Stock and the Series B Preferred Stock.

**“Existing Stock”** means the Existing Common Stock and the Existing Preferred Stock.

**“Exit Facility”** means that certain senior secured facility to be entered into on the Effective Date by and between Stellus, as agent and lender, and the Reorganized Subsidiary Debtors, as borrowers/guarantors, on such terms and conditions as shall be set forth in the Exit Facility Documents.

**“Exit Facility Documents”** means all agreements and documents to be entered into by the Exit Facility Lender and the Reorganized Subsidiary Debtors in connection with the Exit Facility.

**“Exit Facility Lender”** means Stellus, as agent and lender under the Exit Facility.

**“Exit Facility Liens”** means the liens granted to the Exit Facility Lender pursuant to the Exit Facility Documents.

**“Final Alternative DIP Order”** means the “Final Order (I) Approving Alternative Postpetition Financing on a First Priority Priming Basis; (II) Authorizing Use of Cash Collateral; (III) Granting Adequate Protection; and (IV) Modifying the Automatic Stay” entered by the Bankruptcy Court in the Chapter 11 Cases on March 20, 2015, entered by the Bankruptcy Court on March 20, 2015 [Docket No. 211].

**“Final Fee Application”** means an application for final allowance of compensation and reimbursement for expenses filed by the holder of a Professional Claim.

**“Final Order”** means an order or judgment, the operation or effect of which has not been reversed, vacated, stayed, modified, or amended, and as to which order or judgment (or any reversal, vacation, stay, modification, or amendment thereof) (i) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed; or (ii) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be taken for granted; provided, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to section 502(j) of the Bankruptcy Code, rule 59 or rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order.

**“First DIP Agent”** means US Bank National Association as agent under the First DIP Credit Agreement.

**“First DIP Credit Agreement”** means that certain Post-Petition Revolving Credit and Security Agreement, between the Debtors, as borrower, Capital One N.A. as a lender, US Bank

National Association, as a lender and as agent, and the lenders from time to time party thereto, dated as of December 23, 2014.

**“First DIP Collateral”** means the First DIP Collateral as defined in the First Interim DIP Order.

**“First DIP Lender”** means U.S. Bank National Association, Capital One, N.A. and the other lenders from time to time party to the First DIP Credit Agreement.

**“First DIP Lender Secured Claims”** means the Secured Claims of the First DIP Lender under the First DIP Credit Agreement, which are subject to treatment under section 1129(b) of the Bankruptcy Code pursuant to the Final Alternative DIP Order, and therefore are addressed in Article 4 of the Plan.

**“First DIP Liens”** means the liens on the First DIP Collateral granted to the First DIP Agent under the Final Alternative DIP Order.

**“First Interim DIP Order”** means the “Interim Order (I) Authorizing Debtors to Obtain Postpetition Financing; (II) Granting Liens, Security Interests and Superpriority Status; (III) Authorizing Use of Cash Collateral; (IV) Affording Adequate Protection; (V) Scheduling a Final Hearing; and (VI) Modifying the Automatic Stay,” entered by the Bankruptcy Court on December 24, 2014 [Docket No. 50, and as subsequently extended and amended by Docket Nos. 122 and 175].

**“General Unsecured Claim”** means any Claim that is not an Administrative Expense Claim, a Priority Tax Claim, a Priority Non-Tax Claim, a Secured Claim, or an Intercompany Claim.

**“Harry Binder”** means Harry Binder, an individual.

**“HIG and Debtor Cooperation Agreement”** means a definitive agreement by and among the Proponents, the HIG Parties, and the Debtors, memorializing the HIG and Debtor Cooperation Covenants, which shall be acceptable to the Proponents and approved by the Court in advance of the hearing before the Court to consider the Proponents’ request for entry of the Disclosure Statement Approval Order.

**“HIG and Debtor Cooperation Covenants”** means certain cooperation covenants of the HIG Parties and the Debtors attendant to the Plan confirmation and implementation process (which cooperation covenants shall include, but not be limited to, the taking of any and all necessary acts and actions by HIG to cause the Debtors to cooperate fully and in good faith with the Proponents in connection with entry of the Disclosure Statement Approval Order and the Confirmation Order) and as shall be set forth in the HIG and Debtor Cooperation Agreement, and which HIG and Debtor Cooperation Covenants shall include, without limitation, (i) causing the Debtors to pay immediately and in full all outstanding amounts under the Final Alternative DIP Order including, without limitation, all unpaid Alternative DIP Secured Parties Professional Fees, and all interest required to be paid to the Alternative DIP Lender under the Final Alternative DIP Order, and to continue to pay all Alternative DIP Secured Parties Professional Fees and all interest required to be paid to the Alternative DIP Lender under the Final Alternative



DIP Order on a current basis; (ii) causing the Debtors to grant the Alternative DIP Lender, and its retained consultant Charles Fraas of Fraas Advisory Services, LLC, immediate access to the Alternative DIP Collateral and all requisite cooperation pursuant to the Final Alternative DIP Order; and (iii) causing the Debtors to comply with the Final Alternative DIP Order in all respects.

**“HIG Parties”** means H.I.G. Capital, LLC, H.I.G. Binder LLC, and any and all affiliates, subsidiaries, officers, directors, employees, shareholders, committees, agents, and representatives of the foregoing.

**“Impaired”** means, with respect to a Claim or Equity Interest, any Claim or Equity Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

**“Intercompany Claim”** means any Claim held by a Debtor or Non-Debtor Affiliate against a Debtor.

**“LIBOR”** means London Interbank Offered Rate as published in The Wall Street Journal.

**“Liquidating Trust”** means the liquidating trust to be established on the Effective Date, and overseen by the Plan Administrator, to receive and liquidate all Causes of Action for the benefit of all holders of Allowed General Unsecured Claims, the proceeds of which Causes of Action shall be distributed by the Plan Administrator pursuant to Section 4.4 and Section 5.3 of the Plan and the Liquidating Trust Agreement.

**“Liquidating Trust Agreement”** means the definitive agreement memorializing the transfer of the Liquidating Trust Assets to, and the administration of the Liquidating Trust Assets by, the Liquidating Trust.

**“Liquidating Trust Assets”** means the Causes of Action, and an amount of the Debtors’ cash on hand that is determined by the Proponents to be sufficient to fund the initial administration of the Liquidating Trust, which shall be transferred to and vested with the Liquidating Trust on the Effective Date.

**“New U.S. Bank Secured Term Note”** means the secured term note to be delivered by the Reorganized Subsidiary Debtors to the holder of the Allowed First DIP Lender Secured Claims pursuant to Section 4.2(b) of the Plan.

**“Newco”** means the entity to be formed on the Effective Date by the holders of Allowed General Unsecured Claims (or any such holder’s designee(s), as applicable) that elect to receive GUC Option B pursuant to Section 4.4(b)(ii) of the Plan, which entity is intended to be classified as a partnership for federal and applicable state and local income tax purposes.

**“Newco Board”** means the three (3) member board of directors of Newco to be appointed on the Effective Date, of which two (2) members shall be appointed by Stellus, and one (1) member shall be appointed by the Committee.

**“Newco Equity Documents”** means the definitive documentation to be entered into on the Effective Date by and among Newco and the holders of the Newco Equity Interests, which shall be acceptable in all respects to Stellus, memorializing the ownership and governance of Newco and any and all such matters customary and incident thereto, and which shall include, without limitation, the operating agreement of Newco.

**“Newco Equity Interests”** means all (100%) of the equity interests of Newco, which shall be issued by Newco on the Effective Date and distributed on the Effective Date to the holders of Allowed General Unsecured Claims (or any such holder’s designee(s), as applicable) that elect to receive GUC Option B pursuant to Section 4.4(b)(ii) of the Plan.

**“New U.S. Bank Secured Term Note Documents”** means the agreements and other definitive documents evidencing treatment afforded to the holders of the Allowed U.S. Bank Secured Claims pursuant to Section 4.2(b) of the Plan.

**“New U.S. Bank Secured Term Note Liens”** means the liens granted to the holders of the Allowed U.S. Bank Secured Claims pursuant to the New U.S. Bank Secured Term Note Documents.

**“Non-Debtor Affiliate”** means any affiliate, parent or subsidiary of any of the Debtors that is not, itself, a Debtor.

**“Ordinary Course Professional Order”** means the “Order Authorizing the Debtors to Employ and Compensate Professionals Utilized in the Ordinary Course of Business,” entered by the Bankruptcy Court on January 30, 2015 [Docket No. 102].

**“Other Secured Claim”** means any Secured Claim against a Debtor that is not a First DIP Lender Secured Claim.

**“Payment Commencement Date”** means the date following the Effective Date upon which the Plan Administrator determines that the Reorganized Debtors have sufficient cash on hand such that, upon payment by the Plan Administrator (on behalf of the Reorganized Debtors) of each of (i) the first monthly amortization payment in respect of the Exit Facility, (ii) the first one-half of the Cash Distribution as required to be made pursuant to Section 4.4(b)(i)(A)(x) of the Plan, and (iii) in the event the holders of Allowed Claims in Class 2 vote to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code, the first monthly amortization payment in respect of the New U.S. Bank Secured Term Note, the Reorganized Debtors have remaining cash on hand in excess of \$3,000,000 plus, if the next succeeding month has three material payrolls, the amount of one such payroll.

**“Plan”** means this joint and consolidated Chapter 11 plan of reorganization, including the schedules, exhibits and supplements hereto including, without limitation, the Plan Supplement, as the same may be amended or modified from time to time in accordance with the provisions of the Bankruptcy Code and the terms hereof.

**“Plan Administrator”** means a person or entity to be selected by Stellus and reasonably acceptable to the Committee, which person or entity shall be identified in the Plan Supplement and approved by the Court pursuant to the Confirmation Order.

**“Plan Supplement”** means those certain schedules and other documents to be filed with the Bankruptcy Court on or before the date that is five (5) calendar days prior to the Voting Deadline, in support of confirmation of this Plan, or otherwise attendant or incidental to the transactions contemplated under this Plan, which schedules and other documents shall be considered a part of this Plan for all purposes.

**“Priority Claims”** means, collectively, Priority Non-Tax Claims and Priority Tax Claims.

**“Priority Non-Tax Claim”** means any Claim entitled to priority pursuant to section 507(a) of the Bankruptcy Code other than Administrative Expense Claims and Priority Tax Claims.

**“Priority Tax Claim”** means any Claim entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.

**“Pro Rata”** means, with respect to an Allowed Claim, the ratio of the amount of the Allowed Claim to the total amount of all Allowed Claims in the same Class.

**“Professional Claim”** means a Claim of any professional retained in these Chapter 11 Cases pursuant to the Bankruptcy Code, Bankruptcy Rules, or a Final Order of the Bankruptcy Court, for compensation for services rendered, and reimbursement of expenses incurred, by such professional after the Commencement Date and prior to and including the Effective Date.

**“Professional Claims Objection Deadline”** means the date that is the first Business Day that is forty-five (45) days after the Effective Date, subject to extension from time to time by order of the Bankruptcy Court upon motion of the Committee Representative in accordance with Section 12.11 of the Plan.

**“Proponents”** means Stellus and the Creditors’ Committee.

**“Proposed Cure”** means the Cure amounts identified on the Schedule of Assumed Contracts and Leases under the heading “In arrears”.

**“Rejection Damage Claim”** means a Claim for damages arising from the rejection by any Debtor of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code.

**“Released Claims”** means any and all Claims or Equity Interests released pursuant to Section 9.6 of this Plan.

**“Released Parties”** means, collectively, and in each case, solely in such capacity, (i) Stellus and, if designated by Stellus, the Transition Advisor; (ii) the Creditors’ Committee; (iii) each current and former member of the Creditors’ Committee; (iv) subject to acceptance of the Plan by the holders of the Allowed First DIP Lender Secured Claims pursuant to section 1126(c) of the Bankruptcy Code, the First DIP Agent and the First DIP Lenders; (v) subject to compliance by the HIG Parties and the Debtors with the HIG and Debtor Cooperation Covenants pursuant to the HIG and Debtor Cooperation Agreement, the HIG Parties and the Debtors; (vi)

subject to compliance by Charles Binder and Harry Binder with the Binder Cooperation Covenants pursuant to the Binder Cooperation Agreement, Charles Binder and Harry Binder; (vii) the Reorganized Debtors; (viii) the Reorganized Debtor Management Team; (ix) the Plan Administrator; (x) the Committee Representative; and (xi) with respect to each of the foregoing, their respective officers, directors, managers, members, accountants, financial advisors, investment bankers, agents, restructuring advisors, attorneys, representatives, or other professionals serving during the pendency of the Chapter 11 Cases (solely in their capacity as officers, directors, managers, members, accountants, financial advisors, investment bankers, agents, restructuring advisors, attorneys, representatives, or other professionals serving during the pendency of the Chapter 11 Cases).

**“Reorganized Debtors”** means, collectively, the Debtors on and after the Effective Date as reorganized pursuant to the Plan, including any successor thereto by merger, consolidation or otherwise.

**“Reorganized Debtor Board”** means the board of directors of each Reorganized Debtor, which shall be acceptable to the Plan Proponents and appointed on the Effective Date.

**“Reorganized Debtor Management Team”** means certain professionals and employees to be appointed by the Plan Administrator, acceptable to Stellus and the Committee (such consent of the Committee not to be unreasonably withheld), and to be engaged by the Plan Administrator on the Effective Date for the purpose of facilitating the implementation of the Plan by the Reorganized Debtors and the Plan Administrator.

**“Reorganized SSSA”** means SSSA on and after the Effective Date as reorganized pursuant to this Plan, including any successor thereto by merger, consolidation or otherwise.

**“Reorganized SSSA Equity Interests”** means all (100%) of the equity interests in Reorganized SSSA, which shall be issued by Reorganized SSSA and distributed to Newco on the Effective Date, in accordance with Section 5.2 of the Plan.

**“Reorganized SSDI”** means SSDI on and after the Effective Date as reorganized pursuant to this Plan, including any successor thereto by merger, consolidation or otherwise.

**“Reorganized Subsidiary Debtors”** means all of the Reorganized Debtors other than Reorganized SSDI.

**“Reorganized Subsidiary Debtor Equity Interests”** means 100% of the direct and indirect equity interests (as applicable) held by Reorganized SSSA in each of the other Reorganized Subsidiary Debtors, which shares shall replace the corresponding direct and indirect Equity Interests (as applicable) held by SSSA in each Subsidiary Debtor as of immediately prior to the Effective Date, upon cancellation and extinguishment of such Equity Interests pursuant to Section 4.6 of the Plan.

**“Restructuring Transactions”** means the transactions to occur on and after the Effective Date as set forth in Section 5.2 of the Plan.

**“Schedules”** means, collectively, the schedules of the Debtors’ assets and liabilities, the statement of the Debtors’ financial affairs and any other schedules and statements filed with the Bankruptcy Court pursuant to sections 521 or 1106 of the Bankruptcy Code or Bankruptcy Rule 1007, as such schedules and statements have been or may be amended and supplemented from time to time in accordance with Bankruptcy Rule 1009.

**“Schedule of Assumed Contracts and Leases”** means that certain schedule to be included in the Plan Supplement that identifies certain executory contracts and unexpired leases to be deemed assumed by the Debtors and assigned to the Reorganized Debtors pursuant to this Plan.

**“Second Cash Distribution Deposit Account”** means a bank account to be established by the Plan Administrator on or after the Effective Date, for the purpose of depositing such amount of the Reorganized Debtors’ cash on hand as is required under the Second Cash Distribution Installment Note.

**“Second Cash Distribution Installment”** means the Cash Distribution to be made to the holders of Allowed General Unsecured Claims pursuant to the Second Cash Distribution Installment Note.

**“Second Cash Distribution Installment Note”** means that certain secured promissory note to be issued on the Effective Date by Reorganized SSDA on a joint and several basis with all of the other Reorganized Subsidiary Debtors (and administered by the Plan Administrator), in favor of the Committee Representative on behalf of each holder of each Allowed General Unsecured Claim that elects to receive GUC Option A, for the purpose of memorializing the Reorganized Subsidiary Debtors’ obligation to pay the Second Cash Distribution Installment on account of such electing holder’s Allowed General Unsecured Claim, the form of which Second Cash Distribution Installment Note shall be included in the Plan Supplement, and the terms of which Second Cash Distribution Installment Note shall include, without limitation, (i) a maturity date of the earlier of (A) the eighteen (18) month anniversary of the Effective Date, and (B) the date that is six (6) months after payment in full of the Exit Facility pursuant to Section 2.2 of the Plan; (ii) grant by all of the Reorganized Subsidiary Debtors to such holder (by and through the Committee Representative) of a cross-collateralized security interest in all personal property of the Reorganized Subsidiary Debtors (which holder, by and through the Committee Representative, shall be authorized to file with the appropriate agencies such UCC-1 financing statements as are necessary to perfect such security interest pursuant to applicable law), and which security interest shall at all times (unless otherwise contested to by the holder thereof) be senior to any other security interest in any personal property of the Reorganized Subsidiary Debtors (other than the Exit Facility Liens, the New U.S. Bank Secured Term Note Liens, and any liens existing as of the Effective Date), and which shall terminate automatically upon payment in full of the Second Cash Distribution Installment Note; and (iii) reporting in favor of the Plan Administrator, as collateral agent.

**“Secured Claim”** means a Claim (i) that is secured by a valid, duly perfected, enforceable, and non-avoidable lien on property in which any of the Debtors’ Estates has an interest, to the extent of the value, as of the Effective Date or such other date as is established by the Bankruptcy Court, of such Creditor’s interest in the applicable Debtor’s Estate’s interest in

such property, as determined by a Final Order of the Bankruptcy Court or as otherwise agreed upon in this Plan by the Debtors and such Creditor; or (ii) that is secured by the amount of any valid non-avoidable right of setoff of the Creditor thereof pursuant to section 553 of the Bankruptcy Code.

**“Securities Act”** means the Securities Act of 1933, as amended, 15 U.S.C. § 77a, et seq., and all rules or regulations promulgated thereunder.

**“Series A Preferred Stock”** means those certain authorized, issued, and outstanding preferred shares of SSDI, of which 15,000 shares are held by HIG Binder, LLC, and 750 shares are held by one or more affiliates of D.E. Shaw Direct Capital Portfolios, L.L.C.

**“Series B Preferred Stock”** means those certain authorized, issued, and outstanding preferred shares of SSDI, of which 3,983.11 shares are held by Charles Binder, and 11,348.82 shares are held by Harry Binder.

**“SSA/VA Cases”** means the disability cases under programs operated by the Social Security Administration and the Department of Veterans Affairs that are managed by the Debtors as of immediately prior to the Effective Date, and which are managed by the Reorganized Debtors from and after the Effective Date.

**“SSDA”** means Binder & Binder – The National Social Security Disability Advocates LLC, a Delaware limited liability company and one of the Subsidiary Debtors.

**“SSDI”** means SSDI Holdings, Inc., a privately held Delaware corporation, which is the sole (100%) member of SSDA.

**“Stellus”** means Stellus Capital Investment Corporation.

**“Stellus Prepetition Claim”** means any and all Claims of Stellus (and any affiliate assignee(s) or designee(s) thereof) against the Debtors arising under or related to (i) that certain Investment Agreement dated as of August 27, 2010 by and among Binder & Binder – The National Social Security Disability Advocates LLC, a Delaware limited liability company, SSDI Holdings, Inc. a Delaware corporation, the other guarantors from time to time party thereto, the lenders party thereto and Stellus Capital Investment Corporation (as successor in interest to D. E. Shaw Direct Capital Portfolios, L.L.C.), in its capacity as administrative agent; (ii) that certain Note dated as of August 27, 2010 in the original principal amount of \$13,000,000, made by Binder & Binder – The National Social Security Disability Advocates LLC and made payable to Stellus Capital Investment Corporation (successor by assignment and allonge to DC Funding SPV, L.L.C., successor by assignment and allonge to D. E. Shaw Direct Capital Portfolios, L.L.C.), and any other documents executed in connection therewith.

**“Subsidiary Debtor”** means each of the Debtors other than SSDI.

**“Transition Advisor”** means the designee of Stellus which may be proposed by Stellus and identified in the Plan Supplement, for the purpose of assisting the Reorganized Debtors, the Plan Administrator, and the Reorganized Debtor Management Team, in connection with the implementation of any business transition measures not inconsistent with the Plan.

**“Unclaimed Property”** means any Cash, checks and other property to be distributed in respect of an Allowed Claim pursuant to this Plan, which was deemed unclaimed (i) on the date such property would have been distributed by Plan Administrator but such Distribution did not occur because the current address of such holder could not reasonably be determined by the Plan Administrator; or (ii) on the date such property was returned to the Plan Administrator as undeliverable without a proper forwarding address after having been properly distributed by the Plan Administrator.

**“United States Trustee”** means the Office of the United States Trustee for the Southern District of New York.

**“Voting Deadline”** means the date fixed by the Bankruptcy Court pursuant to the Disclosure Statement Approval Order as the last date upon which holders of Claims may vote to accept or reject the Plan.

### **Section 1.3 Rules of Interpretation**

For purposes of this Plan, unless otherwise provided herein:

- (i) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural;
- (ii) each pronoun stated in the masculine, feminine, or neuter includes the masculine, feminine, and neuter;
- (iii) any reference in this Plan to an existing document filed or to be filed means such document, as it may have been or may be amended, modified, or supplemented;
- (iv) any reference in this Plan to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions;
- (v) any reference in this Plan to an entity as a holder of a Claim or Equity Interest includes that entity’s successors and assigns;
- (vi) all references in this Plan to articles, sections, schedules, exhibits and supplements are references to the respective articles, sections, schedules, exhibits and supplements of or to this Plan, as the same may be amended, waived, or modified from time to time;
- (vii) the words “herein”, “hereunder”, “hereof”, “hereto” and other words of similar import refer to this Plan in its entirety rather than to a particular article, section, subsection, or clause of this Plan;

(viii) captions and headings in this Plan are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Plan;

(ix) subject to the provisions of any contract, certificate of incorporation, by-laws, instrument, release, or other agreement or document entered into in connection with this Plan, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and Bankruptcy Rules;

(x) whenever the words “include”, “includes”, or “including” are used in this Plan, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of similar import;

(xi) references in this Plan from or through any date mean from and including or through and including, respectively;

(xii) in the event that a particular term of the definitive documentation required to be implemented pursuant to the terms of this Plan or any settlement or other agreement contemplated hereunder is inconsistent with a particular term of this Plan, the definitive documentation shall govern and shall be binding on the parties thereto;

(xiii) to the extent that any schedule, exhibit or supplement to this Plan is inconsistent with the terms of this Plan, and unless otherwise provided herein or in the Confirmation Order, the terms of the schedule, exhibit or supplement shall govern;

(xiv) to the extent that the Confirmation Order is inconsistent with this Plan, the provisions of the Confirmation Order shall govern;

(xv) to the extent that the Confirmation Order is inconsistent with any schedule, exhibit or supplement to this Plan, the provisions of the Confirmation Order shall govern;

(xvi) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to this Plan;

(xvii) in computing any period of time prescribed or allowed by this Plan, the provisions of Bankruptcy Rule 9006 shall apply;

(xviii) in the event that any payment, Distribution, act or deadline under this Plan is required to be made or performed or occurs on a day that is not a Business Day, then the making of such payment or Distribution, the performance of such act or the occurrence of such deadline shall be deemed to be on the next succeeding Business Day, but shall be deemed to have been completed or have occurred as of the required date;

(xix) all references in this Plan to monetary figures shall refer to currency of the United States of America; and



(xx) because this Plan is the product of extensive negotiations between Stellus and the Committee, who were each represented by counsel who (i) participated in the formulation and documentation of this Plan; and (ii) were afforded the opportunity to review and provide comments on this Plan and the documents ancillary thereto, the general rule of contract construction known as contra preferentem shall not apply to the construction or interpretation of any provision of this Plan, or any contract, instrument, release, indenture, exhibit, or other agreement or document generated in connection therewith.

## ARTICLE 2

### ADMINISTRATIVE EXPENSE AND PRIORITY TAX CLAIMS

#### Section 2.1 Administrative Expense Claims.

Except to the extent that a holder of an Allowed Administrative Expense Claim has been paid by a Debtor prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Administrative Expense Claim shall receive Cash from the Reorganized Debtors in an amount equal to the Allowed amount of such Administrative Expense Claim on the later of the Effective Date and the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim, or as soon thereafter as is practicable; provided, however, that Allowed Administrative Expense Claims representing liabilities incurred in the ordinary course of business by a Debtor or other obligations incurred by such Debtor shall be paid in full and performed by the Reorganized Debtors in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

#### Section 2.2 Alternative DIP Facility Claims

By agreement between the Alternative DIP Agent and the Debtors and in full and final satisfaction of all Claims of the Alternative DIP Agent under the Alternative DIP Facility, on the Effective Date, the Alternative DIP Facility shall be converted to, and replaced with, the Exit Facility, which Exit Facility shall include such terms and conditions as shall be set forth in the Exit Facility Documents, including, without limitation: (i) a maturity date of one year from the Payment Commencement Date, but not later than June 30, 2017; (ii) commencing on the Payment Commencement Date, scheduled amortization payments in the amount of \$400,000 per month, which amount shall be subject to potential reduction to the amount of \$200,000 per month, in the event the holders of Allowed Claims in Class 2 vote to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code; (iii) in addition to such scheduled amortization payments identified in (ii) immediately above, additional principal payments made from 100% of Excess Cash (until such time as the Exit Facility is repaid in full), which amount shall be subject to potential reduction to 70% of Excess Cash (until such time as the Exit Facility is repaid in full) in the event the holders of Allowed Claims in Class 2 vote to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code; (iv) 10.0% cash pay interest rate, payable monthly, which interest rate shall be subject to potential reduction to 7.5% in the event the holders of Allowed Claims in Class 2 vote to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code; (v) customary covenants, reporting requirements, and events of default; (vi) an extension fee

payable by the Debtors on the Effective Date to Stellus on account of the consent by the Alternative DIP Lender to the terms and conditions of the Plan including, without limitation, the conversion of the Alternative DIP Facility to the Exit Facility as provided in Section 2.2 of the Plan and the Exit Facility Documents, which extension fee shall be in an amount equal to all fees and expenses incurred by Stellus in connection with the negotiation, formulation, preparation, documentation, prosecution, and implementation of the Plan, and which extension fee shall be paid by the Debtors to Stellus as a condition to consummation of the Exit Facility and the Plan; (vii) for any taxable period in which Newco and any Reorganized Debtor is treated as a pass-through entity for U.S. federal income tax purposes, permitted distributions by the Reorganized Debtors to Newco and by Newco to the holders of the Newco Equity Interests, prior to payment in full of the Exit Facility and pursuant to the Newco Equity Documents, of cash in amounts sufficient to pay the federal, state, and local income tax liabilities of such holders of Newco Equity Interests attributable to the taxable income of Newco and the Reorganized Debtors that is passed through to such holders of the Newco Equity Interests; and (viii) certain other terms as may be agreed by the Alternative DIP Lender and reflected in the Exit Facility Documents, in the event the holders of Allowed Claims in Class 2 vote to accept the Plan.

### **Section 2.3 Professional Compensation and Reimbursement Claims**

Other than a professional retained by the Debtors pursuant to the Ordinary Course Professional Order, any entity seeking an award of the Bankruptcy Court of compensation for services rendered and/or reimbursement of expenses incurred on behalf of the Debtors or the Creditors' Committee through and including the Effective Date under section 105(a), 363(b), 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code shall (i) file its final application for allowance of such compensation and/or reimbursement by no later than the date that is 30 days after the Effective Date or such other date as may be fixed by the Bankruptcy Court; and (ii) be paid by the Plan Administrator on behalf of the Debtors in full and in Cash in the amounts Allowed upon (A) the date the order granting such award becomes a Final Order, or as soon thereafter as practicable, or (B) such other terms as may be mutually agreed upon by the claimant and the Plan Administrator. The Plan Administrator on behalf of the Reorganized Debtors shall be authorized to pay compensation for professional services rendered and reimburse expenses incurred on behalf of the Reorganized Debtors and the Creditors' Committee (or the Committee Representative, as applicable) after the Effective Date in the ordinary course and without Bankruptcy Court approval.

### **Section 2.4 Priority Tax Claims**

Except to the extent that a holder of an Allowed Priority Tax Claim has been paid by a Debtor prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim shall receive from the Plan Administrator on behalf of the Debtors Cash in an amount equal to the Allowed amount of such Priority Tax Claim in accordance with sections 1129(a)(9)(C) and (D) of the Bankruptcy Code.

**ARTICLE 3**

**CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS**

**Section 3.1 Classification**

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, set forth below is a designation of Classes of Claims against and Equity Interests in the Debtors that specifies whether each Class is Impaired under the Plan.

<b>Class</b>	<b>Designation</b>	<b>Impairment</b>	<b>Voting Rights</b>
1	Priority Non-Tax Claims	Not Impaired	Deemed to Accept
2	First DIP Lender Secured Claims	Impaired	Entitled to Vote
3	Other Secured Claims	Not Impaired	Deemed to Accept
4	General Unsecured Claims	Impaired	Entitled to Vote
5	Intercompany Claims	Impaired	Deemed to Reject
6	Equity Interests	Impaired	Deemed to Reject

**ARTICLE 4**

**TREATMENT OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS**

**Section 4.1 Priority Non-Tax Claims**

(a) Impairment and Voting. Class 1 is not Impaired. The holders of Allowed Claims in Class 1 are conclusively presumed to have accepted the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that a holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full settlement, satisfaction, release and discharge of such Claim, Cash in an amount equal to the Allowed but unpaid portion of such Claim, on or as soon as reasonably practicable after, the later of (i) the Effective Date; (ii) the date such Claim becomes Allowed; and (iii) the date for payment provided by any agreement or understanding between the Reorganized Debtors or the Plan Administrator and the holder of such Claim.

**Section 4.2 Class 2 (First DIP Lender Secured Claims)**

(a) Impairment and Voting. Pursuant to the Final Alternative DIP Order, the First DIP Lender Secured Claims in Class 2 are subject to treatment under section 1129(b) of the Bankruptcy Code. Class 2 is Impaired. Each holder of an Allowed First DIP Lender Secured Claim in Class 2 is entitled to vote to accept or reject the Plan.

(b) Treatment.

(i) In the event that Class 2 votes to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code, then in full and final settlement, satisfaction, and discharge of the Allowed First DIP Lender Secured Claims, each holder of an Allowed First DIP Lender Secured Claim in Class 2 shall receive on the Effective Date the New U.S. Bank Secured Term Note, the terms of which shall be set forth in the New U.S. Bank Secured Term Note Documents, and which shall include, without limitation: (A) cash pay interest rate of one-month LIBOR plus 3.3% and subject to an interest rate cap of 4.25%, payable monthly, provided that upon an event of default under the New U.S. Bank Secured Term Note Documents, such interest rate shall convert to a rate based upon the prime rate, provided further that default interest under the New U.S. Bank Secured Term Note shall not exceed 2% over the otherwise applicable non-default interest rate; (B) commencing on the Payment Commencement Date, scheduled amortization payments in the amount of \$200,000 per month, due on the last day of each month, which scheduled amortization payments shall increase to \$400,000 per month upon repayment in full of the Exit Facility; (C) receipt of 30% of Excess Cash and, at such time as the Exit Facility is repaid in full and the Second Cash Distribution Installment has been paid in full pursuant to the Plan, receipt of 100% of Excess Cash; (D) a maturity date of two and one-half (2.5) years from the Payment Commencement Date, but in any event no later than December 31, 2018; (E) retention of the First DIP Liens, which First DIP Liens shall be junior to the priority of the Exit Facility Liens consistent with the relative priority of the First DIP Liens and the Alternative DIP Liens pursuant to the Final Alternative DIP Order, as shall be set forth in the Confirmation Order; and (F) customary and reasonable covenants, reporting requirements, and events of default including, without limitation, (x) a cross-default to the Exit Facility, and (y) inspection rights (including inspection of the Reorganized Debtors' offices and properties and review of the Reorganized Debtors' books and records at least once each calendar quarter, and with additional frequency following an event of default under the New U.S. Bank Secured Term Note Documents, provided, for the avoidance of doubt, prior to payment in full of the New U.S. Bank Secured Term Note pursuant to the Plan, and pursuant to the Newco Equity Documents and the New U.S. Bank Secured Term Note Documents, for any taxable period in which Newco and any Reorganized Debtor is treated as a pass-through entity for U.S. federal income tax purposes, distributions by the Reorganized Debtors to Newco and by Newco to the holders of the Newco Equity Interests of cash shall be permitted in amounts sufficient to pay the federal, state, and local income tax liabilities of such holders of Newco Equity Interests attributable to the taxable income of Newco and the Reorganized Debtors that is passed through to such holders of Newco Equity Interests; provided further, in connection with the inspections and reviews referenced in Section 4.2(b)(i)(F)(y) above, the agent under the New U.S. Bank Secured Term Facility Documents may retain a financial advisor at the sole cost and expense of the Reorganized Debtors subject to an annual cap (absent an event of default under the New U.S. Bank Secured Term Note Documents) of \$120,000; and (G) payment of any and all outstanding Existing Secured Parties Professional Fees (as defined in the Final Alternative DIP Order) of the holders of the Allowed First DIP Lender Secured Claims pursuant to Section 2.1 of the Plan, other than any such fees and expenses incurred by the holders of the Allowed First DIP Lender Secured Claims in objecting to entry of the Disclosure

Statement Approval Order or the Confirmation Order, or seeking discovery in connection therewith.

In addition, in the event that the holders of the Allowed First DIP Lender Secured Claims in Class 2 vote to accept the Plan by the requisite majority provided in section 1126(c) of the Bankruptcy Code, then the First DIP Agent and the First DIP Lenders shall be deemed to be Released Parties under the Plan.

(ii) In the event that Class 2 votes to reject the Plan, then on the Effective Date and in full and final settlement, satisfaction, and discharge of the Allowed First DIP Lender Secured Claims, each holder of an Allowed U.S. Bank Secured Claim shall receive the New U.S. Bank Secured Term Note, the terms of which shall be set forth in the New U.S. Bank Secured Term Note Documents, and which shall include, without limitation, (A) an interest rate to be determined by the Bankruptcy Court pursuant to section 1129(b) of the Bankruptcy Code; (B) scheduled amortization payments, if any, in an amount to be determined by the Bankruptcy Court pursuant to section 1129(b) of the Bankruptcy Code and at such time as the Exit Facility has been paid in full; (C) upon the Reorganized Debtors' (through the Plan Administrator's) repayment of the Exit Facility in full and completion of the Second Cash Distribution Installment, receipt of 100% of Excess Cash; (D) a maturity date of three (3) years from the Payment Commencement Date, and in any event no later than June 30, 2019; (E) retention of the First DIP Liens, which First DIP Liens shall be junior to the priority of the Exit Facility Liens consistent with the relative priority of the First DIP Liens and the Alternative DIP Liens pursuant to the Final Alternative DIP Order, as shall be set forth in the Confirmation Order; and (F) such covenants, reporting requirements and events of default (if any) as required by the Bankruptcy Court; provided, for the avoidance of doubt, prior to payment in full of the New U.S. Bank Secured Term Note pursuant to the Plan, and pursuant to the Newco Equity Documents and the New U.S. Bank Secured Term Note, for any taxable period in which Newco and any Reorganized Debtor is treated as a pass-through entity for U.S. federal income tax purposes, distributions by the Reorganized Debtors to Newco and by Newco to the holders of the Newco Equity Interests of cash shall be permitted in amounts sufficient to pay the federal, state, and local income tax liabilities of such holders of Newco Equity Interests attributable to the taxable income of Newco and the Reorganized Debtors that is passed through to such holders of the Newco Equity Interests; provided further, for the avoidance of doubt, in the event that Class 2 votes to reject the Plan, the treatment provided in this Section 4.2(b)(ii) shall be subject to further modification pursuant to any Final Order entered by the Bankruptcy Court in respect of any Cause of Action asserted against the holder of the Allowed U.S. Bank Secured Claim; and provided further, for the avoidance of doubt, in the event that Class 2 votes to reject the Plan, no holder of an Allowed U.S. Bank Secured Claim in Class 2 shall be or shall be deemed to be a Released Party.

#### **Section 4.3 Class 3 (Other Secured Claims)**

(a) Impairment and Voting. Class 3 is not Impaired by the Plan. The holders of Allowed Claims in Class 3 are not entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that a holder of an Allowed Other Secured Claim agrees to less favorable treatment, each holder of an Allowed Other Secured Claim (which shall be identified in a schedule in the Plan Supplement) shall receive in full settlement, satisfaction, release and discharge of such Claim, Cash in an amount equal to the Allowed but unpaid portion of such Claim, on or as soon as reasonably practicable after, the later of (i) the Effective Date, (ii) the date such Claim becomes Allowed, and (iii) the date for payment provided by any agreement or understanding between the Reorganized Debtors or the Plan Administrator and the holder of such Claim.

#### **Section 4.4 Class 4 (General Unsecured Claims)**

(a) Impairment and Voting. Class 4 is Impaired by the Plan. Each holder of an Allowed Claim in Class 4 is entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that a holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim in Class 4 that votes to accept the Plan shall be entitled to elect on its respective Ballot either “GUC Option A” and “GUC Option B” below, and regardless of such election, shall be entitled to receive its Pro Rata Distribution of the proceeds of all Causes of Action. **In the event that any holder of an Allowed General Unsecured Claim in Class 4 votes to accept the Plan but fails to elect either GUC Option A or GUC Option B on its Ballot, such holder shall be entitled to receive only GUC Option B under the Plan, and its Pro Rata Distribution of the proceeds of all Causes of Action. In the event that any holder of an Allowed General Unsecured Claim in Class 4 votes to reject the Plan, such holder shall be entitled to receive only GUC Option B under the Plan, and its Pro Rata Distribution of the proceeds of all Causes of Action in accordance with the Plan.**

(i) GUC Option A (Cash Distribution Option). In full and final settlement, satisfaction, and discharge of its respective Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim that elects GUC Option A in accordance with Section 4.4(b) of the Plan shall receive (A) its Pro Rata share of the Cash Distribution, with (x) one-half of such Cash Distribution to be paid by the Plan Administrator from the Reorganized Debtors’ cash on hand concurrently with the first Distribution to be made by the Plan Administrator under the Exit Facility pursuant to the Exit Facility Documents, and (y) the remaining one-half of such Cash Distribution to be paid by the Plan Administrator from Excess Cash after payment in full of the Exit Facility; and (B) the Second Cash Distribution Installment Note. For the avoidance of doubt, Stellus has elected GUC Option B on account of the Allowed Stellus Prepetition Claim, and accordingly Stellus shall forego receipt of any Cash Distribution pursuant to GUC Option A on account of the Allowed Stellus Prepetition Claim.

(ii) GUC Option B (Newco Ownership / Residual Value Option). In full and final settlement, satisfaction, and discharge of its respective Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim that elects GUC Option B in accordance with Section 4.4(b) of the Plan shall, (A) on the Effective Date, (x) assign, cause to be assigned, or shall be deemed pursuant to the Confirmation Order to have assigned (as applicable), its respective Allowed General Unsecured Claim to Newco

pursuant to Section 5.2 of the Plan; and (y) receive from Newco in exchange for and on account of the assignment of such Allowed General Unsecured Claim its Pro Rata Distribution of Newco Equity Interests pursuant to Section 5.2 of the Plan; and (B) once the New U.S. Bank Secured Term Note has been paid in full pursuant to the Plan, receive, on account of its ownership of Newco Equity Interests, its Pro Rata Distribution of available cash (if any) of the Reorganized Debtors, the timing and amounts of such Distribution or Distributions (if any) to be determined by the Plan Administrator (on behalf of the Reorganized Debtors) in its reasonable discretion in accordance with Section 5.3 of the Plan; provided, prior to payment in full of the New U.S. Bank Secured Term Note pursuant to the Plan, and pursuant to the Newco Equity Documents and the New U.S. Bank Secured Term Note Documents, for any taxable period in which Newco and any Reorganized Debtor is treated as a pass-through entity for U.S. federal income tax purposes, the holders of Newco Equity Interests shall be entitled to receive from the Reorganized Debtors (and the Plan Administrator on behalf of the Reorganized Debtors shall be permitted to make) distributions from the Reorganized Debtors' cash to Newco and from Newco to such holders of Newco Equity Interests in amounts sufficient to pay the federal, state, and local income tax liabilities of such holders of Newco Equity Interests attributable to the taxable income of Newco and the Reorganized Debtors that is passed through to such holders of Newco Equity Interests.

(iii) Irrespective of the vote to accept or reject the Plan, or election between GUC Option A and GUC Option B, made by a holder of an Allowed General Unsecured Claim in Class 4, each such holder shall receive its Pro Rata Distribution of proceeds of all Causes of Action realized by the Reorganized Debtors or the Liquidating Trust from and after the Effective Date, in accordance with the Plan; provided, with respect to proceeds of Causes of Action allocable to holders of Allowed General Unsecured Claims in Class 4 that have elected to or are otherwise entitled or deemed to receive GUC Option B, such proceeds (if any) shall be retained by the Reorganized Debtors, included within the Reorganized Debtors' available cash for use in the Reorganized Debtors' businesses, and distributed by the Plan Administrator (on behalf of the Reorganized Debtors) in its reasonable discretion in accordance with Section 4.4(b)(ii)(B) and Section 5.3 of the Plan.

#### **Section 4.5 Class 5 (Intercompany Claims)**

(a) Impairment and Voting. Class 5 is Impaired by the Plan. Each holder of an Allowed Claim in Class 5 is not entitled to vote to accept or reject the Plan and is conclusively deemed to have rejected the Plan.

(b) Treatment. Pursuant to Section 6.1 of the Plan, all Intercompany Claims shall be deemed cancelled and discharged as of the Effective Date, and holders of such Claims shall not receive or retain any property or interest in property on account of such Claims.

#### **Section 4.6 Class 6 (Equity Interests)**

(a) Impairment and Voting. Class 6 is Impaired by the Plan. Each holder of an Equity Interest in Class 6 is not entitled to vote to accept or reject the Plan and is conclusively deemed to have rejected the Plan.

(b) Treatment. On the Effective Date, all Equity Interests in any of the Debtors shall be deemed cancelled and terminated as of the Effective Date, and holders of any Equity Interest in any of the Debtors shall not receive or retain any property or interest on account of such Equity Interest.

#### **Section 4.7 Elimination of Vacant Classes.**

Any Class of Claims or Equity Interests that is not populated as of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily allowed under Bankruptcy Rule 3018, or as to which no vote is cast, shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining the acceptance or rejection of this Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

### **ARTICLE 5**

#### **IMPLEMENTATION OF THE PLAN**

##### **Section 5.1 Substantive Consolidation**

The Debtors shall be deemed to be substantively consolidated for the purposes of implementation and consummation of the Plan, including, without limitation, for purposes of voting, confirmation and distribution. On an after the Effective Date, pursuant to the Confirmation Order, (i) all assets and liabilities of the Debtors shall be treated as though they were merged solely for purposes of implementation and consummation of the Plan; (ii) no Distribution shall be made under the Plan on account of any Claims or Equity Interests between and among any of the Debtors, as provided in Section 4.5 of the Plan; (iii) for all purposes associated with confirmation of the Plan, including, without limitation, for purposes of tallying acceptances and rejections of the Plan, the Estates of the Debtors shall be deemed to be one consolidated Estate; and (iv) each and every Claim filed or to be filed in the Chapter 11 Cases of the Debtors shall be deemed filed against the deemed substantively consolidated Debtors, and shall be Claims against and obligations of the deemed consolidated Debtors. As a result of this deemed substantive consolidation, any guaranty by one or more Debtors of the obligations of another Debtor will be eliminated.

The deemed substantive consolidation pursuant to this Section 5.1 of the Plan and the corresponding provisions of the Confirmation Order shall not affect: (i) the legal and organizational structure of the Debtors; (ii) pre and post-Commencement Date guarantees, liens, and security interests that are required to be maintained (A) under the Bankruptcy Code or in connection with contracts or leases that were entered into during the Chapter 11 Cases or executor contracts or unexpired leases that have been or will be assumed, or (B) pursuant to this Plan; (iii) distributions from any insurance policies or proceeds of such policies; (iv) the transfer on the Effective Date of all Causes of Action to the Liquidating Trust; or (v) the dissolution of



SSDI after the Effective Date in accordance with the authority and discretion of the Plan Administrator as provided in Section 5.4 of the Plan.

## **Section 5.2 Restructuring Transactions**

(a) Formation of Newco. On the Effective Date, Newco shall be (i) formed by the holders of Allowed General Unsecured Claims that elect to receive GUC Option B pursuant to Section 4.4(b)(ii) of the Plan; (ii) in good standing in accordance with the governing laws of its applicable jurisdiction; and (iii) governed by, and be subject to, the Newco Equity Documents, which shall be in full force and effect.

(b) Ownership of Newco and the Reorganized Debtors. On the Effective Date, (i) each holder of an Allowed General Unsecured Claim (or its designee(s)) that elects to receive GUC Option B pursuant to Section 4.4(b)(ii) of the Plan) shall assign (or cause to be assigned, or shall be deemed pursuant to the Confirmation Order to have assigned, as applicable) its respective Allowed General Unsecured Claim to Newco; (ii) Newco shall receive and accept any and all such assignments referred to in Section 5.2(b)(i) of the Plan, and in exchange therefor, Newco shall distribute on a Pro Rata basis all (100%) of the Newco Equity Interests to all such assigning creditors on account of their respective assigned Allowed General Unsecured Claims; (iii) upon and immediately after the closing of the Exit Facility, the New U.S. Bank Secured Term Note Documents, and the Second Cash Distribution Installment Note pursuant to the Plan, Reorganized SSDA shall issue all (100%) of the Reorganized SSDA Equity Interests to Newco; and (iv) Newco shall receive all (100%) of the Reorganized SSDA Equity Interests and, in exchange therefor, Newco shall voluntarily, fully, and finally release all such Allowed General Unsecured Claims assigned to it pursuant to Section 4.4(b)(i) and Section 5.2(b)(i) of the Plan.

## **Section 5.3 Plan Administrator**

(a) Appointment. On the Effective Date, the Plan Administrator shall be vested with the authority described in Section 5.3(b) of the Plan and in such other documentation as may be included in the Plan Supplement.

(b) Authority. The Plan Administrator shall have the authority and right on behalf of each of the Reorganized Debtors, without the need for Bankruptcy Court approval (unless otherwise indicated), to carry out and implement all provisions of the Plan, including, without limitation, to:

(i) except to the extent Claims have been previously Allowed, control and effectuate the Claims reconciliation process, including to object to, comprise or settle any and all Claims against the Debtors or the Reorganized Debtors subject to Bankruptcy Court approval;

(ii) make Distributions to holders of Allowed Claims in accordance with the Plan;

(iii) exercise its reasonable business judgment to direct and control the liquidation, sale and/or abandoning of any assets of the Reorganized Debtors in accordance with applicable law as necessary to maximize Distributions to holders of

Allowed Claims; provided, any liquidation, sale and/or abandonment of any material assets of the Reorganized Debtors shall be subject to prior approval of the Reorganized Debtor Board;

(iv) commence, prosecute, settle, or compromise any and all Causes of Action; provided, for the avoidance of doubt, any commencement, prosecution, settlement, or compromise (as applicable) of any material Cause of Action shall require the prior approval of a majority of the Reorganized Debtor Board;

(v) assist the Committee Representative in connection with its review of, and if warranted objection to, Professional Claims pursuant to Section 7.1 of the Plan;

(vi) make payments on account of any Allowed Professional Claims awarded pursuant to a Final Order of the Bankruptcy Court;

(vii) retain professionals to assist in performing its duties under the Plan;

(viii) appoint and oversee the Reorganized Debtor Management Team;

(ix) incur and pay reasonable and necessary expenses in connection with the performance of duties under the Plan, including the reasonable fees and expenses of professionals retained by the Plan Administrator;

(x) in consultation with the Reorganized Debtor Management Team, maintain the books, records, and accounts of the Reorganized Debtors;

(xi) oversee, and exercise exclusive control over, the Bank Accounts;

(xii) in consultation with the Reorganized Debtor Management Team, invest Cash of the Reorganized Debtors, including any Cash proceeds realized from the liquidation of any assets of the Reorganized Debtors, any Causes of Action, and any income earned thereon;

(xiii) administer each of the Debtors' and the Reorganized Debtors' (as applicable) tax obligations including, without limitation, (A) filing tax returns (including, without limitation, final tax returns for SSDI upon completion of the liquidation and dissolution of SSDI in accordance with the Plan) and paying tax obligations; (B) request, if necessary, an expedited determination of any unpaid tax liability of each Debtor or its Estate under Bankruptcy Code section 505(b) for all taxable periods of such Debtor ending after the Commencement Date through the Effective Date as determined under applicable tax laws; and (C) represent the interest and account of each Debtor, its Estate, or any Reorganized Debtor before any taxing authority in all matters including, without limitation, any action, suit, proceeding or audit;

(xiv) prepare and file any and all informational returns, reports, statements, returns or disclosures relating to the Reorganized Debtors and Newco that are required hereunder, by any Governmental Unit or applicable law;

(xv) pay statutory fees in accordance with Section 12.3 of the Plan;

(xvi) after any Chapter 11 Case has been fully administered, seek authority from the Bankruptcy Court to close such Chapter 11 Case in accordance with the Bankruptcy Code and the Bankruptcy Rules; and

(xvii) perform other duties and functions that are consistent with the implementation of the Plan.

(c) No Liability. The Plan Administrator shall have no liability whatsoever for any acts or omissions in its capacity as Plan Administrator to the Reorganized Debtors or holders of Claims against or Equity Interests other than for gross negligence or willful misconduct of the Plan Administrator. Each of the Reorganized Debtors shall indemnify and hold harmless the Plan Administrator for any losses incurred in such capacity, except to the extent such losses were the result of the Plan Administrator's gross negligence, willful misconduct or criminal conduct.

**Section 5.4 Formation Documents and By-Laws; Corporate Existence of the Reorganized Debtors.** As of the Effective Date, the respective formation documents and by-laws of each Reorganized Debtor shall be deemed amended to the extent necessary to carry out the provisions of the Plan. The amended formation documents and by-laws of such Reorganized Debtor (if any), and the Newco Equity Documents, shall be contained in the Plan Supplement.

**Section 5.5 Potential Dissolution of Reorganized SSDI.** After the Effective Date, the Plan Administrator may decide to (i) maintain SSDI as a corporation in good standing until such time as all aspects of the Plan pertaining to SSDI have been completed; or (ii) at such time as the Plan Administrator considers appropriate and consistent with the implementation of the Plan pertaining to SSDI, dissolve SSDI without the necessity for any other or further actions to be taken by or on behalf of SSDI or the holders of Equity Interests in SSDI cancelled pursuant to the Plan, subject to the filing of a certificate of dissolution with the appropriate governmental authorities; provided, that the foregoing does not limit the Plan Administrator's ability to otherwise abandon an interest in SSDI if determined by the Plan Administrator to further the implementation of the Plan.

**Section 5.6 Effectuating Documents and Further Transactions.** As of the Effective Date, each of the Reorganized Debtors, the Reorganized Debtor Management Team, and the Plan Administrator shall be authorized and are instructed to execute, deliver, file or record such contracts, instruments, releases, consents, certificates, resolutions, programs and other agreements and documents and take such actions as may be reasonably necessary or appropriate to effectuate, implement, consummate and further evidence the terms and conditions of this Plan, including, without limitation, implementing all settlements and compromises as set forth in or contemplated by this Plan, amending and restating any Reorganized Debtor's constituent documents in accordance with the terms of this Plan, and performing all obligations under this Plan. As of the Effective Date, no member, partner or equity security holder of the Reorganized Debtors shall take any action that affects, alters or creates any additional or incremental liability for or imputed to the Reorganized Debtors. As of the Effective Date, the Reorganized Debtors shall be automatically substituted for the Debtors as a party to all contested matters, adversary proceedings, administrative proceedings and lawsuits, both within and outside of the Bankruptcy

Court, involving the Debtors, Claims against the Debtors, the Causes of Action, and the resolution of Disputed Claims. The Reorganized Debtors shall carry out their other Effective Date responsibilities under the Plan, including the execution and delivery of all documentation contemplated by the Plan.

## ARTICLE 6

### PROVISIONS REGARDING VOTING AND DISTRIBUTIONS UNDER THE PLAN

**Section 6.1 Voting of Claims.** Each holder of an Allowed Claim in an Impaired Class of Claims that is entitled to vote on the Plan shall be entitled to vote separately to accept or reject the Plan as provided in the Disclosure Statement Approval Order.

**Section 6.2 Nonconsensual Confirmation.** If any Impaired Class of Claims entitled to vote on the Plan does not accept the Plan by the requisite majority provided in section 1126(c) of the Bankruptcy Code, the Proponents reserve the right to amend the Plan in accordance with Section 12.8 of the Plan or undertake to have the Bankruptcy Court confirm the Plan under section 1129(b) of the Bankruptcy Code or both. With respect to Impaired Classes of Claims or Equity Interests that are deemed to reject the Plan, the Proponents shall request that the Bankruptcy Court confirm the Plan pursuant to section 1129(b) of the Bankruptcy Code.

**Section 6.3 Distribution Record Date.** Except as otherwise provided in this Plan, as of 12:00 p.m. (prevailing Eastern time) on the Distribution Record Date, there shall be no further changes in the recordholders of any Claim against or Equity Interest in the Debtors, and the Debtors shall have no obligation to recognize any transfer of any Claim against or Equity Interest in the Debtors occurring after the Distribution Record Date.

**Section 6.4 Distributions by the Plan Administrator.** On and after the Effective Date, the Plan Administrator shall, and shall cause the Reorganized Debtors and Newco (as applicable) to, make Distributions in accordance with the terms and provisions of the Plan. Except as otherwise provided herein or pursuant to agreement or understanding between the Reorganized Debtors or the Plan Administrator and the holder of an Allowed Claim as of the Effective Date, all Distributions required to be made under this Plan with respect to Claims that are Allowed as of the Effective Date shall be made by the Plan Administrator from the Reorganized Debtors' cash on hand on the Effective Date, or as soon as reasonably practicable thereafter. Except as otherwise provided in this Plan or pursuant to agreement or understanding between the Plan Administrator and the holder of a Disputed Claim, if such Claim becomes Allowed after the Effective Date, the Plan Administrator shall make all Distributions with respect to such Claim on or as soon as reasonably practicable after the date on which such Claim becomes Allowed; provided, to the extent such Claim becomes Allowed after the Effective Date, no interest shall accrue or be payable with respect to such Allowed Claim or any Distributions related thereto.

**Section 6.5 Disputed Claims Reserve.** From and after the Effective Date, the Plan Administrator shall reserve from Cash Distributions to the holders of Allowed Claims in Class 4 such amount of Cash as reasonably determined by the Plan Administrator in light of the asserted

dollar amount of Disputed Claims in Class 4 that, in the reasonable determination of the Plan Administrator, may ultimately become Allowed.

**Section 6.6 Minimum Distribution and Manner of Payment.** No payment of Cash of less than one-hundred dollars (\$100) shall be made by any Reorganized Debtor to any holder of an Allowed Claim against such Debtor unless a request therefor is made in writing to the Plan Administrator. Any payment of Cash made pursuant to the Plan may be made at the option of the Plan Administrator either by check or by wire transfer.

**Section 6.7 Distributions Free and Clear.** Except as otherwise provided herein, any Distributions under the Plan shall be free and clear of any Liens, Claims and encumbrances, and no other entity, including the Reorganized Debtors or the Plan Administrator, shall have any interest, legal, beneficial or otherwise, in assets transferred pursuant to the Plan.

**Section 6.8 Delivery of Distributions and Undeliverable Distributions.**

Subject to Bankruptcy Rule 9010, all Distributions to any holder of an Allowed Claim shall be made at the address of such holder as set forth on the Schedules filed with the Bankruptcy Court or on the books and records of the Reorganized Debtors or their agents or in a letter of transmittal unless the Plan Administrator has been notified in writing of a change of address, including, without limitation, by the filing of a proof of claim or interest by such holder that contains an address for such holder different from the address reflected on such Schedules for such holder.

The Plan Administrator shall hold all Unclaimed Property for the benefit of the holders of Claims entitled thereto under the terms of this Plan. The Plan Administrator shall use reasonable efforts to determine the current address of the holders of Claims entitled to Unclaimed Property, but no Distribution to such holders shall be made unless and until the Plan Administrator has determined the then current address of such holders, at which time such Distribution shall be made to such holders without any interest thereon whatsoever, except as otherwise provided in this Plan.

Upon the conclusion of one hundred and twenty (120) calendar days following the date that any Cash or other property becomes Unclaimed Property, the holders of Allowed Claims theretofore entitled to such Unclaimed Property shall be deemed to have forfeited such property, whereupon (i) all rights and title to and interest in such Unclaimed Property shall immediately and irrevocably re-vest in the applicable Debtor for the benefit of holders of Allowed, but as yet not fully paid, Claims in the Class in which the applicable Claim was classified; (ii) such holders shall cease to be entitled to such Unclaimed Property or any further Distributions on account of such Claims; (iii) such Claims shall be deemed to be Disallowed and expunged to the extent of such forfeiture; and (iv) such Unclaimed Property shall be redistributed by the Plan Administrator Pro Rata to any Allowed Claims that remain unpaid, either in whole or in part, in the Class in which the applicable Claim was classified.

**Section 6.9 Withholding and Reporting Requirements.**

All Distributions under this Plan shall be subject to federal, state, local and foreign withholding taxes or other amounts required to be withheld under any applicable law and such

amounts shall be deducted and withheld from any Distributions made pursuant to this Plan. All holders of Allowed Claims shall be required to provide to the Plan Administrator any information necessary to effectuate the withholding of such taxes. Notwithstanding the foregoing, each holder of an Allowed Claim that is to receive a Distribution shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit on account of such Distribution, including withholding tax obligations in respect of in-kind Distributions. The Plan Administrator shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including, without limitation, establishing any mechanisms the Plan Administrator believes is reasonable and appropriate, including, without limitation, requiring claimholders to submit appropriate tax withholding certifications. Any entity issuing an instrument or making an in-kind Distribution under this Plan has the right, but not the obligation, to refrain from making such Distribution until the entity to which the Distribution is to be made has made arrangements satisfactory to such issuing or disbursing entity for payment of any such tax obligation.

#### **Section 6.10 Time Bar to Cash Payment Rights.**

Checks issued by the Plan Administrator in respect of Allowed Claims shall be null and void if not presented for payment within one-hundred twenty (120) calendar days after the date of issuance thereof. Requests for reissuance of any check shall be made to the Plan Administrator (as applicable) by the holder of the Allowed Claim to whom such check originally was issued on or before thirty (30) calendar days after the expiration of the one-hundred twenty (120) calendar day period following the date of issuance of such check. After such date, all funds held on account of such voided check shall be redistributed by the Plan Administrator as soon as reasonably practicable thereafter.

#### **Section 6.11 Setoffs and Recoupment.**

Except as otherwise provided in this Plan, or in an agreement approved by a Final Order of the Bankruptcy Court, the Plan Administrator may, pursuant to applicable law (including section 553 of the Bankruptcy Code), set off against any Distribution amounts related to any Claim before such Distribution is made on account of such Claim, any and all of the Claims (other than the Released Claims), rights and Causes of Action of any nature that the Debtors, their Estates, or the Reorganized Debtors may hold against the holder of such Claim; provided, however, that neither the failure to effect such a setoff, the allowance of any Claim hereunder, or any other act or omission of the Plan Administrator, nor any provision of this Plan, shall constitute a waiver or release by any Debtor, Estate, Reorganized Debtor, or the Plan Administrator of any such Claims, rights and Causes of Action that the Debtor, any Estate, or the Plan Administrator, as applicable, may possess against such holder. To the extent that the Plan Administrator sets off a Claim of the Debtors' Estates against a holder of a Claim against the Debtors before a Distribution is made to the holder of such Claim against the Debtors pursuant to this Plan, the Plan Administrator shall be entitled to full recovery on the Debtors' Claim against such holder.

**Section 6.12 Allocation of Plan Distributions Between Principal and Interest.**

To the extent that any Allowed Claim entitled to a Distribution under this Plan is comprised of indebtedness and accrued but unpaid interest thereon, such Distribution shall be allocated first to the principal amount (as determined for United States federal income tax purposes) of such Claim, and then to accrued but unpaid interest.

**Section 6.13 No Distribution in Excess of Allowed Amount of Claim**

Notwithstanding any other provision of this Plan, no holder of an Allowed Claim shall receive in respect of such Claim any Distribution in excess of the Allowed amount of such Claim.

**Section 6.14 Distributions with Respect to Disputed Claims**

Notwithstanding any other provision of this Plan, no Distributions of any kind or nature shall be made with respect to any portion of a Disputed Claim unless and until all objections to such Claim have been settled or withdrawn or have been determined by Final Order of the Bankruptcy Court, and the Disputed Claim has become Allowed. Except as otherwise provided in this Plan, each holder of a Disputed Claim that becomes Allowed after the Effective Date shall receive an amount, without any interest thereon, that provides such holder with the same percentage recovery, as of the Effective Date, as holders of Claims in the same Class that were Allowed on the Effective Date, subject to the setoff rights as provided in Section 6.11 of this Plan. To the extent that a Disputed Claim is Disallowed or expunged, the holder of such Claim shall not receive or retain any property or interest in property on account of the portion of such Claim that is Disallowed or expunged.

**Section 6.15 Distributions with Respect to Defendants**

Notwithstanding any other provision of the Plan, the Plan Administrator shall withhold any and all Distributions on account of any portion of a Claim held by an entity (i) that is a defendant in any pending contested matter or adversary proceeding being prosecuted by the Plan Administrator or either of the Proponents; or (ii) against whom the Plan Administrator has asserted or, in its reasonable determination, may assert a Cause of Action.

**Section 6.16 Disputed Payments**

If any dispute arises as to the identity of a holder of an Allowed Claim that is to receive any Distribution under this Plan, the Plan Administrator may, in lieu of making such Distribution to such entity, make such Distribution into an escrow account until such dispute is resolved by Final Order of the Bankruptcy Court or by written agreement among the interested parties to such dispute, which written agreement is reasonably acceptable to the Plan Administrator.

## ARTICLE 7

### DISPUTED CLAIMS AND EQUITY INTERESTS

#### Section 7.1 Objections to Claims and Equity Interests

As of the Effective Date, the Plan Administrator on behalf of the Reorganized Debtors, and the Committee Representative, shall have the right to file and prosecute objections to, and negotiate, settle or otherwise resolve, any and all Claims (including Professional Claims) and Equity Interests, and to object to any applications for final allowance of Professional Claims on or before the Professional Claims Objection Deadline. Except as otherwise provided herein, any objection to a Claim or Equity Interest shall be filed and served upon the holder of such Claim or Equity Interest on or before the Claims Objection Deadline or the Professional Claims Objection Deadline, as applicable. The Claims Objection Deadline may be extended by order of the Bankruptcy Court upon motion of the Plan Administrator or either of the Proponents and notice and a hearing. Notwithstanding any authority to the contrary, an objection to a Claim or Equity Interest shall be deemed properly served on the holder of such Claim or Equity Interest if service is made in any of the following manners: (i) in accordance with rule 4 of the Federal Rules of Civil Procedure, as modified and made applicable by Bankruptcy Rule 7004; (ii) by first class mail, postage prepaid, on any counsel that has appeared on behalf of the holder of such Claim or Equity Interest in the Chapter 11 Cases and has not withdrawn such appearance; (iii) by first class mail, postage prepaid, on the signatory on the respective proof of claim or interest or other representative identified on the proof of claim or interest or any attachment thereto; or (iv) at the last known address of the holder of such Claim or Equity Interest if no proof of claim is filed or if the Plan Administrator has been notified in writing of a change of address.

#### Section 7.2 Estimation of Claims

As of the Effective Date, the Plan Administrator on behalf of the Reorganized Debtors, and the Committee Representative, shall have the right to request at any time that the Bankruptcy Court estimate any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code, for any reason or purpose, regardless of whether an objection has been previously filed with respect to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim including, without limitation, during the pendency of any appeal relating to any such objection. All of the aforementioned objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or otherwise resolved by any mechanism set forth in this Plan or approved by the Bankruptcy Court. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any holder of a Claim that has been estimated be entitled to seek reconsideration of the estimation of such Claim unless the holder of such Claim has filed a motion requesting the right to seek such reconsideration on or before thirty (30) calendar days after the date such Claim is estimated by the Bankruptcy Court.



### **Section 7.3 Late-Filed Claims and Amendments to Claims**

Pursuant to section 502(b)(9) of the Bankruptcy Code, any Claim that is not filed on or before the applicable deadline to file such Claim shall be Disallowed and expunged in full as of the Effective Date without any action required of the Plan Administrator, either of the Proponents, or the Bankruptcy Court.

On or after the applicable deadline to file a Claim, the holder of such Claim must obtain prior authorization from the Bankruptcy Court to file or amend such Claim. Any new or amended Claim filed after the applicable deadline to file such Claim without such prior authorization will not appear on the register of claims and will be deemed Disallowed and expunged in full without any action required of the Plan Administrator, either of the Proponents, or the Bankruptcy Court.

### **Section 7.4 Settlement of Disputed Claims**

Except as otherwise expressly provided in this Plan and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, from and after the Effective Date, the Plan Administrator on behalf of the Reorganized Debtors, and the Committee Representative, shall have the authority to compromise, settle, or otherwise resolve all Claims, rights, Causes of Action, suits and proceedings, whether in law or in equity, whether known or unknown, that the Debtors' Estates may hold against any entity, without the necessity for notice to or approval by the Bankruptcy Court or any other party in interest; provided, for the avoidance of doubt, any proposed settlement, compromise, or resolution of any material Cause of Action (which, for the avoidance of doubt, shall include any action commenced or which could be commenced by the Creditors' Committee (or the Committee Representative, as applicable) derivatively and on behalf of the Debtors' Estates against the First DIP Agent or any First DIP Lender), shall require the prior approval of a majority of the Reorganized Debtor Board; provided further, from and after the Effective Date, the Reorganized Debtor Board shall be vested with the authority to instruct the Plan Administrator to compromise, settle, or otherwise resolve any and all Claims, rights, Causes of Action, suits and proceedings, whether in law or in equity, whether known or unknown, that the Debtors' Estates or the Reorganized Debtors may hold against any entity, without the necessity for notice to or approval by the Bankruptcy Court (unless otherwise required pursuant to an existing order of the Bankruptcy Court) or any other party in interest.

## **ARTICLE 8**

### **EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

#### **Section 8.1 Assumption and Rejection of Executory Contracts and Unexpired Leases**

##### **(a) Assumption of Executory Contracts and Unexpired Leases**

All executory contracts and unexpired leases listed on the Schedule of Assumed Contracts and Leases shall be deemed automatically assumed by the applicable Debtor and assigned to the applicable Reorganized Debtor pursuant to the provisions of sections 365 and

1123 of the Bankruptcy Code effective as of and subject to the occurrence of the Effective Date, except for those executory contracts or unexpired leases that (i) have already been assumed, assigned or rejected pursuant to a Final Order of the Bankruptcy Court; (ii) are not capable of assumption pursuant to section 365(c) of the Bankruptcy Code; or (iii) have previously expired or terminated pursuant to their own terms (and not otherwise extended).

To the extent any provision in any executory contract or unexpired lease assumed pursuant to this Plan (including, without limitation, any “change of control” provision) restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the applicable Debtor’s assumption and/or assignment of such executory contract or unexpired lease, then such provision shall be deemed modified such that the transactions contemplated by this Plan shall not entitle the non-Debtor party thereto to terminate such executory contract or unexpired lease or to exercise any other default-related rights with respect thereto.

Modifications, amendments, supplements and restatements to prepetition executory contracts and unexpired leases that have been executed by the Debtors during the Chapter 11 Cases and actions taken in accordance therewith, (i) do not alter in any way the prepetition nature of the executory contracts and unexpired leases, or the validity, priority or amount of any Claims against the Debtors that may arise under such executory contract or unexpired lease; (ii) are not and do not create postpetition contracts or leases; (iii) do not elevate to Administrative Expense Claims any Claims of the counterparties to the executory contracts and unexpired leases against any of the Debtors; and (iv) do not entitle any entity to a Claim under any section of the Bankruptcy Code on account of the difference between the terms of any prepetition executory contracts or unexpired leases and subsequent modifications, amendments, supplements or restatements.

(b) Rejection of Remaining Executory Contracts and Unexpired Leases

All executory contracts and unexpired leases to which any of the Debtors is a party, shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code effective as of and subject to the occurrence of the Effective Date, except for those executory contracts or unexpired leases that (i) have already been rejected pursuant to a Final Order of the Bankruptcy Court; (ii) have previously expired or terminated pursuant to their own terms (and not otherwise extended); or (iii) are specifically designated as a contract or lease to be assumed on the Schedule of Assumed Contracts and Leases. Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejections and a finding that such rejected executory contracts or unexpired leases are burdensome and that the rejection thereof is in the best interests of the Debtors and their Estates.

(c) The Schedule of Assumed Contracts and Leases

The Schedule of Assumed Contracts and Leases shall be included in the Plan Supplement and shall represent the Proponents’ then-current good faith belief regarding the intended treatment of all executory contracts and unexpired leases listed thereon. The Proponents reserve the right, on or prior to 3:00 p.m. (prevailing Eastern time) on the Business Day immediately prior to the commencement of the Confirmation Hearing, (i) to amend the Schedule of Assumed Contracts and Leases in order to add or delete any executory contract or unexpired lease or

amend a proposed assignment; and (ii) to amend the Proposed Cure with respect to any executory contract or unexpired lease previously listed as to be assumed; provided, however, that if the Confirmation Hearing is adjourned for a period of more than two consecutive calendar days, such amendment right shall be extended to 3:00 p.m. (prevailing Eastern time) on the Business Day immediately prior to the rescheduled or contingent Confirmation Hearing, and this proviso shall apply in the case of any and all subsequent adjournments of the Confirmation Hearing.

Unless otherwise specified in the Schedule of Assumed Contracts and Leases, each executory contract and unexpired lease listed on such schedule, shall include all (i) modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affects such executory contract or unexpired lease; and (ii) easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, usufructs, reciprocal easement agreements, vault, tunnel or bridge agreements or franchises, and any other interests in real estate or rights in rem relating to such premises, unless any of the foregoing agreements has been rejected pursuant to a Final Order of the Bankruptcy Court.

(d) Exhibits Not Admissions

The exclusion of a contract, lease or other agreement in the Schedule of Assumed Contracts and Leases shall not constitute an admission by the Debtors as to the characterization of whether any such contract, lease, or other agreement is, or is not, an executory contract or unexpired lease or whether any parties to any such contract, lease or other agreement are time-barred from asserting Claims against the Debtors or that any Debtor has any liability thereunder. The Proponents reserve all rights with respect to the characterization of any such contracts, leases or other agreements.

**Section 8.2 Cure of Defaults**

Any monetary defaults under each executory contract and unexpired lease to be assumed under this Plan shall be satisfied pursuant to section 365(b)(1) of the Bankruptcy Code, (i) by payment of the default amount from the Reorganized Debtors' cash on hand on the Effective Date or as soon as reasonably practicable thereafter; or (ii) on such other terms as agreed to by the Debtors, the Reorganized Debtors, or the Plan Administrator, upon approval by either of the Proponents, and the parties to such executory contract or unexpired lease. With the exception of such payment of a Cure, if any, the Debtors or the Reorganized Debtors are not required to make any payment or take any other action in order to satisfy the requirements of section 365(b) of the Bankruptcy Code with regard to the executory contracts and unexpired leases being assumed under this Plan. No Cure shall be allowed with respect to a penalty rate or default rate of interest, each to the extent not allowed under the Bankruptcy Code or applicable law.

The Schedule of Assumed Contracts and Leases lists the Proposed Cure for each executory contract or unexpired lease to be assumed under this Plan. The Proposed Cures set forth on the Schedule of Assumed Contracts and Leases shall be final and binding on all non-Debtor parties to the respective executory contract or unexpired lease, and shall not be subject to further dispute or audit based on performance prior to the time of assumption, irrespective of the

terms and conditions of such executory contracts or unexpired leases, unless an objection to such Proposed Cure is timely-filed and properly-served pursuant to Section 8.4 below. In the event of a dispute with respect to the assumption and/or assignment of any executory contract or unexpired lease or the amount of the respective Proposed Cure, payment of the Cure, if any, shall be made following the entry of a Final Order by the Bankruptcy Court resolving the dispute and approving assumption (and, if applicable, assignment) of such executory contract or unexpired lease. If no such objection is filed, the Proposed Cure shall be deemed to satisfy fully any obligations the Debtors or the Reorganized Debtors might have with respect to such executory contract or unexpired lease under section 365(b) of the Bankruptcy Code.

### **Section 8.3 Assignment**

To the extent provided under the Bankruptcy Code or other applicable law, any executory contract or unexpired lease assumed and assigned pursuant to this Plan shall remain in full force and effect for the benefit of the assignee in accordance with its terms, notwithstanding any provision in such executory contract or unexpired lease (including those of the type described in section 365(b)(2) of the Bankruptcy Code) that prohibits, restricts or conditions such assignment. To the extent provided under the Bankruptcy Code or other applicable law, any provision that prohibits, restricts or conditions the assignment of any such executory contract or unexpired lease or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or unexpired lease to terminate, modify, recapture, impose any penalty, condition renewal or extension or modify any term or condition upon any such assignment constitutes an unenforceable anti-assignment provision and is void and of no force or effect.

### **Section 8.4 Objections to Rejection, Assumption, Assignment or Cure**

Any non-Debtor party to an executory contract or unexpired lease that wishes to object to the rejection, assumption, assignment of, or Proposed Cure related to, such executory contract or unexpired lease, must file an objection with the Bankruptcy Court by the Confirmation Objection Deadline and serve such objection on (i) counsel to each Proponent; and (ii) counsel to the Debtors. Any objection to the Proposed Cure set forth on the Schedule of Assumed Contracts and Leases shall state with specificity the Cure amount the objecting party believes is required and provide appropriate documentation in support thereof.

**THE FAILURE TO PROPERLY FILE AND SERVE AN OBJECTION TO THE DEBTORS' REJECTION, ASSUMPTION, ASSIGNMENT OR PROPOSED CURE ON OR BEFORE THE CONFIRMATION OBJECTION DEADLINE SHALL RESULT IN THE NON-DEBTOR PARTY TO THE APPLICABLE EXECUTORY CONTRACT OR UNEXPIRED LEASE BEING (A) DEEMED TO CONSENT TO SUCH REJECTION, ASSUMPTION, ASSIGNMENT OR PROPOSED CURE; (B) BARRED, ESTOPPED AND PERMANENTLY ENJOINED FROM (I) OBJECTING TO SUCH REJECTION, ASSUMPTION, ASSIGNMENT OR PROPOSED CURE AND PRECLUDED FROM BEING HEARD AT THE CONFIRMATION HEARING WITH RESPECT TO SUCH OBJECTION, (II) ASSERTING AGAINST THE DEBTORS, THEIR ESTATES, ANY OF THE DEBTORS' PROPERTY, THE REORGANIZED DEBTORS, THE PLAN ADMINISTRATOR, OR ANY OF THE RELEASED PARTIES, ANY DEFAULT**

**EXISTING AS OF THE EFFECTIVE DATE OR ANY COUNTERCLAIM, DEFENSE, SETOFF OR ANY OTHER INTEREST, AND (III) IMPOSING OR CHARGING AGAINST THE DEBTORS, THEIR ESTATES, ANY OF THE DEBTORS' PROPERTY, THE REORGANIZED DEBTORS, THE PLAN ADMINISTRATOR, OR ANY OF THE RELEASED PARTIES, ANY ACCELERATIONS, ASSIGNMENT FEES, INCREASES OR ANY OTHER FEES AS A RESULT OF ANY ASSUMPTION OR ASSIGNMENT PURSUANT TO THIS PLAN; AND (C) DEEMED TO WAIVE ANY RIGHT TO RECEIVE A CURE OTHER THAN THE PROPOSED CURE SET FORTH IN THE SCHEDULE OF ASSUMED CONTRACTS AND LEASES.**

With respect to any timely-filed and properly-served objection to the Debtors' proposed rejection, assumption, assignment or Proposed Cure, the Proponents may, in their sole discretion, (i) settle or otherwise resolve such objection; (ii) respond to such objection (in which case the Bankruptcy Court shall decide such objection at the Confirmation Hearing); or (iii) remove the particular agreement from the Schedule of Assumed Contracts and Leases (if applicable).

Notwithstanding anything in the foregoing to the contrary, with respect to any contract, lease or other agreement that is subject to litigation or a proceeding in which the characterization of such contract, lease or agreement is an issue and that is pending as of the commencement of the Confirmation Hearing, the Debtors shall have thirty (30) calendar days after the entry of a Final Order by the Bankruptcy Court resolving the litigation or proceeding to assume or reject such contract, lease or agreement.

#### **Section 8.5 Rejection Damage Claims**

All Rejection Damage Claims shall be treated as General Unsecured Claims and shall be classified in Class 4, as applicable, and may be objected to in accordance with the provisions of Section 7.1 of this Plan and the applicable provisions of the Bankruptcy Code and the Bankruptcy Rules. Any holder of a Rejection Damage Claim that ultimately becomes Allowed shall be entitled to receive its applicable Distribution under this Plan as an Allowed General Unsecured Claim in accordance with Section 4.4 of the Plan.

All proofs of claim with respect to Rejection Damage Claims must be filed with the Bankruptcy Court and served on the Debtors on or before the later of (i) the deadline to file such claims set forth in the Bar Date Order; and (ii) the first business day that is thirty (30) calendar days after entry of an order authorizing the rejection of the respective executory contract or unexpired lease, including the Confirmation Order with respect to the executory contracts and unexpired leases rejected pursuant to this Plan.

**THE FAILURE TO PROPERLY FILE AND SERVE A PROOF OF CLAIM WITH RESPECT TO A REJECTION DAMAGE CLAIM BY THE DEADLINES SET FORTH IN THIS ARTICLE 9, AS APPLICABLE, SHALL RESULT IN SUCH CLAIM BEING DEEMED FOREVER BARRED, DISALLOWED AND DISCHARGED AS OF THE EFFECTIVE DATE AUTOMATICALLY WITHOUT THE NEED FOR ANY OBJECTION FROM THE PROPONENTS, THE DEBTORS, OR THE PLAN ADMINISTRATOR OR ANY ACTION BY THE BANKRUPTCY COURT.**

## ARTICLE 9

### EFFECT OF CONFIRMATION

#### Section 9.1 Vesting of Assets

Upon the Effective Date, pursuant to section 1141(b) and (c) of the Bankruptcy Code, all Estate Assets of a Debtor shall automatically vest in the Reorganized Debtors free and clear of all Claims, Liens, encumbrances, charges and other interests, except as expressly provided herein. From and after the Effective Date, the Reorganized Debtors, acting through the Plan Administrator (and, as directed by the Plan Administrator, the Reorganized Debtor Management Team), may take any action, including, without limitation, the operation of the businesses, the use, acquisition, sale, lease and disposition of property, and the entry into transactions, agreements, understandings or arrangements whether in or other than in the ordinary course of business, and execute, deliver, implement, and fully perform any and all obligations, instruments, documents, and papers or otherwise in connection with any of the foregoing, free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if there were no pending cases under any chapter or provision of the Bankruptcy Code, except as explicitly provided herein.

#### Section 9.2 Injunction

**Except as otherwise provided in this Plan, on the Effective Date, all holders of Claims against and Equity Interests in the Debtors or their Estates shall be precluded and enjoined from asserting against the Debtors, their Estates, their successors and assigns, or any of their assets or property, whether in the possession of the Debtors, the Reorganized Debtors, the Liquidating Trust, the Plan Administrator, the Reorganized Debtor Management Team, or a transferee of such property under this Plan, (i) any such Claim against or Equity Interest in the Debtors, by any means, including, without limitation, (a) commencing or continuing, in any matter or in any place, any action or other proceeding of any kind with respect to any such Claim or Equity Interest, (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Debtors or their Estates with respect to such Claim or Equity Interest, (c) creating, perfecting or enforcing any lien or encumbrance of any kind against the Debtors or their Estates or against property or interests in property of the Debtors or their Estates with respect to such Claim or Equity Interest, or (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtors or their Estates or against the property or interests in property of the Debtors or their Estates with respect to such Claim or Equity Interest; and (ii) any other or further Claim or Equity Interest based upon any document, instrument, act, omission, transaction or other activity of any kind or nature that occurred on or before the Effective Date, whether or not such holder has filed a proof of such Claim or Equity Interest and whether or not the facts or legal bases therefore were known or existed prior to the Effective Date; provided, however, that nothing contained herein shall preclude such entity from exercising their rights pursuant to and consistent with the terms of this Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered under or in connection with this Plan.**

### **Section 9.3 Injunction Against Interference with Plan**

Except as otherwise provided in this Plan, upon entry of the Confirmation Order, all holders of Claims against or Equity Interests in any of the Debtors, and other parties in interest, along with any current or former officers, directors, employees, agents, representatives, partners, limited partners, members, trustees, managers, affiliates, parents, subsidiaries, attorneys, auditors, appraisers, accountants, financial advisors, investment bankers, consultants, or other professionals of any of the foregoing and any entity controlling or controlled by any of the foregoing and any predecessors, successors and assigns of any of the foregoing, shall be enjoined from seeking to oppose, delay, interfere or otherwise frustrate implementation or consummation of this Plan, including, without limitation, taking any action whatsoever that changes, alters, modifies or expands the tax filing status of any of the Debtors, taking any action in violation of the injunction imposed pursuant to Section 9.2 of the Plan, and any such action or omission shall be void ab initio.

### **Section 9.4 Term of Injunctions or Stays Arising Under or Entered During the Chapter 11 Cases**

Unless otherwise provided in the Plan, (i) all injunctions with respect to or stays against an action against property of the Debtors' Estates arising under or entered during the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code, and in existence on the Confirmation Date, shall remain in full force and effect until such property is no longer property of the Debtors' Estates; and (ii) all other injunctions and stays arising under or entered during the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code shall remain in full force and effect until the earliest of (A) the date that the Chapter 11 Cases are closed pursuant to a Final Order of the Bankruptcy Court; or (B) the date that the Chapter 11 Cases are dismissed pursuant to a Final Order of the Bankruptcy Court.

### **Section 9.5 Exculpation**

**To the fullest extent permissible under applicable law, except as otherwise provided in this Plan, none of the Released Parties, or any of such parties' successors and assigns, or any of the Debtors' attorneys, financial advisors, officers, or other representatives acting in such capacity, shall have or incur any liability to, or be subject to any right of action by, any holder of a Claim against or Equity Interest in any of the Debtors, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, or attorneys acting in such capacity, or any of their successors and assigns, for any act or omission in connection with, related to or arising out of, the Chapter 11 Cases, the operation of the Debtors' businesses during the Chapter 11 Cases, the formulation, preparation, negotiation, dissemination, implementation, administration, confirmation or consummation of this Plan, or any other contract, instrument, release, agreement, settlement or document created, modified, amended, terminated or entered into in connection with this Plan, or any other act or omission in connection with the Debtors' bankruptcy; provided, however, that nothing in this Section 9.5 shall impact the allowance or disallowance of any Claim not expressly released under this Plan.**

## Section 9.6 Releases

### (a) Release by Debtors

On the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, the Debtors and any entity seeking to exercise the rights of the Debtors or their Estates, including, without limitation, any successor to the Debtors, shall completely, conclusively, absolutely, unconditionally, irrevocably, and forever release the Released Parties, from any and all Claims, Equity Interests, liens, encumbrances, obligations, damages, demands, debts, suits, Causes of Action, judgments, liabilities or rights whatsoever (other than the rights of the Debtors, through the Plan Administrator, to enforce this Plan and contracts, instruments, releases, indentures, agreements and other documents delivered hereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, that are based in whole or in part upon any act, omission, transaction, agreement, event or occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, the Chapter 11 Cases, the formulation, preparation, negotiation, dissemination, implementation, administration, confirmation or consummation of this Plan, the business or contractual arrangements between any Debtor and any Released Party, or any other act or omission in connection with the Debtors' bankruptcy, without further notice to or action by the Bankruptcy Court, or act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any entity.

### (b) Release by Holders of Claims and Equity Interests, and Released Parties

On the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, the holders of Claims against and Equity Interests in the Debtors, and the Released Parties, will be deemed to completely, conclusively, absolutely, unconditionally, irrevocably, and forever release the Released Parties from any and all Claims, Equity Interests, liens, encumbrances, obligations, damages, demands, debts, suits, Causes of Action, judgments, liabilities or rights whatsoever (other than the right to enforce the Debtors' obligations under this Plan and the contracts, instruments, releases, indentures, agreements and other documents delivered hereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, based in whole or in part on any act, omission, transaction, agreement, event or occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, the Chapter 11 Cases, the business or contractual arrangements with any Debtor, the formulation, preparation, negotiation, dissemination, implementation, administration, confirmation or consummation of this Plan, or any other contract, instrument, release, agreement, settlement or document created, modified, amended, terminated or entered into in connection with this Plan, the restructuring of any Claims against and Equity Interests in the Debtors, the property to be distributed under this Plan, or any other act or omission in connection with the Debtors' bankruptcy, without further notice to or action by the Bankruptcy Court, or act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any entity.



### **Section 9.7 Binding Effect**

Upon the Effective Date, this Plan shall be binding on, and shall inure to the benefit of, the Debtors' Estates and their respective successors and assigns. The rights, benefits and obligations of any entity named or referenced in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such entity, including any holder of a Claim against or Equity Interest in the Debtors, whether or not the Claim or Equity Interest of such holder is Impaired under this Plan and whether or not such holder has voted to accept this Plan.

## **ARTICLE 10**

### **CONDITIONS PRECEDENT TO EFFECTIVE DATE**

#### **Section 10.1 Conditions Precedent to Confirmation of the Plan**

The following are conditions precedent to the confirmation of the Plan with respect to each Debtor:

(i) The Bankruptcy Court shall have entered the Confirmation Order in form and substance satisfactory to the Proponents, and the Confirmation Order shall be a Final Order.

#### **Section 10.2 Conditions to Effectiveness of Plan**

The following are conditions precedent to the effectiveness of this Plan and the occurrence of the Effective Date, each of which must be satisfied, or waived in accordance with Section 10.3 of this Plan:

(i) All actions, documents, instruments and agreements necessary to implement this Plan (each in form and substance satisfactory to the Proponents) shall have been executed and delivered by the parties thereto, unless such execution or delivery has been waived, in writing, by the parties benefited thereby;

(ii) The appointment of the Plan Administrator shall have been approved by the Bankruptcy Court, the Plan Administrator shall have accepted such appointment, the Plan Administrator shall have been vested with the authority set forth in Section 5.3(b) of the Plan, the Plan Administrator shall have appointed the Reorganized Debtor Management Team, and the Reorganized Debtor Management Team shall have accepted such appointment;

(iii) The Newco Board and the Reorganized Debtor Boards shall have been appointed and installed;

(iv) The Exit Facility Documents shall have been executed and delivered by the parties thereto, and the Exit Facility shall have been consummated;

(v) The Restructuring Transactions shall have occurred; and

(vi) All consents, authorizations and approvals necessary to implement this Plan shall have been obtained and not revoked.

### **Section 10.3 Waiver of Conditions**

The Proponents may waive any of the conditions to effectiveness of this Plan without leave of or notice to the Bankruptcy Court or any party in interest and without any formal action other than proceeding with confirmation and consummation of this Plan. The failure to satisfy or waive a condition to effectiveness of this Plan may be asserted by the Proponents regardless of the circumstances giving rise to the failure of such condition to be satisfied. The failure of the Proponents to exercise any of the foregoing rights shall not be deemed a waiver of any other rights hereunder and each right shall be deemed an ongoing right that may be asserted at any time.

## **ARTICLE 11**

### **RETENTION OF JURISDICTION**

On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction, to the fullest extent permissible under law, over all matters arising in, arising under, or related to the Chapter 11 Cases and this Plan pursuant to, and for the purposes of, sections 105(a) and 1142 of the Bankruptcy Code and for, among other things, the following purposes:

(i) To hear and determine any motions for the assumption, assumption and assignment, or rejection of executory contracts or unexpired leases and the allowance of Claims resulting therefrom;

(ii) To hear and determine any motion, adversary proceeding, application, contested matter, and other litigated matter pending on or commenced after the Confirmation Date including, without limitation, with respect to any Cause of Action;

(iii) To ensure that Distributions to holders of Allowed Claims are accomplished as provided herein;

(iv) To hear and determine all matters related to the allowance, disallowance, liquidation, classification, priority, compromise, estimation or payment of any Claim or Equity Interest, including any objections to, or requests for estimation of, Claims or Equity Interests, whether filed, asserted or made before or after the Confirmation Date;

(v) To enter, implement or enforce such orders as may be appropriate in the event that the Confirmation Order is for any reason stayed, reversed, revoked, modified or vacated;

(vi) To issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any entity with the consummation, implementation or enforcement of this Plan, the Confirmation Order or any other order of the Bankruptcy Court;

(vii) To hear and determine any application to modify this Plan to cure any defect or omission or reconcile any inconsistency in this Plan, or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

(viii) To hear and determine any application for compensation for services rendered and reimbursement of expenses incurred to the extent authorized to be paid or reimbursed under this Plan or the Bankruptcy Code;

(ix) To hear and determine disputes arising in connection with the interpretation, implementation or enforcement of this Plan, the Confirmation Order, any transactions, Distributions or payments contemplated hereby, or any agreement, instrument, or other document governing or relating to any of the foregoing;

(x) To hear and determine disputes arising in connection with statements for fees and expenses incurred by counsel or any other professional retained by the Plan Administrator;

(xi) To take any action and issue such orders as may be necessary to construe, enforce, implement, execute and consummate this Plan or to maintain the integrity of this Plan following consummation;

(xii) To determine any other matters that may arise in connection with or are related to this Plan, the Confirmation Order, or any other contract, instrument, release or other agreement or document related to this Plan;

(xiii) To hear and determine all disputes involving the existence, nature or scope of the discharges, injunctions and releases granted under this Plan, the Confirmation Order or the Bankruptcy Code;

(xiv) To hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code (including any requests for expedited determinations under section 505(b) of the Bankruptcy Code);

(xv) To enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Chapter 11 Cases;

(xvi) To consider and act on the compromise and settlement of any Claim, Equity Interest or Cause of Action by, on behalf of, or against the Debtors' Estates, to the extent that Bankruptcy Court approval is required;

(xvii) To hear and determine any action in respect of any and all rights, Claims, or Causes of Action, as applicable, held by or accruing to the Reorganized Debtors, the Committee Representative, the Plan Administrator, the Liquidating Trust, the Bankruptcy Code or any federal or state law, irrespective of whether any such action is commenced before or after the Confirmation Date;

(xviii) To resolve any matter relating to the sale of property of the Debtors' Estates;

(xix) To hear and determine any other matters related hereto and not inconsistent with the Bankruptcy Code and title 28 of the United States Code;

(xx) To recover all assets of any of the Debtors and property of the applicable Debtor's Estate, wherever located, and to hear and determine all adversary proceedings or other litigations related thereto; and

(xxi) To enter a final decree closing the Chapter 11 Cases.

## ARTICLE 12

### MISCELLANEOUS PROVISIONS

#### **Section 12.1 Operations Between the Confirmation Date and the Effective Date**

During the period from the Confirmation Date through and until the Effective Date, the Debtors shall continue to operate their businesses as debtors in possession, subject to the oversight of the Bankruptcy Court as provided in the Bankruptcy Code, the Bankruptcy Rules and all orders of the Bankruptcy Court that are then in full force and effect.

#### **Section 12.2 Transition of the Affairs of the Debtors' Estates After the Effective Date**

Through and including the date that is the first Business Day that is five (5) Business Days after the Effective Date, the Debtors shall use their best efforts to ensure that the affairs of the Debtors' Estates are smoothly transitioned to the Reorganized Debtors, the Plan Administrator, and the Reorganized Debtor Management Team, and shall cooperate with the foregoing in respect of such transition.

#### **Section 12.3 Payment of Statutory Fees**

All fees payable pursuant to section 1930 of title 28 of the United States Code that are due and payable as of the Effective Date shall be paid by the Plan Administrator from the Debtors' cash on hand on the Effective Date. All such fees that become due and payable after the Effective Date shall be paid by the Plan Administrator from the Reorganized Debtors' cash on hand when such fees become due and payable.

#### **Section 12.4 Substantial Consummation**

On the Effective Date, this Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

### **Section 12.5 Exemption from Transfer Taxes**

Pursuant to section 1146(a) of the Bankruptcy Code, (i) the issuance, transfer or exchange of any security under, in furtherance of, or in connection with, this Plan; or (ii) the assignment or surrender of any lease or sublease, or the delivery of any instrument of transfer under, in furtherance of, or in connection with, this Plan, including, without limitation, any deed, asset purchase agreement, bill of sale, assignment, mortgage, deed of trust or similar document executed in connection with any disposition of assets contemplated by this Plan (including real and personal property), shall not be subject to any stamp tax, real estate transfer tax, recording tax, sales tax, personal property tax, mortgage tax, use tax, or other similar tax, or any Uniform Commercial Code filing or recording fee or similar or other government assessment. The Confirmation Order shall direct the appropriate state or local government officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

### **Section 12.6 Determination of Tax Liabilities**

The Plan Administrator shall, pursuant to section 505(b) of the Bankruptcy Code and consistent with Section 5.3(b)(xiii) of the Plan, have the right to request an expedited determination of any unpaid liability of the Debtors' Estates for any tax incurred during the administration of the Chapter 11 Cases. The Plan Administrator also shall be responsible for preparing and filing any tax forms or returns on behalf of the Debtors' Estates (including, without limitation, final tax returns for SSDI upon completion of the liquidation and dissolution of SSDI in accordance with the Plan); provided, however, that the Plan Administrator shall not be responsible for preparing or filing any tax forms for holders of Equity Interests in SSDI, but shall provide such holders with any information they reasonably require to prepare such forms.

### **Section 12.7 Exemption from Securities Laws**

Pursuant to section 1145 of the Bankruptcy Code, the offering, issuance and distribution of any securities contemplated by this Plan (including, without limitation, the issuance of the Newco Equity Interests, the Reorganized SSDA Equity Interests, and the Reorganized Subsidiary Debtor Equity Interests), shall be exempt from, among other things, the registration requirements of section 5 of the Securities Act and any state or local law requiring registration prior to the offering, issuance, distribution or sale of securities. Any and all other securities under section 1145 of the Bankruptcy Code, any securities contemplated by this Plan will be freely tradable by the recipients thereof (provided, the Newco Equity Interests shall not be tradeable by the recipients thereof, other than as permitted under the Newco Equity Documents), subject to (i) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, and compliance with any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments; (ii) the restrictions, if any, on the transferability of such securities and instruments; and (iii) applicable regulatory approval.

### **Section 12.8 Modification and Amendment**

The Proponents may alter, amend, modify or supplement this Plan pursuant to section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date. After the Confirmation Date and prior to substantial consummation of this Plan, the Proponents may, upon order of the Bankruptcy Court, amend or modify this Plan in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in this Plan as may be necessary to carry out the purpose and effects of this Plan. A holder of a Claim against or Equity Interest in the Debtors that has accepted this Plan shall be deemed to have accepted this Plan as altered, amended or modified if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim or Equity Interest of such holder.

### **Section 12.9 Revocation or Withdrawal of the Plan**

Each Proponent reserves the right to revoke or withdraw this Plan or the Confirmation Order in each party's sole and absolute discretion prior to the Effective Date as to any or all of the Debtors. If this Plan or the Confirmation Order is revoked or withdrawn, then (i) this Plan; (ii) all settlements and compromises set forth in this Plan and not otherwise approved by a separate Final Order of the Bankruptcy Court; (iii) any assumption or rejection of an executory contract or unexpired lease effected by this Plan; and (iv) any document or agreement executed pursuant to this Plan, shall be deemed null and void with respect to the applicable Debtors without further notice to or order by the Bankruptcy Court.

In the event that this Plan or the Confirmation Order is revoked or withdrawn, nothing in this Plan, and no actions taken in preparation for consummation of this Plan shall (i) constitute a waiver or release of any Claim by or against or Equity Interest in the applicable Debtors; (ii) prejudice in any manner the rights of the Proponents or the Debtors; (iii) constitute an admission, acknowledgment, offer or undertaking by the Proponents or any other entity or party in interest; or (iv) constitute a waiver or release of the rights of the Proponents to move to dismiss any of the Chapter 11 Cases or convert any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code.

### **Section 12.10 Fiduciary Withdrawal Option as Plan Co-Proponent**

Notwithstanding anything to the contrary contained herein, prior to confirmation of the Plan, the Creditors' Committee reserves the right to withdraw as co-proponent of this Plan and support an alternative plan in the event that the Creditors' Committee, in the exercise of its fiduciary responsibilities, should determine that a superior plan is more advantageous for creditors of the Debtors.

### **Section 12.11 Dissolution of Creditors' Committee; Role of Committee Representative**

On the Effective Date, the Creditors' Committee shall be dissolved for all purposes, and the members of the Creditors' Committee shall be released and discharged of and from all further authority, duties, responsibilities, and obligations related to and arising from and in connection with the Chapter 11 Cases, and the retention or employment of the Creditors'

Committee's attorneys, accountants, and other agents shall terminate; provided, the Creditors' Committee shall remain in existence following the Effective Date for the sole and limited purpose of reviewing and approving the Final Fee Applications of its professionals during the Chapter 11 Cases and, upon entry of a Final Order with respect to such Final Fee Applications, such limited role shall terminate. Simultaneously with the dissolution of the Creditors' Committee on the Effective Date, the Committee Representative shall be appointed and such appointment shall be approved by the Bankruptcy Court pursuant to the Confirmation Order. The Committee Representative shall be authorized to oversee the implementation of the Plan for the collective benefit of the holders of Allowed General Unsecured Claims including, without limitation, (i) to enforce the obligations in favor of the holders of Allowed General Unsecured Claims (by and through the Committee Representative) under the Second Cash Distribution Installment Note; and (ii) to review and object to Claims (including Professional Claims); provided, the Committee Representative shall be required to notify the Plan Administrator of any proposed objections to Claims by the Committee Representative, and to coordinate and cooperate with the Plan Administrator in connection with any such objections to Claims. The Committee Representative shall have observation rights with respect to the Liquidating Trust and the Plan Administrator, until such time as the Cash Distribution has been paid in full. In addition, on the Effective Date, the Committee Representative shall be deemed to succeed to the rights and powers of the Creditors' Committee under the Final Alternative DIP Order to the extent any such rights and powers continue in existence pursuant to the terms of the Final Alternative DIP Order from and after the Effective Date (including, without limitation, with respect to any Cause of Action commenced or that may be commenced against the First DIP Agent or the First DIP Lenders), to the same extent such rights and powers were held by and vested with the Creditors' Committee as of immediately prior to its dissolution on the Effective Date; provided, the foregoing is not intended to nor shall it be deemed to conflict with the authority of the Plan Administrator with respect to Causes of Action and Disputed Claims as provided in Section 5.3(b)(iv), Section 6.5, and Section 7.4 of the Plan. The appointment of the Committee Representative shall terminate automatically upon the completion of all Distributions to the holders of Allowed General Unsecured Claims pursuant to the Plan. The Committee Representative may hire professionals he or she deems necessary to carry out its responsibilities as set forth herein, including, without limitation, the professionals retained by the Creditors' Committee. The reasonable fees and expenses of professionals retained by the Committee Representative shall be paid promptly by the post-Effective Date Debtors. Professionals retained by the Committee Representative are not required to be approved by the Bankruptcy Court, and approval of fees and expenses incurred by the Committee Representative are not subject to approval of the Bankruptcy Court pursuant to section 330 of the Bankruptcy Code; provided, however, that in the event of a dispute regarding the fees and expenses incurred by professionals retained by the Committee Representative, the Bankruptcy Court may hear and determine such dispute upon application to the Bankruptcy Court.

### **Section 12.12 Reservation of Rights**

Except as expressly set forth herein, this Plan shall have no force or effect unless the Bankruptcy Court shall have entered the Confirmation Order and the Effective Date has occurred. Prior to the Effective Date, none of the filing of this Plan, any statement or provision contained herein or the taking of any action by the Proponents with respect to this Plan, shall be or shall be deemed to be (i) an admission or waiver of any rights of the Debtors or the

Proponents, including with respect to the holders of Claims or Equity Interests or as to any treatment or classification of any contract or lease; or (ii) a waiver or release of the rights of the Proponents to move to dismiss any of the Chapter 11 Cases or convert any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code.

**No entity may rely on the absence of a specific reference in this Plan to any Cause of Action against them as an indication that the Plan Administrator or either Proponent will not pursue any and all available Causes of Action against them. The Plan Administrator and each Proponent expressly reserve all rights to prosecute any and all Causes of Action against any entity except as otherwise provided in this Plan. Unless any Causes of Action against an entity are expressly waived, relinquished, exculpated, released, compromised or settled in this Plan, the Confirmation Order or other Final Order of the Bankruptcy Court, the Plan expressly reserves all Causes of Action for later adjudication and, therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, estoppel (judicial, equitable or otherwise) or laches, shall apply to such Causes of Action upon or after the confirmation or consummation of this Plan.**

### **Section 12.13 Severability**

In the event that prior to the entry of the Confirmation Order, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court, at the request of the Proponents, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and in no way will be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

### **Section 12.14 Notice of Entry of Confirmation Order and Relevant Dates**

As soon as reasonably practicable after entry of the Confirmation Order, the Debtors shall, as directed by the Bankruptcy Court, publish and serve on all known parties in interest and holders of Claims against and Equity Interests in the Debtors, notice of the entry of the Confirmation Order and all relevant deadlines and dates under this Plan, including, without limitation, the deadline for filing Administrative Expense Claims and Rejection Damage Claims.

### **Section 12.15 Courts of Competent Jurisdiction**

In the event that the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases or this Plan, such abstention, refusal or failure of jurisdiction shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.



### **Section 12.16 No Admissions**

As to contested matters, adversary proceedings and any Causes of Action, this Plan shall not constitute or be construed as an admission of any fact or liability, stipulation, or waiver, but rather as a statement made in settlement negotiations. This Plan shall not be admissible in any non-bankruptcy proceeding nor shall it be construed to be conclusive advice on the tax and other legal effects of this Plan as to holders of Claims against and Equity Interests in the Debtors.

### **Section 12.17 Closing of the Chapter 11 Cases**

When a Debtor's Estate is fully administered, the Plan Administrator may request that the Bankruptcy Court enter a final decree closing the applicable Debtor's Chapter 11 Case in accordance with the Bankruptcy Code and the Bankruptcy Rules.

### **Section 12.18 Rates**

This Plan does not provide for the change of any rate that is within the jurisdiction of any governmental regulatory commission after the occurrence of the Effective Date. Where a Claim has been denominated in foreign currency on a proof of claim, the Allowed amount of such Claim shall be calculated in currency of the United States of America based upon the conversion rate in place as of the Commencement Date and in accordance with section 502(b) of the Bankruptcy Code.

### **Section 12.19 Governing Law**

Except to the extent that the Bankruptcy Code or other federal law is applicable, or to the extent an exhibit, schedule or supplement hereto provides otherwise, the rights, duties and obligations arising under this Plan and any agreements, documents and instruments executed in connection with this Plan (except as otherwise expressly provided in such agreements, documents and instruments) 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 conflict of laws of such jurisdiction.

### **Section 12.20 Schedules, Exhibits and Supplements**

All schedules, exhibits and supplements to this Plan are incorporated into and are a part of this Plan as if set forth in full herein. Copies of the schedules, exhibits and supplements to this Plan can be obtained by downloading such documents from the Bankruptcy Court's website (located at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)).

### **Section 12.21 Notices**

To be effective, all notices, requests and demands to or upon the Proponents shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

**If to Stellus:**

Stellus Capital Investment Corporation

c/o Stellus Capital Management  
4400 Post Oak Parkway  
Suite 2200  
Houston, TX 77027  
Attn: Robert R. Collins, Managing Director  
Telephone: 713-292-5400

with copies to:

MOORE & VAN ALLEN, PLLC  
Stephen E. Gruendel  
Zachary H. Smith  
100 North Tryon Street  
Suite 4700  
Charlotte, North Carolina 28202-4003  
Telephone: 704-331-1000

Counsel to Stellus

**If to the Creditors' Committee:**

Official Committee of Unsecured Creditors of Binder & Binder – The National  
Social Security Disability Advocates (NY), LLC, *et al.*

c/o KLESTADT WINTERS JURELLER SOUTHARD & STEVENS, LLP

Tracy L. Klestadt  
Sean C. Southard  
Fred Stevens  
Joseph C. Corneau  
200 West 41<sup>st</sup> Street, 17<sup>th</sup> Floor  
New York, New York 10036-7203  
Telephone: (212) 972-3000

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Counsel to the Creditors' Committee

\* \* \* \* \*

As of January 15, 2016

/s/ Stephen E. Gruendel  
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New York, New York 10036-7203  
Telephone: (212) 972-3000

*Counsel to the Official Committee  
of Unsecured Creditors*

**Exhibit B**

**Blackline Comparison of Plan and First Amended Plan**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

Binder & Binder – The National Social Security  
Disability Advocates (NY), LLC, *et al.*

Debtors.

Chapter 11

Case No. 14-23728 (RDD)

Jointly Administered

**FIRST AMENDED JOINT PLAN OF ~~LIQUIDATION~~ REORGANIZATION UNDER  
CHAPTER 11 OF  
THE BANKRUPTCY CODE, PROPOSED BY STELLUS CAPITAL INVESTMENT  
CORPORATION AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

MOORE & VAN ALLEN, PLLC  
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Dated: ~~November 18, 2015~~ January 15, 2016

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## INTRODUCTION

Stellus Capital Investment Corporation and the Official Committee of Unsecured Creditors appointed in the above-captioned cases (the “Chapter 11 Cases”), as co-proponents within the meaning of section 1129 of title 11 of the United States Code (the “Bankruptcy Code”) and pursuant to the Exclusivity Termination Order, hereby jointly propose this Chapter 11 plan of ~~liquidation (the “Plan”)~~reorganization for each of the debtors and debtors in possession in these Chapter 11 Cases (collectively, the “Debtors”). All capitalized terms used but not defined in this paragraph shall have the meaning set forth in Article 1 of the Plan.

~~Although the Chapter 11 Cases are jointly administered pursuant to an order of the Bankruptcy Court, the Plan does not contemplate~~Generally, the Plan contemplates (i) substantive consolidation of the Debtors’ respective Estates. Thus, although the Plan generally applies to all of the Debtors, except as otherwise provided in the Plan, (i) the Plan constitutes twenty-five (25) distinct chapter 11 plans, one for each Debtor; (ii) for voting purposes, each holder of a Claim in a Class that is entitled to vote to accept or reject the Plan shall vote its Claim in such Class by individual Debtor; and (iii) theall Debtors for purposes of voting and implementation of the Plan; (ii) appointment on the Effective Date of the Plan Administrator for the purpose of overseeing and facilitating the implementation of the Plan by the Reorganized Debtors; (iii) gradual, orderly, and controlled downsizing of the Reorganized Debtors’ businesses over an extended period of time primarily through the elimination of advertising expenses that otherwise would be incurred by the Reorganized Debtors following the Effective Date in generating new SSA/VA Cases, at least until such time as the Allowed First DIP Lender Secured Claims are paid in full in accordance with the Plan, at which point the Reorganized Debtors may (but under the Plan are not obligated or committed to) resume incurrence of advertising expenses for the purpose of generating new SSA/VA Cases; (iv) cash payments distributed by or on behalf of the Reorganized Debtors to the holders of Allowed Claims in accordance with the Plan; and (v) continued employment on the Effective Date of substantially all of the Debtors’ existing employee base for the purpose of accomplishing the foregoing.

The classification scheme set forth in Article 3 of the Plan applies to each Debtor, but~~and~~to the extent that there are no Claims in a certain Class against a particular Debtor, pursuant to Section 4.7 and Section 5.7~~any~~of the Plan Debtors, that Class shall be deemed not to exist for any purpose whatsoever with respect to that Debtor. All capitalized terms used but not defined in this paragraph shall have the meaning set forth in Article 1 of~~under~~the Plan.

## ARTICLE 1

### DEFINITIONS AND RULES OF INTERPRETATION

#### Section 1.1 Scope of Definitions

For purposes of this Plan, except as expressly provided otherwise or unless the context requires otherwise, all capitalized terms not otherwise defined shall have the meanings ascribed to them in Section 1.2 of this Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules.

#### Section 1.2 Definit ions

**“Administrative Expense Claim”** means any right to payment constituting a cost or expense of administration of any of the Chapter 11 Cases under sections 503(b) and 507(a)(2) of the Bankruptcy Code, arising on or prior to the Effective Date, including, without limitation, any actual and necessary costs and expenses of preserving the Debtors’ Estates, any actual and necessary expenses of operating the businesses of the Debtors, any indebtedness or obligations incurred or assumed by the Debtors in connection with the conduct of their businesses from and after the Commencement Date, and all Professional Claims.

**“Administrative Expense Claim Bar Date”** means the date that is the first Business Day that is thirty (30) days after the Effective Date.

**“Allowed”** means, with respect to a Claim, (i) any Claim that has been listed by a Debtor in the Schedules, as such Schedules may be amended by such Debtor from time to time in accordance with Bankruptcy Rule 1009, as liquidated in amount and not disputed or contingent and for which no contrary proof of claim or interest has been filed; (ii) any properly and timely filed, liquidated, non-contingent Claim with respect to which no objection to the allowance thereof has been filed within the applicable period fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules or a Final Order of the Bankruptcy Court; (iii) any Claim that is not Disputed; or (iv) any Claim allowed pursuant to this Plan, the Confirmation Order or a Final Order of the Bankruptcy Court.

**“Alternative DIP Agent”** means Stellus, as agent and lender under the Alternative DIP Facility.

**“Alternative DIP Collateral”** means Alternative DIP Collateral as defined in the Final Alternative DIP Order.

**“Alternative DIP Facility”** means that certain Post-Petition Credit Agreement Between the Debtors, as borrower or guarantor (as applicable), and Stellus, as administrative agent for itself and any other financial institutions from time to time party thereto, dated as of March 23, 2015.

**“Alternative DIP Liens”** means the liens encumbering the Alternative DIP Collateral granted to the Alternative DIP Agent under the Final Alternative DIP Order.

**“Alternative DIP Secured Parties Professional Fees”** means Alternative DIP Secured Parties Professional Fees as defined in the Final Alternative DIP Order.

**“Avoidance Actions”** means any actions commenced or that may be commenced before or after the Effective Date pursuant to any of sections 544, 545, 547, 548, 549, 551, 551 or 553 of the Bankruptcy Code.

**“Bank Accounts”** means all bank accounts in the name of the Debtors, and used by the Debtors for any purpose, as of immediately prior to the Effective Date.

**“Ballot”** means the ballot submitted to the Debtors by a holder of an Allowed Claim entitled to vote to accept or reject the Plan.

**“Bankruptcy Code”** means title 11 of the United States Code, as applicable to the Chapter 11 Cases.

**“Bankruptcy Court”** means the United States Bankruptcy Court for the Southern District of New York.

**“Bankruptcy Rules”** means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as applicable to the Chapter 11 Cases, and any local rules of the Bankruptcy Court.

**“Bar Date Order”** means the “Order Establishing Deadline for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof” entered by the Bankruptcy Court in the Chapter 11 Cases on August 31, 2015 [Docket No. 344].

~~**“Beneficiaries”** means the holders of the Existing Stock.~~ **“Binder Cooperation and Settlement Agreement”** means a definitive agreement by and among the Proponents, Charles Binder, and Harry Binder, memorializing the Binder Cooperation Covenants, which shall be acceptable to the Proponents and approved by the Court in advance of the hearing before the Court to consider the Proponents’ request for entry of the Disclosure Statement Approval Order.

**“Binder Cooperation Covenants”** means certain cooperation covenants of Charles Binder and Harry Binder attendant to the Plan confirmation and implementation processes, as shall be set forth in the Binder Cooperation and Settlement Agreement.

**“Business Day”** means any day other than a Saturday, a Sunday, a “legal holiday” as such term is defined in Bankruptcy Rule 9006(a), or any other day on which banking institutions in New York, New York are required or authorized to close by law or executive order.

**“Cash”** means legal tender of the United States of America.

“**Cash Distribution**” means Cash in an amount equal to twenty percent (20%) of the aggregate dollar amount of Allowed General Unsecured Claims, the holders of which elect GUC Option A pursuant to Section 4.4 ~~or Section 5.4, as applicable~~, of the Plan.

“**Causes of Action**” means, unless explicitly released by the Debtors pursuant to a Final Order entered by the Bankruptcy Court during the Chapter 11 Cases or pursuant to this Plan, the Binder Cooperation and Settlement Agreement, or the HIG and Debtor Cooperation and Settlement Agreement, any and all actions, proceedings, causes of action, suits, demands, rights to legal remedies, rights to equitable remedies, rights to payment and Claims, whether known, unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, non-contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, and whether asserted or assertable directly or derivatively in law, equity or otherwise, of the Debtors or their Estates, existing as of the Commencement Date, including, without limitation, any Avoidance Actions, any action commenced or which could be commenced by the Creditors’ Committee (or the Committee Representative, as applicable) derivatively and on behalf of the Debtors’ Estates against any party including, without limitation, the First DIP Agent or any First DIP Lender, and actions for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, unjust enrichment, corporate waste, or otherwise, against any of the Debtors’ current or former board of directors, officers, the HIG Parties, Charles Binder, or Harry Binder.

“**Chapter 11 Cases**” means the jointly administered cases under chapter 11 of the Bankruptcy Code commenced by the Debtors in the Bankruptcy Court and styled In re Binder & Binder – The National Social Security Disability Advocates (NY), LLC, et al., Case No. 14-23728 (RDD).

“**Charles Binder**” means Charles Binder, an individual.

“**Claim**” has the meaning set forth in section 101 of the Bankruptcy Code.

“**Claims Objection Deadline**” means the date that is the first Business Day that is one-hundred twenty (120) days after the Effective Date, subject to extension from time to time by order of the Bankruptcy Court upon motion of the Plan Administrator.

“**Class**” means any group of Claims or Equity Interests classified by this Plan pursuant to section 1122(a) of the Bankruptcy Code.

“**Commencement Date**” means December 18, 2014.

“**Committee Representative**” means an individual to be appointed by the Creditors’ Committee, with such appointment to become effective on the Effective Date simultaneously with the dissolution of the Creditors’ Committee, and vested with such authority and for such purposes as set forth in Section ~~13.13~~12.11 of the Plan.

“**Confirmation Date**” means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order.

**“Confirmation Hearing”** means the hearing before the Bankruptcy Court to consider the request of the Proponents for entry of an order confirming this Plan under section 1129 of the Bankruptcy Code.

**“Confirmation Objection Deadline”** means the deadline to be established by the Bankruptcy Court pursuant to the Disclosure Statement Approval Order for the filing and service by any and all parties in interest of objections to confirmation of this Plan.

**“Confirmation Order”** means the order or orders of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code, which order or orders shall be in form and substance acceptable to the Proponents.

**“Creditor”** means any entity holding a Claim.

**“Creditors’ Committee”** means the statutory committee of unsecured Creditors appointed in the Chapter 11 Cases by the United States Trustee on January 8, 2015 [Docket No. 80], and subsequently reconstituted on January 30, 2015 [Docket No. 99], and on August 14, 2015 [Docket No. 330].

**“Cure”** means all monetary liabilities of the Debtors that must be paid or otherwise satisfied to cure all of the Debtors’ monetary defaults under any and all executory contracts or unexpired leases to be assumed, or assumed and assigned, by the Debtors pursuant to this Plan, the Confirmation Order, or Final Order of the Bankruptcy Court, pursuant to section 365 of the Bankruptcy Code.

**“Debtors”** means, collectively, (i) Binder & Binder - The National Social Security Disability Advocates (NY), LLC; (ii) SSDI Holdings, Inc.; (iii) Binder & Binder - The National Social Security Disability Advocates LLC; (iv) The Rep for Vets LLC; (v) National Veterans Disability Advocates LLC (dba The Rep for Vets LLC); (vi) The Social Security Express Ltd.; (vii) Binder & Binder - The National Social Security Disability Advocates (AZ), LLC; (viii) Binder & Binder - The National Social Security Disability Advocates (CA), LLC; (ix) Binder & Binder - The National Social Security Disability Advocates (CO), LLC; (x) Binder & Binder - The National Social Security Disability Advocates (CT), LLC; (xi) Binder & Binder - The National Social Security Disability Advocates (FL), LLC; (xii) Binder & Binder - The National Social Security Disability Advocates (GA), LLC; (xiii) Binder & Binder - The National Social Security Disability Advocates (IL), LLC; (xiv) Binder & Binder - The National Social Security Disability Advocates (MD), LLC; (xv) Binder & Binder - The National Social Security Disability Advocates (MO), LLC; (xvi) Binder & Binder - The National Social Security Disability Advocates (NJ), LLC; (xvii) Binder & Binder - The National Social Security Disability Advocates (NC), LLC; (xviii) Binder & Binder - The National Social Security Disability Advocates (OH), LLC; (xix) Binder & Binder - The National Social Security Disability Advocates (PA), LLC; (xx) Binder & Binder - The National Social Security Disability Advocates (TX), LLC; (xxi) Binder & Binder - The National Social Security Disability Advocates (VA), LLC; (xxii) Binder & Binder - The National Social Security Disability Advocates (WA), LLC; (xxiii) Binder & Binder - The National Social Security Disability Advocates (LA), LLC; (xxiv) Binder & Binder - The National Social Security Disability

Advocates (MI), LLC; and (xv) Binder & Binder - The National Social Security Disability Advocates (DC), LLC.

**“Disclosure Statement Approval Order”** means the order to be entered by the Bankruptcy Court, in form and substance acceptable to the Proponents, (i) scheduling the Confirmation Hearing; (ii) establishing the Distribution Record Date; (iii) establishing the Voting Deadline; and (iv) establishing the Confirmation Objection Deadline.

**“Distribution”** means any initial or subsequent payment or transfer made to any holder of an Allowed Claim under the Plan.

**“Distribution Record Date”** means the date to be established by the Bankruptcy Court pursuant to the Disclosure Statement Approval Order as the date on which recordholders of any Claim against or Equity Interest in the Debtors are fixed for purposes of Distributions.

**“Disallowed”** means, with respect to a Claim or Equity Interest, any Claim or Equity Interest that has been disallowed by this Plan, the Confirmation Order or Final Order of the Bankruptcy Court.

**“Disputed”** means, with respect to a Claim or Equity Interest, any Claim or Equity Interest that is not Allowed or Disallowed.

**“Effective Date”** means the first Business Day on which all conditions to effectiveness of this Plan set forth in Article 11.10 of this Plan are satisfied, or waived in writing by a party entitled to waive such condition.

**“Equity Interest”** means the legal, equitable, contractual and other rights of a holder of an ownership interest in any of the Debtors, including, without limitation, any interest evidenced by any Existing Stock, common or preferred stock, membership interests and options or other rights to purchase or otherwise receive any ownership interest in any of the Debtors.

**“Estate”** means as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

**“Estate Assets”** means all property of the Debtors’ Estates pursuant to section 541 of the Bankruptcy Code including, without limitation, all Causes of Action and all proceeds thereof.

**“Excess Cash”** means, as tested by the Plan Administrator on ~~a monthly basis~~, the last day of each month following the Payment Commencement Date, (i) the Reorganized Debtors’ aggregate cash on hand less the next and cash equivalents plus, (ii) for the immediately following month, the amount of one payroll due to the Wind-Down be paid to the Reorganized Debtor Management Team and the Reorganized Debtors’ employees pursuant to the Plan in the event that three (3) material payrolls are scheduled for such month, but only to the extent ~~such difference~~ that the sum of (i) and (ii) exceeds three million dollars (\$3,000,000).

~~**“Excess Cash Account”** means a bank account that may in the discretion of the Plan Administrator be established on or after the Effective Date, for the purpose of the depositing all~~

~~Excess Cash and making Distributions from Excess Cash in accordance with the terms and conditions of the Plan and the Plan Trust Agreement.~~

~~“Exchanged Common Stock” means the common stock to be authorized and issued by SSDI to the Plan Trust, upon cancellation of the Existing Common Stock, in accordance with Section 4.6 of the Plan.~~

~~“Exchanged Preferred Stock” means the preferred stock to be authorized and issued by SSDI to the Plan Trust, upon cancellation of the Existing Preferred Stock, in accordance with Section 4.6 of the Plan.~~

~~“Exchanged Stock” means the Exchanged Common Stock and the Exchanged Preferred Stock.~~

“**Exclusivity Termination Order**” means the “Order Granting Stellus Capital Investment Corporation’s Motion to Terminate Exclusivity Pursuant to Section 1121(d) of the Bankruptcy Code,” entered by the Bankruptcy Court on October 29, 2015 [Docket No. 372].

“**Existing Common Stock**” means all authorized, issued, and outstanding common shares of SSDI, of which 1,687.5 shares are held by Charles Binder, and 5,062.5 shares are held by Harry Binder.

“**Existing Preferred Stock**” means the Series A Preferred Stock and the Series B Preferred Stock.

“**Existing Stock**” means the Existing Common Stock and the Existing Preferred Stock.

“**Exit Facility**” means that certain senior secured facility to be entered into on the Effective Date by and between Stellus, as agent and lender, and the ~~post-Effective Date~~Reorganized Subsidiary Debtors, as borrowers/guarantors, on such terms and conditions as shall be set forth in the Exit Facility Documents, ~~and which terms shall include, but not be limited to, (i) a maturity date of one year from the Effective Date; (ii) scheduled amortization payments in the amount of \$400,000 per month; (iii) in addition to such scheduled amortization payments identified in (ii) immediately above, additional principal payments made from 100% of Excess Cash (until such time as the Exit Facility is repaid in full); (iv) 10.0% cash pay interest rate, payable monthly; (v) customary covenants, reporting requirements, and events of default; and (vi) in lieu of any extension fee in connection with the conversion of the Alternative DIP Facility to the Exit Facility, and as a condition to consummation of the Exit Facility and the Plan, payment by the Debtors of all fees and expenses of Stellus in connection with the Chapter 11 Cases to the extent any such fees and expenses have not previously been paid by the Debtors to Stellus pursuant to the Final Alternative DIP Order, and whether related to the Alternative DIP Facility, the Stellus Prepetition Claim, Stellus’ preparation and prosecution of the Plan, or otherwise.~~

“**Exit Facility Documents**” means all agreements and documents to be entered into by the Exit Facility Lender and the ~~post-Effective Date~~Reorganized Subsidiary Debtors in connection with the Exit Facility.

**“Exit Facility Lender”** means Stellus, as agent and lender under the Exit Facility.

**“Exit Facility Liens”** means the liens granted to the Exit Facility Lender pursuant to the Exit Facility Documents.

**“Final Alternative DIP Order”** means the “Final Order (I) Approving Alternative Postpetition Financing on a First Priority Priming Basis; (II) Authorizing Use of Cash Collateral; (III) Granting Adequate Protection; and (IV) Modifying the Automatic Stay” entered by the Bankruptcy Court in the Chapter 11 Cases on March 20, 2015, entered by the Bankruptcy Court on March 20, 2015 [Docket No. 211].

**“Final Fee Application”** means an application for final allowance of compensation and reimbursement for expenses filed by the holder of a Professional Claim.

**“Final Order”** means an order or judgment, the operation or effect of which has not been reversed, vacated, stayed, modified, or amended, and as to which order or judgment (or any reversal, vacation, stay, modification, or amendment thereof) (i) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed; or (ii) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be taken for granted; provided, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to section 502(j) of the Bankruptcy Code, rule 59 or rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order.

**“First DIP Agent”** means US Bank National Association as agent under the First DIP Credit Agreement.

**“First DIP Credit Agreement”** means that certain Post-Petition Revolving Credit and Security Agreement, between the Debtors, as borrower, Capital One N.A. as a lender, US Bank National Association, as a lender and as agent, and the lenders from time to time party thereto, dated as of December 23, 2014.

**“First DIP Collateral”** means the First DIP Collateral as defined in the First Interim DIP Order.

**“First DIP Lender”** means U.S. Bank National Association, Capital One, N.A. and the other lenders from time to time party to the First DIP Credit Agreement.

**“First DIP Lender Secured Claims”** means the Secured Claims of the First DIP Lender under the First DIP Credit Agreement, which are subject to treatment under section 1129(b) of the Bankruptcy Code pursuant to the Final Alternative DIP Order, and therefore are addressed in Article 4 of the Plan.



**“First DIP Liens”** means the liens on the First DIP Collateral granted to the First DIP Agent under the Final Alternative DIP Order.

**“First Interim DIP Order”** means the “Interim Order (I) Authorizing Debtors to Obtain Postpetition Financing; (II) Granting Liens, Security Interests and Superpriority Status; (III) Authorizing Use of Cash Collateral; (IV) Affording Adequate Protection; (V) Scheduling a Final Hearing; and (VI) Modifying the Automatic Stay,” entered by the Bankruptcy Court on December 24, 2014 [Docket No. 50, and as subsequently extended and amended by Docket Nos. 122 and 175].

**“General Unsecured Claim”** means any Claim that is not an Administrative Expense Claim, a Priority Tax Claim, a Priority Non-Tax Claim, a Secured Claim, or an Intercompany Claim.

**“Harry Binder”** means Harry Binder, an individual.

**“HIG and Debtor Cooperation Agreement”** means a definitive agreement by and among the Proponents, the HIG Parties, and the Debtors, memorializing the HIG and Debtor Cooperation Covenants, which shall be acceptable to the Proponents and approved by the Court in advance of the hearing before the Court to consider the Proponents’ request for entry of the Disclosure Statement Approval Order.

**“HIG and Debtor Cooperation Covenants”** means certain cooperation covenants of the HIG Parties and the Debtors attendant to the Plan confirmation and implementation process (which cooperation covenants shall include, but not be limited to, the taking of any and all necessary acts and actions by HIG to cause the Debtors to cooperate fully and in good faith with the Proponents in connection with entry of the Disclosure Statement Approval Order and the Confirmation Order) and as shall be set forth in the HIG and Debtor Cooperation Agreement, and which HIG and Debtor Cooperation Covenants shall include, without limitation, (i) causing the Debtors to pay immediately and in full all outstanding amounts under the Final Alternative DIP Order including, without limitation, all unpaid Alternative DIP Secured Parties Professional Fees, and all interest required to be paid to the Alternative DIP Lender under the Final Alternative DIP Order, and to continue to pay all Alternative DIP Secured Parties Professional Fees and all interest required to be paid to the Alternative DIP Lender under the Final Alternative DIP Order on a current basis; (ii) causing the Debtors to grant the Alternative DIP Lender, and its retained consultant Charles Fraas of Fraas Advisory Services, LLC, immediate access to the Alternative DIP Collateral and all requisite cooperation pursuant to the Final Alternative DIP Order; and (iii) causing the Debtors to comply with the Final Alternative DIP Order in all respects.

**“HIG Parties”** means H.I.G. Capital, LLC, H.I.G. Binder LLC, and any and all affiliates, subsidiaries, officers, directors, employees, shareholders, committees, agents, and representatives of the foregoing.

**“Impaired”** means, with respect to a Claim or Equity Interest, any Claim or Equity Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

“**Intercompany Claim**” means any Claim held by a Debtor or Non-Debtor Affiliate against a Debtor.

“**LIBOR**” means London Interbank Offered Rate as published in The Wall Street Journal.

“**Liquidating Trust**” means the liquidating trust that may to be created after established on the Effective Date in accordance with the provisions of Section 6.1(b)(xvii) of the Plan as determined, and overseen by the Plan Administrator, subject to the prior approval of a majority of the Plan Trustees in accordance with the Plan to receive and liquidate all Causes of Action for the benefit of all holders of Allowed General Unsecured Claims, the proceeds of which Causes of Action shall be distributed by the Plan Administrator pursuant to Section 4.4 and Section 5.3 of the Plan and the Liquidating Trust Agreement.

“**Liquidating Trust Agreement**” means an agreement evidencing the terms and provisions governing a Liquidating Trust that shall be entered into prior to the establishment of such Liquidating Trust and pursuant to which the Liquidating Trustee shall manage and administer the definitive agreement memorializing the transfer of the Liquidating Trust Assets to, and the administration of the Liquidating Trust Assets by, the Liquidating Trust.

“**Liquidating Trust Assets**” means the assets of a Debtor to be transferred to a Liquidating Trust as may be determined by the Plan Administrator subject to prior approval of a majority of the Plan Trustees pursuant to the Plan Trust Agreement Causes of Action, and an amount of the Debtors’ cash on hand that is determined by the Proponents to be sufficient to fund the initial administration of the Liquidating Trust, which Liquidating Trust Assets, if any, shall be described in a transferred to and vested with the Liquidating Trust Agreement on the Effective Date.

“**Liquidating Trustee**” means the person or entity selected by the Plan Trust Board and appointed by the Plan Administrator prior to the creation of a Liquidating Trust, to administer such Liquidating Trust in accordance with the Plan and a Liquidating Trust Agreement.

“**New U.S. Bank Secured Term Note**” means the secured term note to be delivered by the Reorganized Subsidiary Debtors to the holder of the Allowed First DIP Lender Secured Claims pursuant to Section 4.2(b) and Section 5.2(b) of the Plan.

“**Newco**” means the entity to be formed on the Effective Date by the holders of Allowed General Unsecured Claims (or any such holder’s designee(s), as applicable) that elect to receive GUC Option B pursuant to Section 4.4(b)(ii) of the Plan, which entity is intended to be classified as a partnership for federal and applicable state and local income tax purposes.

“**Newco Board**” means the three (3) member board of directors of Newco to be appointed on the Effective Date, of which two (2) members shall be appointed by Stellus, and one (1) member shall be appointed by the Committee.

“**Newco Equity Documents**” means the definitive documentation to be entered into on the Effective Date by and among Newco and the holders of the Newco Equity Interests, which shall be acceptable in all respects to Stellus, memorializing the ownership and governance of

Newco and any and all such matters customary and incident thereto, and which shall include, without limitation, the operating agreement of Newco.

“Newco Equity Interests” means all (100%) of the equity interests of Newco, which shall be issued by Newco on the Effective Date and distributed on the Effective Date to the holders of Allowed General Unsecured Claims (or any such holder’s designee(s), as applicable) that elect to receive GUC Option B pursuant to Section 4.4(b)(ii) of the Plan.

“New U.S. Bank Secured Term Note Documents” means the agreements and other definitive documents evidencing treatment afforded to the holders of the Allowed U.S. Bank Secured Claims pursuant to Section 4.2(b) ~~and Section 5.2(b)~~ of the Plan.

“New U.S. Bank Secured Term Note Liens” means the liens granted to the holders of the Allowed U.S. Bank Secured Claims pursuant to the New U.S. Bank Secured Term Note Documents.

“Non-Debtor Affiliate” means any affiliate, parent or subsidiary of any of the Debtors that is not, itself, a Debtor.

“Ordinary Course Professional Order” means the “Order Authorizing the Debtors to Employ and Compensate Professionals Utilized in the Ordinary Course of Business,” entered by the Bankruptcy Court on January 30, 2015 [Docket No. 102].

“Other Secured Claim” means any Secured Claim against a Debtor that is not ~~the US Bank~~ First DIP Lender Secured Claim.

“Payment Commencement Date” means the date following the Effective Date upon which the Plan Administrator determines that the Reorganized Debtors have sufficient cash on hand such that, upon payment by the Plan Administrator (on behalf of the Reorganized Debtors) of each of (i) the first monthly amortization payment in respect of the Exit Facility, (ii) the first one-half of the Cash Distribution as required to be made pursuant to Section 4.4(b)(i)(A)(x) of the Plan, and (iii) in the event the holders of Allowed Claims in Class 2 vote to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code, the first monthly amortization payment in respect of the New U.S. Bank Secured Term Note, the Reorganized Debtors have remaining cash on hand in excess of \$3,000,000 plus, if the next succeeding month has three material payrolls, the amount of one such payroll.

“Plan” means this joint and consolidated Chapter 11 plan of ~~liquidation~~ reorganization, including the schedules, exhibits and supplements hereto including, without limitation, the Plan Supplement, as the same may be amended or modified from time to time in accordance with the provisions of the Bankruptcy Code and the terms hereof.

“Plan Administrator” means ~~SSDI~~ a person or entity to be selected by Stellus and reasonably acceptable to the Committee, which person or entity shall be identified in the Plan Supplement and approved by the Court pursuant to the Confirmation Order.

“Plan Supplement” means those certain schedules and other documents to be filed with the Bankruptcy Court on or before the date that is five (5) calendar days prior to the Voting

Deadline, in support of confirmation of this Plan, or otherwise attendant or incidental to the transactions contemplated under this Plan, which schedules and other documents shall be considered a part of this Plan for all purposes.

~~“Plan Trust” means the trust established under New York law to hold the Exchanged Stock on and after the Effective Date.~~

~~“Plan Trust Agreement” means the agreement contained in the Plan Supplement creating and setting forth the terms and conditions that shall govern the Plan Trust, which shall be acceptable in form and substance to Stellus and the Committee (such consent of the Committee not to be unreasonably withheld).~~

~~“Plan Trust Board” means three (3) Plan Trustees, two (2) of which shall be selected and appointed by Stellus, and one (1) of which shall be selected and appointed by the Committee.~~

~~“Plan Trust Interests” means the beneficial interests in the Plan Trust allocated to the holders of Existing Common Stock and Existing Preferred Stock in accordance with Section 4.6 of the Plan and the Plan Trust Agreement.~~

~~“Plan Trustee” means one or more persons selected to serve as trustee of the Plan Trust pursuant to the Plan Trust Agreement.~~

**“Priority Claims”** means, collectively, Priority Non-Tax Claims and Priority Tax Claims.

**“Priority Non-Tax Claim”** means any Claim entitled to priority pursuant to section 507(a) of the Bankruptcy Code other than Administrative Expense Claims and Priority Tax Claims.

**“Priority Tax Claim”** means any Claim entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.

**“Pro Rata”** means, with respect to an Allowed Claim, the ratio of the amount of the Allowed Claim to the total amount of all Allowed Claims in the same Class.

**“Professional Claim”** means a Claim of any professional retained in these Chapter 11 Cases pursuant to the Bankruptcy Code, Bankruptcy Rules, or a Final Order of the Bankruptcy Court, for compensation for services rendered, and reimbursement of expenses incurred, by such professional after the Commencement Date and prior to and including the Effective Date.

**“Professional Claims Objection Deadline”** means the date that is the first Business Day that is forty-five (45) days after the Effective Date, subject to extension from time to time by order of the Bankruptcy Court upon motion of the Committee Representative in accordance with Section 13.1312.11 of the Plan.

**“Proponents”** means Stellus and the Creditors’ Committee.

**“Proposed Cure”** means the Cure amounts identified on the Schedule of Assumed Contracts and Leases under the heading “In arrears”.

**“Rejection Damage Claim”** means a Claim for damages arising from the rejection by any Debtor of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code.

**“Released Claims”** means any and all Claims or Equity Interests released pursuant to Section 10.69.6 of this Plan.

**“Released Parties”** means, collectively, and in each case, solely in such capacity, (i) Stellus and, if designated by Stellus, the Transition Advisor; (ii) the Creditors’ Committee; (iii) each current and former member of the Creditors’ Committee; (iv) subject to acceptance of the Plan by the holders of the Allowed First DIP Lender Secured Claims pursuant to section 1126(c) of the Bankruptcy Code, the First DIP Agent and the First DIP Lenders; (v) ~~SSDI solely in its capacity as Plan Administrator~~; ~~(vi) the Wind-Down Team~~; ~~(vii) the Plan Trustees~~ subject to compliance by the HIG Parties and the Debtors with the HIG and Debtor Cooperation Covenants pursuant to the HIG and Debtor Cooperation Agreement, the HIG Parties and the Debtors; (vi) subject to compliance by Charles Binder and Harry Binder with the Binder Cooperation Covenants pursuant to the Binder Cooperation Agreement, Charles Binder and Harry Binder; (vii) the Reorganized Debtors; (viii) the Reorganized Debtor Management Team; (ix) the Plan Administrator; (x) the Committee Representative; and ~~(ixxi)~~ with respect to each of the foregoing, their respective officers, directors, managers, members, accountants, financial advisors, investment bankers, agents, restructuring advisors, attorneys, representatives, or other professionals serving during the pendency of the Chapter 11 Cases (solely in their capacity as officers, directors, managers, members, accountants, financial advisors, investment bankers, agents, restructuring advisors, attorneys, representatives, or other professionals serving during the pendency of the Chapter 11 Cases); ~~provided, for the avoidance of doubt, the Released Parties do not and shall not be deemed to include any of the Debtors, the Debtors’ current or former officers, directors, or shareholders, Charles Binder, Harry Binder, or any of the HIG Parties.~~

**“Reorganized Debtors”** means, collectively, the Debtors on and after the Effective Date as reorganized pursuant to the Plan, including any successor thereto by merger, consolidation or otherwise.

**“Reorganized Debtor Board”** means the board of directors of each Reorganized Debtor, which shall be acceptable to the Plan Proponents and appointed on the Effective Date.

**“Reorganized Debtor Management Team”** means certain professionals and employees to be appointed by the Plan Administrator, acceptable to Stellus and the Committee (such consent of the Committee not to be unreasonably withheld), and to be engaged by the Plan Administrator on the Effective Date for the purpose of facilitating the implementation of the Plan by the Reorganized Debtors and the Plan Administrator.

**“Reorganized SSDA”** means SSDA on and after the Effective Date as reorganized pursuant to this Plan, including any successor thereto by merger, consolidation or otherwise.

“Reorganized SSDA Equity Interests” means all (100%) of the equity interests in Reorganized SSDA, which shall be issued by Reorganized SSDA and distributed to Newco on the Effective Date, in accordance with Section 5.2 of the Plan.

“Reorganized SSDI” means SSDI on and after the Effective Date as reorganized pursuant to this Plan, including any successor thereto by merger, consolidation or otherwise.

“Reorganized Subsidiary Debtors” means all of the Reorganized Debtors other than Reorganized SSDI.

“Reorganized Subsidiary Debtor Equity Interests” means 100% of the direct and indirect equity interests (as applicable) held by Reorganized SSDA in each of the other Reorganized Subsidiary Debtors, which shares shall replace the corresponding direct and indirect Equity Interests (as applicable) held by SSDA in each Subsidiary Debtor as of immediately prior to the Effective Date, upon cancellation and extinguishment of such Equity Interests pursuant to Section 4.6 of the Plan.

“Restructuring Transactions” means the transactions to occur on and after the Effective Date as set forth in Section 5.2 of the Plan.

“Schedules” means, collectively, the schedules of the Debtors’ assets and liabilities, the statement of the Debtors’ financial affairs and any other schedules and statements filed with the Bankruptcy Court pursuant to sections 521 or 1106 of the Bankruptcy Code or Bankruptcy Rule 1007, as such schedules and statements have been or may be amended and supplemented from time to time in accordance with Bankruptcy Rule 1009.

“Schedule of Assumed Contracts and Leases” means that certain schedule to be included in the Plan Supplement that identifies certain executory contracts and unexpired leases to be deemed assumed by the Debtors and assigned to the Reorganized Debtors pursuant to this Plan.

“Second Cash Distribution Deposit Account” means a bank account to be established by the Plan Administrator on or after the Effective Date, for the purpose of depositing such amount of the Reorganized Debtors’ cash on hand as is required under the Second Cash Distribution Installment Note.

“Second Cash Distribution Installment” means the Cash Distribution to be made to the holders of Allowed General Unsecured Claims pursuant to the Second Cash Distribution Installment Note.

“Second Cash Distribution Installment Note” means that certain secured promissory note to be issued on the Effective Date by ~~the respective Debtor (through the Plan Administrator)~~ Reorganized SSDA on a joint and several basis with all of the other Reorganized Subsidiary Debtors (and administered by the Plan Administrator), in favor of the Committee Representative on behalf of each holder of each Allowed General Unsecured Claim ~~against such Debtor~~ that elects to receive GUC Option A, for the purpose of memorializing ~~such Debtor’s~~ the Reorganized Subsidiary Debtors’ obligation to pay the Second Cash Distribution Installment on account of such electing holder’s Allowed General Unsecured Claim, the form of which Second

Cash Distribution Installment Note shall be included in the Plan Supplement, and the terms of which Second Cash Distribution Installment Note shall include, without limitation, (i) a maturity date of the earlier of (A) the eighteen (18) month anniversary of the Effective Date, and (B) the date that is six (6) months after payment in full of the Exit Facility pursuant to Section 2.2 of the Plan; (ii) grant by ~~the~~all of the Reorganized Subsidiary Debtors to such holder (by and through the Committee Representative) of a cross-collateralized security interest in all personal property of the Reorganized Subsidiary Debtors (which holder, by and through the Committee Representative, shall be authorized to file with the appropriate agencies such UCC-1 financing statements as are necessary to perfect such security interest pursuant to applicable law), and which security interest shall at all times (unless otherwise contested to by the holder thereof) be senior to any other security interest in any personal property of the Reorganized Subsidiary Debtors (other than the Exit Facility Liens, the New U.S. Bank Secured Term Note Liens, and any liens existing as of the Effective Date), and which shall terminate automatically upon payment in full of the Second Cash Distribution Installment Note; and (iii) reporting in favor of ~~the Plan Trust (and the Plan Administrator)~~, as collateral agent.

“**Secured Claim**” means a Claim (i) that is secured by a valid, duly perfected, enforceable, and non-avoidable lien on property in which any of the Debtors’ Estates has an interest, to the extent of the value, as of the Effective Date or such other date as is established by the Bankruptcy Court, of such Creditor’s interest in the applicable Debtor’s Estate’s interest in such property, as determined by a Final Order of the Bankruptcy Court or as otherwise agreed upon in this Plan by the Debtors and such Creditor; or (ii) that is secured by the amount of any valid non-avoidable right of setoff of the Creditor thereof pursuant to section 553 of the Bankruptcy Code.

“**Securities Act**” means the Securities Act of 1933, as amended, 15 U.S.C. § 77a, et seq., and all rules or regulations promulgated thereunder.

“**Series A Preferred Stock**” means those certain authorized, issued, and outstanding preferred shares of SSDI, of which 15,000 shares are held by HIG Binder, LLC, and 750 shares are held by one or more affiliates of D.E. Shaw Direct Capital Portfolios, L.L.C.

“**Series B Preferred Stock**” means those certain authorized, issued, and outstanding preferred shares of SSDI, of which 3,983.11 shares are held by Charles Binder, and 11,348.82 shares are held by Harry Binder.

“**SSA/VA Cases**” means the disability cases under programs operated by the Social Security Administration and the Department of Veterans Affairs that are managed by the Debtors as of immediately prior to the Effective Date, and which are managed by the Reorganized Debtors from and after the Effective Date.

“**SSDA**” means Binder & Binder – The National Social Security Disability Advocates LLC, a Delaware **limited liability company** and one of the Subsidiary Debtors.

“**SSDI**” means SSDI Holdings, Inc., a privately held Delaware corporation, which is the sole (100%) member of SSDA.

“**Stellus**” means Stellus Capital Investment Corporation.

**“Stellus Prepetition Claim”** means any and all Claims of Stellus (and any affiliate assignee(s) or designee(s) thereof) against the Debtors arising under or related to (i) that certain Investment Agreement dated as of August 27, 2010 by and among Binder & Binder – The National Social Security Disability Advocates LLC, a Delaware limited liability company, SSDI Holdings, Inc. a Delaware corporation, the other guarantors from time to time party thereto, the lenders party thereto and Stellus Capital Investment Corporation (as successor in interest to D. E. Shaw Direct Capital Portfolios, L.L.C.), in its capacity as administrative agent; (ii) that certain Note dated as of August 27, 2010 in the original principal amount of \$13,000,000, made by Binder & Binder – The National Social Security Disability Advocates LLC and made payable to Stellus Capital Investment Corporation (successor by assignment and allonge to DC Funding SPV, L.L.C., successor by assignment and allonge to D. E. Shaw Direct Capital Portfolios, L.L.C.), and any other documents executed in connection therewith.

**“Subsidiary Debtor”** means each of the Debtors other than SSDI.

**“Transition Advisor”** means the designee of Stellus which may be proposed by Stellus and identified in the Plan Supplement, for the purpose of assisting the Reorganized Debtors, the Plan Administrator, and the Reorganized Debtor Management Team, in connection with the implementation of any business transition measures not inconsistent with the Plan.

**“Unclaimed Property”** means any Cash, checks and other property to be distributed in respect of an Allowed Claim pursuant to this Plan, which was deemed unclaimed (i) on the date such property would have been distributed by Plan Administrator but such Distribution did not occur because the current address of such holder could not reasonably be determined by the Plan Administrator; or (ii) on the date such property was returned to the Plan Administrator as undeliverable without a proper forwarding address after having been properly distributed by the Plan Administrator.

**“United States Trustee”** means the Office of the United States Trustee for the Southern District of New York.

**“Voting Deadline”** means the date fixed by the Bankruptcy Court pursuant to the Disclosure Statement Approval Order as the last date upon which holders of Claims may vote to accept or reject the Plan.

~~**“Wind-Down”** means the wind-down of the Debtors’ Estates and businesses pursuant to the Plan.~~

~~**“Wind-Down Team”** means certain professionals and employees to be appointed by the Plan Administrator, with specific wind-down experience acceptable to Stellus and the Committee (such consent of the Committee not to be unreasonably withheld), to be engaged by the Plan Administrator on the Effective Date for the purpose of implementing the Wind-Down.~~

### Section 1.3 Rules of Interpretation

For purposes of this Plan, unless otherwise provided herein:



(i) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural;

(ii) each pronoun stated in the masculine, feminine, or neuter includes the masculine, feminine, and neuter;

(iii) any reference in this Plan to an existing document filed or to be filed means such document, as it may have been or may be amended, modified, or supplemented;

(iv) any reference in this Plan to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions;

(v) any reference in this Plan to an entity as a holder of a Claim or Equity Interest includes that entity's successors and assigns;

(vi) all references in this Plan to articles, sections, schedules, exhibits and supplements are references to the respective articles, sections, schedules, exhibits and supplements of or to this Plan, as the same may be amended, waived, or modified from time to time;

(vii) the words "herein", "hereunder", "hereof", "hereto" and other words of similar import refer to this Plan in its entirety rather than to a particular article, section, subsection, or clause of this Plan;

(viii) captions and headings in this Plan are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Plan;

(ix) subject to the provisions of any contract, certificate of incorporation, by-laws, instrument, release, or other agreement or document entered into in connection with this Plan, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and Bankruptcy Rules;

(x) whenever the words "include", "includes", or "including" are used in this Plan, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of similar import;

(xi) references in this Plan from or through any date mean from and including or through and including, respectively;

(xii) in the event that a particular term of the definitive documentation required to be implemented pursuant to the terms of this Plan or any settlement or other agreement contemplated hereunder is inconsistent with a particular term of this Plan, the definitive documentation shall govern and shall be binding on the parties thereto;

(xiii) to the extent that any schedule, exhibit or supplement to this Plan is inconsistent with the terms of this Plan, and unless otherwise provided herein or in the Confirmation Order, the terms of the schedule, exhibit or supplement shall govern;

(xiv) to the extent that the Confirmation Order is inconsistent with this Plan, the provisions of the Confirmation Order shall govern;

(xv) to the extent that the Confirmation Order is inconsistent with any schedule, exhibit or supplement to this Plan, the provisions of the Confirmation Order shall govern;

(xvi) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to this Plan;

(xvii) in computing any period of time prescribed or allowed by this Plan, the provisions of Bankruptcy Rule 9006 shall apply;

(xviii) in the event that any payment, Distribution, act or deadline under this Plan is required to be made or performed or occurs on a day that is not a Business Day, then the making of such payment or Distribution, the performance of such act or the occurrence of such deadline shall be deemed to be on the next succeeding Business Day, but shall be deemed to have been completed or have occurred as of the required date;

(xix) all references in this Plan to monetary figures shall refer to currency of the United States of America; and

(xx) because this Plan is the product of extensive negotiations between Stellus and the Committee, who were each represented by counsel who (i) participated in the formulation and documentation of this Plan; and (ii) were afforded the opportunity to review and provide comments on this Plan and the documents ancillary thereto, the general rule of contract construction known as contra preferentem shall not apply to the construction or interpretation of any provision of this Plan, or any contract, instrument, release, indenture, exhibit, or other agreement or document generated in connection therewith.

## ARTICLE 2

### ADMINISTRATIVE EXPENSE AND PRIORITY TAX CLAIMS

#### Section 2.1 Administrative Expense Claims

Except to the extent that a holder of an Allowed Administrative Expense Claim has been paid by a Debtor prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Administrative Expense Claim shall receive Cash from the ~~Debtor obligated for the payment of such Allowed Administrative Expense Claim~~ Reorganized Debtors in an amount equal to the Allowed amount of such Administrative Expense Claim on the later of the Effective Date and the date such Administrative Expense Claim becomes an Allowed Administrative

Expense Claim, or as soon thereafter as is practicable; provided, however, that Allowed Administrative Expense Claims representing liabilities incurred in the ordinary course of business by a Debtor or other obligations incurred by such Debtor shall be paid in full and performed by ~~such Debtor~~ the Reorganized Debtors in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

## **Section 2.2 Alternative DIP Facility Claims**

By agreement between the Alternative DIP Agent and the Debtors and in full and final satisfaction of all Claims of the Alternative DIP Agent under the Alternative DIP Facility, on the Effective Date, the Alternative DIP Facility shall be converted to, and replaced with, the Exit Facility, which Exit Facility shall include such terms and conditions as shall be set forth in the Exit Facility Documents, including, without limitation: (i) a maturity date of one year from the Payment Commencement Date, but not later than June 30, 2017; (ii) commencing on the Payment Commencement Date, scheduled amortization payments in the amount of \$400,000 per month, which amount shall be subject to potential reduction to the amount of \$200,000 per month, in the event the holders of Allowed Claims in Class 2 vote to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code; (iii) in addition to such scheduled amortization payments identified in (ii) immediately above, additional principal payments made from 100% of Excess Cash (until such time as the Exit Facility is repaid in full), which amount shall be subject to potential reduction to 70% of Excess Cash (until such time as the Exit Facility is repaid in full) in the event the holders of Allowed Claims in Class 2 vote to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code; (iv) 10.0% cash pay interest rate, payable monthly, which interest rate shall be subject to potential reduction to 7.5% in the event the holders of Allowed Claims in Class 2 vote to accept the Plan pursuant to section 1126(c) of the Bankruptcy Code; (v) customary covenants, reporting requirements, and events of default; (vi) an extension fee payable by the Debtors on the Effective Date to Stellus on account of the consent by the Alternative DIP Lender to the terms and conditions of the Plan including, without limitation, the conversion of the Alternative DIP Facility to the Exit Facility as provided in Section 2.2 of the Plan and the Exit Facility Documents, which extension fee shall be in an amount equal to all fees and expenses incurred by Stellus in connection with the negotiation, formulation, preparation, documentation, prosecution, and implementation of the Plan, and which extension fee shall be paid by the Debtors to Stellus as a condition to consummation of the Exit Facility and the Plan; (vii) for any taxable period in which Newco and any Reorganized Debtor is treated as a pass-through entity for U.S. federal income tax purposes, permitted distributions by the Reorganized Debtors to Newco and by Newco to the holders of the Newco Equity Interests, prior to payment in full of the Exit Facility and pursuant to the Newco Equity Documents, of cash in amounts sufficient to pay the federal, state, and local income tax liabilities of such holders of Newco Equity Interests attributable to the taxable income of Newco and the Reorganized Debtors that is passed through to such holders of the Newco Equity Interests; and (viii) certain other terms as may be agreed by the Alternative DIP Lender and reflected in the Exit Facility Documents, in the event the holders of Allowed Claims in Class 2 vote to accept the Plan.

**Section 2.3 Professional Compensation and Reimbursement Claims**

Other than a professional retained by the Debtors pursuant to the Ordinary Course Professional Order, any entity seeking an award of the Bankruptcy Court of compensation for services rendered and/or reimbursement of expenses incurred on behalf of the Debtors or the Creditors' Committee through and including the Effective Date under section 105(a), 363(b), 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code shall (i) file its final application for allowance of such compensation and/or reimbursement by no later than the date that is 30 days after the Effective Date or such other date as may be fixed by the Bankruptcy Court; and (ii) be paid by ~~or the Plan Administrator~~ on behalf of the ~~Debtor~~ Debtors in full and in Cash in the amounts Allowed upon (A) the date the order granting such award becomes a Final Order, or as soon thereafter as practicable, or (B) such other terms as may be mutually agreed upon by the claimant and the Plan Administrator ~~(on behalf of the Debtor obligated for the payment of such Allowed Claim). Subject to the Plan Trust Agreement, the~~ The Plan Administrator ~~is~~ on behalf of the Reorganized Debtors shall be authorized to pay compensation for professional services rendered and reimburse expenses incurred on behalf of the Reorganized Debtors and the Creditors' Committee (or the Committee Representative, as applicable) after the Effective Date in the ordinary course and without Bankruptcy Court approval.

**Section 2.4 Priority Tax Claims**

Except to the extent that a holder of an Allowed Priority Tax Claim has been paid by a Debtor prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim shall receive ~~Cash from the Debtor obligated for the payment of such Allowed Priority Tax Claim~~ from the Plan Administrator on behalf of the Debtors ~~Cash~~ in an amount equal to the Allowed amount of such Priority Tax Claim in accordance with sections 1129(a)(9)(C) and (D) of the Bankruptcy Code.

**ARTICLE 3**

**CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS**

**Section 3.1 Classification**

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, set forth below is a designation of Classes of Claims against and Equity Interests in the Debtors that specifies whether each Class is Impaired under the Plan.

<b>Class</b>	<b>Designation</b>	<b>Impairment</b>	<b>Voting Rights</b>
1	Priority Non-Tax Claims	Not Impaired	Deemed to Accept
2	First DIP Lender Secured Claims	Impaired	Entitled to Vote

3	Other Secured Claims	Not Impaired	Deemed to Accept
4	General Unsecured Claims	Impaired	Entitled to Vote
5	Intercompany Claims	Impaired	Deemed to Reject
6	Equity Interests	Impaired	Deemed to Reject

#### ARTICLE 4

### TREATMENT OF CLAIMS AGAINST AND EQUITY INTERESTS IN ~~SSDI~~ THE DEBTORS

#### Section 4.1 ~~SSDI~~ ~~Class 1 (Priority Non-Tax Claims)~~

(a) Impairment and Voting. ~~SSDI~~ Class 1 is not Impaired. The holders of Allowed Claims in ~~SSDI~~ Class 1 are conclusively presumed to have accepted the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that a holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full settlement, satisfaction, release and discharge of such Claim, Cash in an amount equal to the Allowed but unpaid portion of such Claim, on or as soon as reasonably practicable after, the later of (i) the Effective Date; (ii) the date such Claim becomes Allowed; and (iii) the date for payment provided by any agreement or understanding between the Reorganized Debtors or the Plan Administrator and the holder of such Claim.

(c)

#### Section 4.2 ~~SSDI~~ Class 2 (First DIP Lender Secured Claims)

(a) Impairment and Voting. Pursuant to the Final Alternative DIP Order, the First DIP Lender Secured Claims in ~~SSDI~~ Class 2 are subject to treatment under section 1129(b) of the Bankruptcy Code. ~~SSDI~~ Class 2 is Impaired. Each holder of an Allowed First DIP Lender Secured Claim in ~~SSDI~~ Class 2 is entitled to vote to accept or reject the Plan.

(b) Treatment.

(i) In the event that ~~SSDI~~ Class 2 votes to accept the Plan ~~by the requisite majority provided in~~ pursuant to section 1126(c) of the Bankruptcy Code, then in full and final settlement, satisfaction, and discharge of the Allowed First DIP Lender Secured Claims, each holder of an Allowed First DIP Lender Secured Claim in ~~SSDI~~ Class 2 shall receive on the Effective Date the New U.S. Bank Secured Term Note, the terms of which shall be set forth in the New U.S. Bank Secured Term Note Documents, and which shall include, without limitation, ~~;~~ (A) cash pay interest rate of ~~4.0% per annum;~~ ~~(B)~~ one-

month LIBOR plus 3.3% and subject to an interest rate cap of 4.25%, payable monthly, provided that upon an event of default under the New U.S. Bank Secured Term Note Documents, such interest rate shall convert to a rate based upon the prime rate, provided further that default interest under the New U.S. Bank Secured Term Note shall not exceed 2% over the otherwise applicable non-default interest rate; (B) commencing on the Payment Commencement Date, scheduled amortization payments in ~~an amount to be determined; (C) upon the Debtors' (through the Plan Administrator's)~~ the amount of \$200,000 per month, due on the last day of each month, which scheduled amortization payments shall increase to \$400,000 per month upon repayment in full of the Exit Facility ~~in full and completion of;~~ (C) receipt of 30% of Excess Cash and, at such time as the Exit Facility is repaid in full and the Second Cash Distribution Installment has been paid in full pursuant to the Plan, receipt of 100% of Excess Cash; (D) a maturity date of ~~three (3)~~ two and one-half (2.5) years from the ~~Effective Date~~ Payment Commencement Date, but in any event no later than December 31, 2018; (E) retention of the First DIP Liens, which First DIP Liens shall be junior to the priority of the Exit Facility Liens consistent with the relative priority of the First DIP Liens and the Alternative DIP Liens pursuant to the Final Alternative DIP Order, as shall be set forth in the Confirmation Order; and (F) customary and reasonable covenants, reporting requirements, and events of default. ~~In addition, in the event that the holders of the Allowed First DIP Lender Secured Claims in SSDI Class 2 vote to accept the Plan by the requisite majority provided in section 1126(e) of the Bankruptcy Code, then the First DIP Agent and the First DIP Lenders shall be deemed to be Released Parties under the Plan, including, without limitation, (x) a cross-default to the Exit Facility, and (y) inspection rights (including inspection of the Reorganized Debtors' offices and properties and review of the Reorganized Debtors' books and records at least once each calendar quarter, and with additional frequency following an event of default under the New U.S. Bank Secured Term Note Documents, provided, for the avoidance of doubt, prior to payment in full of the New U.S. Bank Secured Term Note pursuant to the Plan, and pursuant to the Newco Equity Documents and the New U.S. Bank Secured Term Note Documents, for any taxable period in which Newco and any Reorganized Debtor is treated as a pass-through entity for U.S. federal income tax purposes, distributions by the Reorganized Debtors to Newco and by Newco to the holders of the Newco Equity Interests of cash shall be permitted in amounts sufficient to pay the federal, state, and local income tax liabilities of such holders of Newco Equity Interests attributable to the taxable income of Newco and the Reorganized Debtors that is passed through to such holders of Newco Equity Interests; provided further, in connection with the inspections and reviews referenced in Section 4.2(b)(i)(F)(y) above, the agent under the New U.S. Bank Secured Term Facility Documents may retain a financial advisor at the sole cost and expense of the Reorganized Debtors subject to an annual cap (absent an event of default under the New U.S. Bank Secured Term Note Documents) of \$120,000; and (G) payment of any and all outstanding Existing Secured Parties Professional Fees (as defined in the Final Alternative DIP Order) of the holders of the Allowed First DIP Lender Secured Claims pursuant to Section 2.1 of the Plan, other than any such fees and expenses incurred by the holders of the Allowed First DIP Lender Secured Claims in objecting to entry of the Disclosure Statement Approval Order or the Confirmation Order, or seeking discovery in connection therewith.~~

In addition, in the event that the holders of the Allowed First DIP Lender Secured Claims in Class 2 vote to accept the Plan by the requisite majority provided in section 1126(c) of the Bankruptcy Code, then the First DIP Agent and the First DIP Lenders shall be deemed to be Released Parties under the Plan.

(ii) In the event that ~~SSDI~~ Class 2 votes to reject the Plan, then on the Effective Date and in full and final settlement, satisfaction, and discharge of the Allowed First DIP Lender Secured Claims, each holder of an Allowed U.S. Bank Secured Claim shall receive the New U.S. Bank Secured Term Note, the terms of which shall be set forth in the New U.S. Bank Secured Term Note Documents, and which shall include, without limitation, (A) an interest rate to be determined by the Bankruptcy Court pursuant to section 1129(b) of the Bankruptcy Code; (B) scheduled amortization payments, if any, in an amount to be determined by the Bankruptcy Court pursuant to section 1129(b) of the Bankruptcy Code and at such time as the Exit Facility has been paid in full; (C) upon the Reorganized Debtors' (through the Plan Administrator's) repayment of the Exit Facility in full and completion of the Second Cash Distribution Installment, receipt of 100% of Excess Cash; (D) a maturity date of three (3) years from the ~~Effective Date~~, Payment Commencement Date, and in any event no later than June 30, 2019; (E) retention of the First DIP Liens, which First DIP Liens shall be junior to the priority of the Exit Facility Liens consistent with the relative priority of the First DIP Liens and the Alternative DIP Liens pursuant to the Final Alternative DIP Order, as shall be set forth in the Confirmation Order, ~~and (F) such covenants, reporting requirements and events of default~~; and (F) such covenants, reporting requirements and events of default (if any) as required by the Bankruptcy Court; provided, for the avoidance of doubt, prior to payment in full of the New U.S. Bank Secured Term Note pursuant to the Plan, and pursuant to the Newco Equity Documents and the New U.S. Bank Secured Term Note, for any taxable period in which Newco and any Reorganized Debtor is treated as a pass-through entity for U.S. federal income tax purposes, distributions by the Reorganized Debtors to Newco and by Newco to the holders of the Newco Equity Interests of cash shall be permitted in amounts sufficient to pay the federal, state, and local income tax liabilities of such holders of Newco Equity Interests attributable to the taxable income of Newco and the Reorganized Debtors that is passed through to such holders of the Newco Equity Interests; provided further, for the avoidance of doubt, in the event that ~~SSDI~~ Class 2 votes to reject the Plan, the treatment provided in this Section 4.2(b)(ii) shall be subject to further modification pursuant to any Final Order entered by the Bankruptcy Court in respect of any Cause of Action asserted against the holder of the Allowed U.S. Bank Secured Claim; and provided further, for the avoidance of doubt, in the event that ~~SSDI~~ Class 2 votes to reject the Plan, no holder of an Allowed U.S. Bank Secured Claim in ~~SSDI~~ Class 2 shall be or shall be deemed to be a Released Party.

(iii)

**Section 4.3 SSDI  
Class 3 (Other Secured  
Claims)**

~~(a) — Impairment and Voting. SSDI Class 3 is not Impaired by the Plan. The holders of Allowed Claims in SSDI Class 3 are not entitled to vote to accept or reject the Plan.~~

~~(b) — Treatment. Except to the extent that a holder of an Allowed Other Secured Claim agrees to less favorable treatment, each holder of an Allowed Other Secured Claim (which shall be identified in a schedule in the Plan Supplement) shall receive in full settlement, satisfaction, release and discharge of such Claim, Cash in an amount equal to the Allowed but unpaid portion of such Claim, on or as soon as reasonably practicable after, the later of (i) the Effective Date, (ii) the date such Claim becomes Allowed, and (iii) the date for payment provided by any agreement or understanding between the Debtors or the Plan Administrator and the holder of such Claim.~~

**Section 4.4 — SSDI Class 4 (General Unsecured Claims)**

~~(a) — Impairment and Voting. SSDI Class 4 is Impaired by the Plan. Each holder of an Allowed Claim in SSDI Class 4 is entitled to vote to accept or reject the Plan.~~

~~(b) — Treatment. Except to the extent that a holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim in SSDI Class 4 that votes to accept the Plan shall be entitled to elect on its respective Ballot either “GUC Option A” and “GUC Option B” below, and regardless of such election, shall be entitled to receive its Pro Rata Distribution of the proceeds of all Causes of Action in accordance with the Plan Trust Agreement. **In the event that any holder of an Allowed General Unsecured Claim in SSDI Class 4 votes to accept the Plan but fails to elect either GUC Option A or GUC Option B on its Ballot, such holder shall be entitled to receive only GUC Option B under the Plan, and its Pro Rata Distribution of the proceeds of all Causes of Action in accordance with the Plan Trust Agreement. In the event that any holder of an Allowed General Unsecured Claim in SSDI Class 4 votes to reject the Plan, such holder shall be entitled to receive only GUC Option B under the Plan, and its Pro Rata Distribution of the proceeds of all Causes of Action in accordance with the Plan Trust Agreement.**~~

~~(i) — GUC Option A (Cash Distribution Option). In full any final settlement, satisfaction, and discharge of its respective Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim that elects GUC Option A in accordance with Section 4.4(b) of the Plan shall receive (A) its Pro Rata share of the Cash Distribution, with (x) one half of such Cash Distribution to be paid by the Plan Administrator from the Debtors’ cash on hand concurrently with the first Distribution to be made by the Plan Administrator under the Exit Facility pursuant to the Exit Facility Documents, and (y) the remaining one half of such Cash Distribution to be paid by the Plan Administrator from Excess Cash after payment in full of the Exit Facility and prior to any Distribution of Excess Cash on account of Allowed Claims in SSDI Class 2, and (B) the Second Cash Distribution Installment Note. In the event that SSDI Class 4 votes to accept the Plan by the requisite majority under 1126(e) of the Bankruptcy Code~~



~~(regardless of which option may be selected), then Stellus shall forego receipt of any Cash Distribution pursuant to GUC Option A on account of the Allowed Stellus Prepetition Claim.~~

~~(ii) — GUC Option B (Excess Cash Option). In full and final settlement, satisfaction, and discharge of its respective Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim that elects GUC Option B in accordance with Section 4.4(b) of the Plan shall (A) retain its respective Allowed General Unsecured Claim against the applicable Debtor obligated with respect thereto, in the full Allowed amount thereof; and (B) once the New U.S. Bank Secured Term Note has been paid in full, receive its Pro Rata share of the remaining SSDI Estate Assets, the timing and amounts of such Distribution or Distributions to be determined by the Plan Administrator in its reasonable discretion.~~

~~(iii) — Irrespective of the vote to accept or reject the Plan, or election between GUC Option A and GUC Option B, made by a holder of an Allowed General Unsecured Claim in SSDI Class 4, each such holder shall receive its Pro Rata Distribution of proceeds of all Causes of Action realized by any Debtor from and after the Effective Date, in accordance with the Plan and the Plan Trust Agreement.~~

#### ~~Section 4.5 — SSDI Class 5 (Intercompany Claims)~~

~~(a) — Impairment and Voting. Class 5 is Impaired by the Plan. Each holder of an Allowed Claim in Class 5 is not entitled to vote to accept or reject the Plan and is conclusively deemed to have rejected the Plan.~~

~~(b) — Treatment. All Intercompany Claims shall be deemed cancelled and discharged as of the Effective Date, and holders of such Claims shall not receive or retain any property or interest in property on account of such Claims.~~

#### ~~Section 4.6 — SSDI Class 6 (Equity Interests)~~

~~(a) — Impairment and Voting. SSDI Class 6 is Impaired by the Plan. Each holder of an Equity Interest in SSDI Class 6 is not entitled to vote to accept or reject the Plan and is conclusively deemed to have rejected the Plan.~~

~~(b) — Stock Exchange. On the Effective Date, all Existing Stock shall be cancelled and the Exchanged Stock shall be issued by SSDI to the Plan Trust which will hold such Exchanged Stock for the exclusive benefit of the holders of such former Existing Stock consistent with their former relative priority and economic entitlements as holders of Existing Stock. The Plan Trust shall allocate corresponding amounts of Plan Trust Interests to such holders of Existing Stock in accordance with the Plan Trust Agreement.~~

~~(c) — Distributions. Each holder of an Equity Interest in SSDI (through their interest in their corresponding Plan Trust Interests or otherwise) shall neither receive nor retain any Estate Assets or any direct interest in any Estate Assets of SSDI on account of such Equity Interests; provided, however, in the event that all Allowed Claims against SSDI have been satisfied in full in accordance with the Bankruptcy Code and the Plan, each holder of a cancelled Equity Interest~~

~~in SSDI may receive its Pro Rata share of any remaining assets of SSDI consistent with such holder's rights of payment existing immediately prior to the Commencement Date; provided, however, no such Distribution shall be made to the extent such holder is then subject to a Cause of Action. Unless otherwise determined by the Plan Administrator, on the date that SSDI's Chapter 11 Case is closed, the Exchanged Stock issued pursuant to subsection (b) above shall be deemed cancelled and of no further force and effect, provided that such cancellation does not adversely impact the Debtors' Estates.~~

~~(d) — Non Transferable. The Plan Trust Interests shall be nontransferable except by operation of law.~~

#### ~~Section 4.7 — Elimination of Vacant Classes~~

~~Any Class of Claims or Equity Interests in SSDI that is not populated as of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily allowed under Bankruptcy Rule 3018, or as to which no vote is cast, shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining the acceptance or rejection of this Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.~~

### ~~ARTICLE 5 —~~

#### ~~TREATMENT OF CLAIMS AGAINST AND EQUITY INTERESTS IN SUBSIDIARY DEBTORS~~

##### ~~Section 5.1 — Subsidiary Debtor Class 1 (Priority Non-Tax Claims)~~

~~(a) — Impairment and Voting. Subsidiary Debtor Class 1 is not Impaired by the Plan. The holders of Allowed Claims in Subsidiary Debtor Class 1 are conclusively presumed to have accepted the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.~~

~~(b) — Treatment. Except to the extent that a holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full settlement, satisfaction, release and discharge of such Claim, Cash in an amount equal to the Allowed but unpaid portion of such Claim, on or as soon as reasonably practicable after, the later of (i) the Effective Date, (ii) the date such Claim becomes Allowed, and (iii) the date for payment provided by any agreement or understanding between the Plan Administrator and the holder of such Claim.~~

##### ~~Section 5.2 — Subsidiary Debtor Class 2 (First DIP Lender Secured Claims)~~

~~(a) — Impairment and Voting. Pursuant to the Final Alternative DIP Order, the First DIP Lender Secured Claims in Subsidiary Debtor Class 2 are subject to treatment under section 1129(b) of the Bankruptcy Code. Subsidiary Debtor Class 2 is Impaired by the Plan. The holders of Allowed Claims in Subsidiary Debtor Class 2 are entitled to vote to accept or reject the Plan.~~

~~(b) — Treatment.~~

~~(i) — In the event that Subsidiary Debtor Class 2 votes to accept the Plan by the requisite majority provided in section 1126(e) of the Bankruptcy Code, then in full and final settlement, satisfaction, and discharge of the Allowed First DIP Lender Secured Claims, each holder of an Allowed First DIP Lender Secured Claim in Subsidiary Debtor Class 2 shall receive on the Effective Date the New U.S. Bank Secured Term Note, the terms of which shall be set forth in the New U.S. Bank Secured Term Note Documents, and which shall include, without limitation, (A) cash pay interest rate of 4.0% per annum; (B) scheduled amortization payments in an amount to be determined; (C) upon the Debtors' (through the Plan Administrator's) repayment of the Exit Facility in full and completion of the Second Cash Distribution Installment, receipt of 100% of Excess Cash; (D) a maturity date of three (3) years from the Effective Date; (E) retention of the First DIP Liens, which First DIP Liens shall be junior to the priority of the Exit Facility Liens consistent with the relative priority of the First DIP Liens and the Alternative DIP Liens pursuant to the Final Alternative DIP Order, as shall be set forth in the Confirmation Order; and (F) customary and reasonable covenants, reporting requirements, and events of default. In addition, in the event that the holders of the Allowed First DIP Lender Secured Claims in Subsidiary Debtor Class 2 vote to accept the Plan by the requisite majority provided in section 1126(e) of the Bankruptcy Code, then the First DIP Agent and the First DIP Lenders shall be deemed to be Released Parties under the Plan.~~

~~(ii) — In the event that Subsidiary Debtor Class 2 votes to reject the Plan, then on the Effective Date and in full and final settlement, satisfaction, and discharge of the Allowed First DIP Lender Secured Claims, each holder of an Allowed U.S. Bank Secured Claim shall receive the New U.S. Bank Secured Term Note, the terms of which shall be set forth in the New U.S. Bank Secured Term Note Documents, and which shall include, without limitation, (A) an interest rate to be determined by the Bankruptcy Court pursuant to section 1129(b) of the Bankruptcy Code; (B) scheduled amortization payments in an amount to be determined; (C) upon the Debtors' (through the Plan Administrator's) repayment of the Exit Facility in full and completion of the Second Cash Distribution Installment, receipt of 100% of Excess Cash; (D) a maturity date of three (3) years from the Effective Date; (E) retention of the First DIP Liens, which First DIP Liens shall be junior to the priority of the Exit Facility Liens consistent with the relative priority of the First DIP Liens and the Alternative DIP Liens pursuant to the Final Alternative DIP Order, as shall be set forth in the Confirmation Order; and (F) such covenants, reporting requirements and events of default as required by the Bankruptcy Court; provided, for the avoidance of doubt, in the event that Subsidiary Debtor Class 2 votes to reject the Plan, the treatment provided in this Section 5.2(b)(ii) shall be subject to further modification pursuant to any Final Order entered by the Bankruptcy Court in respect of any Cause of Action asserted against the holder of the Allowed U.S. Bank Secured Claim; provided further, for the avoidance of doubt, in the event that Subsidiary Debtor Class 2 votes to reject the Plan, no holder of an Allowed U.S. Bank Secured Claim in Subsidiary Debtor Class 2 shall be or shall be deemed to be a Released Party.~~

**~~Section 5.3 — Subsidiary Debtor Class 3 (Other Secured Claims)~~**

(a) Impairment and Voting. ~~Subsidiary Debtor~~ Class 3 is not Impaired by the Plan. The holders of Allowed Claims in ~~Subsidiary Debtor Class 3 are conclusively presumed to have accepted the Plan and, accordingly,~~ Class 3 are not entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that a holder of an Allowed Other Secured Claim agrees to less favorable treatment, each holder of an Allowed Other Secured Claim (which shall be identified in a schedule in the Plan Supplement) shall receive in full settlement, satisfaction, release and discharge of such Claim, Cash in an amount equal to the Allowed but unpaid portion of such Claim, on or as soon as reasonably practicable after, the later of (i) the Effective Date;<sub>2</sub> (ii) the date such Claim becomes Allowed;<sub>2</sub> and (iii) the date for payment provided by any agreement or understanding between the Reorganized Debtors or the Plan Administrator and the holder of such Claim.

### ~~Section 5.4—Subsidiary Debtor~~

#### Section 4.4 Class 4 (General Unsecured Claims)

(a) Impairment and Voting. ~~Subsidiary Debtor~~ Class 4 is Impaired by the Plan. Each holder of an Allowed ~~Claims~~ Claim in ~~Subsidiary Debtor~~ Class 4 is entitled to vote to accept or reject the Plan.

(b) Treatment. Except to the extent that a holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim in ~~Subsidiary Debtor~~ Class 4 that votes to accept the Plan shall be entitled to elect on its respective Ballot either “GUC Option A” and “GUC Option B” below, and regardless of such election, shall be entitled to receive its Pro Rata Distribution of the proceeds of all Causes of Action ~~in accordance with the Plan Trust Agreement.~~ **In the event that any holder of an Allowed General Unsecured Claim in ~~Subsidiary Debtor~~ Class 4 votes to accept the Plan but fails to elect either GUC Option A or GUC Option B on its Ballot, such holder shall be entitled to receive only GUC Option B under the Plan, and its Pro Rata Distribution of the proceeds of all Causes of Action ~~in accordance with the Plan Trust Agreement.~~ In the event that any holder of an Allowed General Unsecured Claim in ~~Subsidiary Debtor~~ Class 4 votes to reject the Plan, such holder shall be entitled to receive only GUC Option B under the Plan, and its Pro Rata Distribution of the proceeds of all Causes of Action in accordance with the Plan **Trust Agreement.****

(i) GUC Option A (Cash Distribution Option). In full and final settlement, satisfaction, and discharge of its respective Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim that elects GUC Option A in accordance with Section 5.4.4(b) of the Plan shall receive (A) its Pro Rata share of the Cash Distribution, with (x) one-half of such Cash Distribution to be paid by the Plan Administrator from the Reorganized Debtors’ cash on hand concurrently with the first Distribution to be made by the Plan Administrator under the Exit Facility pursuant to the Exit Facility Documents, and (y) the remaining one-half of such Cash Distribution to be paid by the Plan Administrator from Excess Cash after payment in full of the Exit Facility ~~and prior to any Distribution of Excess Cash on account of Allowed Claims in Subsidiary Debtor Class 2;~~<sub>2</sub> and (B) the Second Cash Distribution Installment Note. ~~In~~

~~the event that Subsidiary Debtor Class 4 votes to accept the Plan by the requisite majority under 1126(c) of the Bankruptcy Code (regardless of which option may be selected); then~~ For the avoidance of doubt, Stellus has elected GUC Option B on account of the Allowed Stellus Prepetition Claim, and accordingly Stellus shall forego receipt of any Cash Distribution pursuant to GUC Option A on account of the Allowed Stellus Prepetition Claim.

(ii) GUC Option B (~~Excess Cash~~ Newco Ownership / Residual Value Option). In full and final settlement, satisfaction, and discharge of its respective Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim that elects GUC Option B in accordance with Section 5.4.4(b) of the Plan shall ~~(A) retain, (A) on the Effective Date, (x) assign, cause to be assigned, or shall be deemed pursuant to the Confirmation Order to have assigned (as applicable),~~ its respective Allowed General Unsecured Claim ~~against the applicable Debtor obligated with respect thereto, in the full Allowed amount thereof~~ Newco pursuant to Section 5.2 of the Plan; and (y) receive from Newco in exchange for and on account of the assignment of such Allowed General Unsecured Claim its Pro Rata Distribution of Newco Equity Interests pursuant to Section 5.2 of the Plan; and (B) once the New U.S. Bank Secured Term Note has been paid in full pursuant to the Plan, receive, on account of its ownership of Newco Equity Interests, its Pro Rata ~~share of the remaining Subsidiary Debtor Estate Assets~~ Distribution of available cash (if any) of the Reorganized Debtors, the timing and amounts of such Distribution or Distributions (if any) to be determined by the Plan Administrator (on behalf of the Reorganized Debtors) in its reasonable discretion; in accordance with Section 5.3 of the Plan; provided, prior to payment in full of the New U.S. Bank Secured Term Note pursuant to the Plan, and pursuant to the Newco Equity Documents and the New U.S. Bank Secured Term Note Documents, for any taxable period in which Newco and any Reorganized Debtor is treated as a pass-through entity for U.S. federal income tax purposes, the holders of Newco Equity Interests shall be entitled to receive from the Reorganized Debtors (and the Plan Administrator on behalf of the Reorganized Debtors shall be permitted to make) distributions from the Reorganized Debtors' cash to Newco and from Newco to such holders of Newco Equity Interests in amounts sufficient to pay the federal, state, and local income tax liabilities of such holders of Newco Equity Interests attributable to the taxable income of Newco and the Reorganized Debtors that is passed through to such holders of Newco Equity Interests.

(iii) Irrespective of the vote to accept or reject the Plan, or election between GUC Option A and GUC Option B, made by a holder of an Allowed General Unsecured Claim in ~~Subsidiary Debtor~~ Class 4, each such holder shall receive its Pro Rata Distribution of proceeds of all Causes of Action realized by ~~any Debtor~~ the Reorganized Debtors or the Liquidating Trust from and after the Effective Date, in accordance with the Plan; provided, with respect to proceeds of Causes of Action allocable to holders of Allowed General Unsecured Claims in Class 4 that have elected to or are otherwise entitled or deemed to receive GUC Option B, such proceeds (if any) shall be retained by the Reorganized Debtors, included within the Reorganized Debtors' available cash for use in the Reorganized Debtors' businesses, and distributed by the Plan Administrator (on behalf of the Reorganized Debtors) in its reasonable discretion in accordance with Section 4.4(b)(ii)(B) and Section 5.3 of the Plan.

(iv)

**Section 4.5 ~~Section 5.5~~ ~~Subsidiary Debtor~~ Class 5 (Intercompany Claims)**

(a) Impairment and Voting. ~~Subsidiary Debtor~~ Class 5 is Impaired by the Plan. Each holder of an Allowed Claim in ~~Subsidiary Debtor~~ Class 5 is not entitled to vote to accept or reject the Plan and is conclusively ~~presumed~~ deemed to have rejected the Plan.

(b) Treatment. ~~All~~ Pursuant to Section 6.1 of the Plan, all Intercompany Claims shall be deemed cancelled and discharged as of the Effective Date, and holders of such Claims shall not receive or retain any property or interest in property on account of such Claims.

(c)

**Section 4.6 ~~Section 5.6~~ ~~Subsidiary Debtor~~ Class 6 (Equity Interests)**

(a) Impairment and Voting. ~~Subsidiary Debtor~~ Class 6 is Impaired by the Plan. Each holder of an Equity Interest in ~~Subsidiary Debtor~~ Class 6 is not entitled to vote to accept or reject the Plan and is conclusively deemed to have rejected the Plan.

(b) Treatment. On the Effective Date, all Equity Interests in ~~each Subsidiary Debtor~~ any of the Debtors shall be deemed cancelled ~~if and when the respective Subsidiary Debtor is dissolved in accordance with Section 6.4 of the Plan. Each holder of an Equity Interest in each Subsidiary Debtor shall neither~~ and terminated as of the Effective Date, and holders of any Equity Interest in any of the Debtors shall not receive ~~nor~~ or retain any ~~Estate Assets~~ property or ~~direct~~ interest ~~in any Estate Assets of such Subsidiary Debtor~~ on account of such Equity Interests thereafter; ~~provided, however, that in the event that all Allowed Claims against the respective Subsidiary Debtor have been satisfied in full in accordance with the Bankruptcy Code and the Plan, each holder of an Equity Interest in such Subsidiary Debtor may receive its Pro Rata share of any remaining assets in such Subsidiary Debtor~~ Interest.

**Section 4.7 ~~Section 5.7~~ Elimination of Vacant Classes**

Any Class of Claims or Equity Interests ~~in a Subsidiary Debtor~~ that is not populated as of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily allowed under Bankruptcy Rule 3018, or as to which no vote is cast, shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining the acceptance or rejection of this Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

**ARTICLE 5 ~~ARTICLE 6~~**

**IMPLEMENTATION OF THE PLAN**

**Section 5.1 Substantive Consolidation**

The Debtors shall be deemed to be substantively consolidated for the purposes of implementation and consummation of the Plan, including, without limitation, for purposes of

voting, confirmation and distribution. On an after the Effective Date, pursuant to the Confirmation Order, (i) all assets and liabilities of the Debtors shall be treated as though they were merged solely for purposes of implementation and consummation of the Plan; (ii) no Distribution shall be made under the Plan on account of any Claims or Equity Interests between and among any of the Debtors, as provided in Section 4.5 of the Plan; (iii) for all purposes associated with confirmation of the Plan, including, without limitation, for purposes of tallying acceptances and rejections of the Plan, the Estates of the Debtors shall be deemed to be one consolidated Estate; and (iv) each and every Claim filed or to be filed in the Chapter 11 Cases of the Debtors shall be deemed filed against the deemed substantively consolidated Debtors, and shall be Claims against and obligations of the deemed consolidated Debtors. As a result of this deemed substantive consolidation, any guaranty by one or more Debtors of the obligations of another Debtor will be eliminated.

The deemed substantive consolidation pursuant to this Section 5.1 of the Plan and the corresponding provisions of the Confirmation Order shall not affect: (i) the legal and organizational structure of the Debtors; (ii) pre and post-Commencement Date guarantees, liens, and security interests that are required to be maintained (A) under the Bankruptcy Code or in connection with contracts or leases that were entered into during the Chapter 11 Cases or executor contracts or unexpired leases that have been or will be assumed, or (B) pursuant to this Plan; (iii) distributions from any insurance policies or proceeds of such policies; (iv) the transfer on the Effective Date of all Causes of Action to the Liquidating Trust; or (v) the dissolution of SSDI after the Effective Date in accordance with the authority and discretion of the Plan Administrator as provided in Section 5.4 of the Plan.

## **Section 5.2 Restructuring Transactions**

(a) Formation of Newco. On the Effective Date, Newco shall be (i) formed by the holders of Allowed General Unsecured Claims that elect to receive GUC Option B pursuant to Section 4.4(b)(ii) of the Plan; (ii) in good standing in accordance with the governing laws of its applicable jurisdiction; and (iii) governed by, and be subject to, the Newco Equity Documents, which shall be in full force and effect.

(b) Ownership of Newco and the Reorganized Debtors. On the Effective Date, (i) each holder of an Allowed General Unsecured Claim (or its designee(s)) that elects to receive GUC Option B pursuant to Section 4.4(b)(ii) of the Plan shall assign (or cause to be assigned, or shall be deemed pursuant to the Confirmation Order to have assigned, as applicable) its respective Allowed General Unsecured Claim to Newco; (ii) Newco shall receive and accept any and all such assignments referred to in Section 5.2(b)(i) of the Plan, and in exchange therefor, Newco shall distribute on a Pro Rata basis all (100%) of the Newco Equity Interests to all such assigning creditors on account of their respective assigned Allowed General Unsecured Claims; (iii) upon and immediately after the closing of the Exit Facility, the New U.S. Bank Secured Term Note Documents, and the Second Cash Distribution Installment Note pursuant to the Plan, Reorganized SSDA shall issue all (100%) of the Reorganized SSDA Equity Interests to Newco; and (iv) Newco shall receive all (100%) of the Reorganized SSDA Equity Interests and, in exchange therefor, Newco shall voluntarily, fully, and finally release all such Allowed General Unsecured Claims assigned to it pursuant to Section 4.4(b)(i) and Section 5.2(b)(i) of the Plan.

Section 5.3 ~~Section 6.1~~ Plan Administrator

(a) Appointment. On the Effective Date, the Plan Administrator shall be vested with the authority described in ~~Section 6.1~~Section 5.3(b) of the Plan and in such other documentation as may be included in the Plan ~~Trust Agreement~~Supplement.

(b) Authority. The Plan Administrator shall have the authority and right on behalf of each of the Reorganized Debtors, without the need for Bankruptcy Court approval (unless otherwise indicated), to carry out and implement all provisions of the Plan, including, without limitation, to:

(i) except to the extent Claims have been previously Allowed, control and effectuate the Claims reconciliation process, including to object to, comprise or settle any and all Claims against the Debtors or the Reorganized Debtors subject to Bankruptcy Court approval;

(ii) make Distributions to holders of Allowed Claims in accordance with the Plan;

(iii) exercise its reasonable business judgment to direct and control the ~~Wind-Down~~, liquidation, sale and/or abandoning of ~~the any~~ assets of the Reorganized Debtors ~~under the Plan and~~ in accordance with applicable law as necessary to maximize Distributions to holders of Allowed Claims; provided, any liquidation, sale and/or abandonment of any material assets of the Reorganized Debtors shall be subject to prior approval of the Reorganized Debtor Board;

(iv) commence, prosecute, settle, or compromise any and all Causes of Action; provided, for the avoidance of doubt, any commencement, prosecution ~~(or, settlement, or compromise, or other resolution~~ (as applicable) of any material Cause of Action shall require the prior approval of a majority of the ~~Plan Trust Board, as shall be provided in the Plan Trust Agreement~~;

~~(v) — assume all rights and powers of the Debtors under the Bankruptcy Code and applicable law, including, without limitation, the exclusive right to assert and waive the Debtors' attorney-client and other applicable privileges in connection with any Cause of Action or otherwise, all of which rights and powers shall be automatically vested with the Plan Administrator on the Effective Date pursuant to the Plan, the Confirmation Order, and the Plan Trust Agreement~~Reorganized Debtor Board;

~~(v)~~ ~~(vi)~~ assist the Committee Representative in connection with its review of, and if warranted objection to, Professional Claims pursuant to Section 8.17.1 of the Plan;

~~(vi)~~ ~~(vii)~~ make payments on account of any Allowed Professional Claims awarded pursuant to a Final Order of the Bankruptcy Court;

~~(vii)~~ ~~(viii)~~ retain professionals to assist in performing its duties under the Plan;



(viii) ~~(ix)~~ appoint and oversee the ~~Wind-Down~~Reorganized Debtor Management Team;

(ix) ~~(x)~~ incur and pay reasonable and necessary expenses in connection with the performance of duties under the Plan, including the reasonable fees and expenses of professionals retained by the Plan Administrator;

(x) ~~(xi)~~ in consultation with the Reorganized Debtor Management Team, maintain the books, records, and accounts of the Reorganized Debtors;

(xi) ~~(xii)~~ oversee, and exercise exclusive control over, the Bank Accounts;

(xii) ~~(xiii)~~ in consultation with the Reorganized Debtor Management Team, invest Cash of the Reorganized Debtors, including any Cash proceeds realized from the liquidation of any assets of the Reorganized Debtors, ~~including~~ any Causes of Action, and any income earned thereon;

(xiii) ~~(xiv)~~ administer each ~~Debtor's~~of the Debtors' and the Reorganized Debtors' (as applicable) tax obligations; including, without limitation, (A) filing tax returns (including, without limitation, final tax returns for SSDI upon completion of the liquidation and dissolution of SSDI in accordance with the Plan) and paying tax obligations; (B) request, if necessary, an expedited determination of any unpaid tax liability of each Debtor or its Estate under Bankruptcy Code section 505(b) for all taxable periods of such Debtor ending after the Commencement Date through the ~~liquidation of such Debtor~~Effective Date as determined under applicable tax laws; and (C) represent the interest and account of each Debtor ~~or~~ its Estate, or any Reorganized Debtor before any taxing authority in all matters including, without limitation, any action, suit, proceeding or audit;

(xiv) ~~(xv)~~ prepare and file any and all informational returns, reports, statements, returns or disclosures relating to the Reorganized Debtors and Newco that are required hereunder, by any Governmental Unit or applicable law;

(xv) ~~(xvi)~~ pay statutory fees in accordance with ~~Section 13.3~~12.3 of the Plan;

~~(xvii) subject to approval of a majority of the Plan Trustees, determine whether to create a Liquidating Trust for certain assets of a Debtor and which assets to transfer to such Liquidating Trust;~~

(xvi) ~~(xviii)~~ after ~~the~~any Chapter 11 Case ~~of a Debtor~~ has been fully administered, seek authority from the Bankruptcy Court to close such ~~Debtor's~~ Chapter 11 Case in accordance with the Bankruptcy Code and the Bankruptcy Rules; and

(xvii) ~~(xix)~~ perform other duties and functions that are consistent with the implementation of the Plan.

(c) No Liability. The Plan Administrator shall have no liability whatsoever for any acts or omissions in its capacity as Plan Administrator to the Reorganized Debtors or holders of

Claims against or Equity Interests ~~in the Debtors~~ other than for gross negligence or willful misconduct of the Plan Administrator. Each of the Reorganized Debtors shall indemnify and hold harmless the Plan Administrator for any losses incurred in such capacity, except to the extent such losses were the result of the Plan Administrator's gross negligence, willful misconduct or criminal conduct.

~~**Section 6.2 — Wind-Down** By virtue of its ownership of the Exchanged Stock and pursuant to the terms and conditions of the Plan and the Plan Trust Agreement, the Plan Trust (and, the Plan Administrator on behalf thereof) shall exercise exclusive control of the Debtors' affairs and the Wind-Down, and shall enjoy and exercise such rights and powers with respect to the Debtors as set forth in the Plan and as shall be set forth in the Plan Trust Agreement. In furtherance and without limitation thereof, on and after the Effective Date, pursuant to the Plan, the Plan Administrator and the Wind-Down Team shall implement the Wind-Down, and shall sell and otherwise liquidate assets of the Debtors in accordance with the Plan and the Plan Trust Agreement. The Wind-Down, sale and liquidation of such Debtor's assets shall occur over a period of three years after the Effective Date.~~

~~**Section 6.3 — Governance of the Plan Trust** On the Effective Date, the Plan Trust Board shall be vested with the authority set forth herein, and shall oversee the affairs of the Plan Trust, as shall be further set forth in the Plan Trust Agreement.~~

**Section 5.4 Formation Documents and By-Laws; Corporate Existence of the Reorganized Debtors.** As of the Effective Date, the respective formation documents and by-laws of each Reorganized Debtor shall be deemed amended to the extent necessary to carry out the provisions of the Plan. The amended formation documents and by-laws of such Reorganized Debtor (if any), and the Newco Equity Documents, shall be contained in the Plan Supplement.

~~**Section 5.5 Section 6.4 Corporate Existence of Post-Effective Date Debtors**~~ **Potential Dissolution of Reorganized SSDI.** After the Effective Date, the Plan Administrator may decide to (i) maintain ~~each Debtor~~ SSDI as a corporation ~~or limited liability company~~ in good standing until such time as all aspects of the Plan pertaining to ~~such Debtor~~ SSDI have been completed; or (ii) at such time as the Plan Administrator considers appropriate and consistent with the implementation of the Plan pertaining to ~~such Debtor (such as, for example, after all Distributions have been made by the Plan Administrator pursuant to the Plan pertaining to such Debtor), dissolve such Debtor and complete the winding-up of such Debtor~~ SSDI, dissolve SSDI without the necessity for any other or further actions to be taken by or on behalf of ~~such dissolving Debtor or its shareholder or any payments to be made in connection therewith~~ SSDI or the holders of Equity Interests in SSDI cancelled pursuant to the Plan, subject to the filing of a certificate of dissolution with the appropriate governmental authorities; provided, that the foregoing does not limit the Plan Administrator's ability to otherwise abandon an interest in ~~a Debtor entity~~ SSDI if determined by the Plan Administrator to further the ~~Wind-Down of such Debtor's Estate.~~ implementation of the Plan.

~~**Section 6.5 — Formation Documents and By-Laws** As of the Effective Date, the respective formation documents and by-laws of each Debtor shall be deemed amended to the~~

~~extent necessary to carry out the provisions of the Plan. The amended formation documents and by-laws of such Debtor (if any) shall be contained in the Plan Supplement.~~

**Section 5.6** ~~**Section 6.6**~~ **Effectuating Documents and Further Transactions** ~~Upon entry.~~ As of the Confirmation Order Effective Date, each of the Reorganized Debtors ~~or, the Reorganized Debtor Management Team, and~~ the Plan Administrator ~~(as applicable)~~, shall be authorized and are instructed to execute, deliver, file or record such contracts, instruments, releases, consents, certificates, resolutions, programs and other agreements and documents and take such actions as may be reasonably necessary or appropriate to effectuate, implement, consummate and further evidence the terms and conditions of this Plan, including, without limitation, implementing all settlements and compromises as set forth in or contemplated by this Plan, amending and restating ~~the Debtors'~~ any Reorganized Debtor's constituent documents in accordance with the terms of this Plan, and performing all obligations under this Plan. As of the Effective Date, no member, partner or equity security holder of the Reorganized Debtors shall take any action that affects, alters or creates any additional or incremental liability for or imputed to the ~~Debtors~~ Reorganized Debtors. As of the Effective Date, the Reorganized Debtors shall be automatically substituted for the Debtors as a party to all contested matters, adversary proceedings, administrative proceedings and lawsuits, both within and outside of the Bankruptcy Court, involving the Debtors, Claims against the Debtors, the Causes of Action, and the resolution of Disputed Claims. The Reorganized Debtors shall carry out their other Effective Date responsibilities under the Plan, including the execution and delivery of all documentation contemplated by the Plan.

#### **ARTICLE 6**~~**ARTICLE 7**~~

#### **PROVISIONS REGARDING VOTING AND DISTRIBUTIONS UNDER THE PLAN**

**Section 6.1** ~~**Section 7.1**~~ **Voting of Claims**. Each holder of an Allowed Claim in an Impaired Class of Claims that is entitled to vote on the Plan shall be entitled to vote separately to accept or reject the Plan as provided in the Disclosure Statement Approval Order.

**Section 6.2** ~~**Section 7.2**~~ **Nonconsensual Confirmation**. If any Impaired Class of Claims entitled to vote on the Plan does not accept the Plan by the requisite majority provided in section 1126(c) of the Bankruptcy Code, the Proponents reserve the right to amend the Plan in accordance with Section 13.1012.8 of the Plan or undertake to have the Bankruptcy Court confirm the Plan under section 1129(b) of the Bankruptcy Code or both. With respect to Impaired Classes of Claims or Equity Interests that are deemed to reject the Plan, the Proponents shall request that the Bankruptcy Court confirm the Plan pursuant to section 1129(b) of the Bankruptcy Code.

**Section 6.3** ~~**Section 7.3**~~ **Distribution Record Date**. Except as otherwise provided in this Plan, as of 12:00 p.m. (prevailing Eastern time) on the Distribution Record Date, there shall be no further changes in the recordholders of any Claim against or Equity Interest in the Debtors, and the Debtors shall have no obligation to recognize any transfer of any Claim against or Equity Interest in the Debtors occurring after the Distribution Record Date.

**Section 6.4** ~~**Section 7.4**~~ **Distributions by the Plan Administrator**. On and after the Effective Date, the Plan Administrator shall, and shall cause the Reorganized Debtors and Newco (as applicable) to, make Distributions in accordance with the terms and provisions of the Plan. Except as otherwise provided herein or pursuant to agreement or understanding between

the Reorganized Debtors or the Plan Administrator and the holder of an Allowed Claim as of the Effective Date, all Distributions required to be made under this Plan with respect to Claims that are Allowed as of the Effective Date shall be made by the Plan Administrator from the Reorganized Debtors' cash on hand on the Effective Date, or as soon as reasonably practicable thereafter. Except as otherwise provided in this Plan or pursuant to agreement or understanding between the Plan Administrator and the holder of a Disputed Claim, if such Claim becomes Allowed after the Effective Date, the Plan Administrator shall make all Distributions with respect to such Claim on or as soon as reasonably practicable after the date on which such Claim becomes Allowed; provided, to the extent such Claim becomes Allowed after the Effective Date, no interest shall accrue or be payable with respect to such Allowed Claim or any Distributions related thereto.

Section 6.5 ~~Section 7.5~~ Disputed Claims Reserve. From and after the Effective Date, the Plan Administrator shall reserve from Cash Distributions to the holders of Allowed Claims in ~~SSDI Class 4 and Subsidiary Debtor~~ Class 4 such amount of Cash as reasonably determined by the Plan Administrator in light of the asserted dollar amount of Disputed Claims in ~~SSDI Class 4 and Subsidiary Debtor~~ Class 4 that, in the reasonable determination of the Plan Administrator, may ultimately become Allowed.

Section 6.6 ~~Section 7.6~~ Minimum Distribution and Manner of Payment. No payment of Cash of less than one-hundred dollars (\$100) shall be made by any Reorganized Debtor to any holder of an Allowed Claim against such Debtor unless a request therefor is made in writing to the Plan Administrator. Any payment of Cash made pursuant to the Plan may be made at the option of the Plan Administrator either by check or by wire transfer.

Section 6.7 ~~Section 7.7~~ Distributions Free and Clear. Except as otherwise provided herein, any Distributions under the Plan shall be free and clear of any Liens, Claims and encumbrances, and no other entity, including the Reorganized Debtors or the Plan Administrator, shall have any interest, legal, beneficial or otherwise, in assets transferred pursuant to the Plan.

**Section 6.8** ~~Section~~  
~~n~~ ~~7.8~~ **Delivery of**  
**Distributions and**  
**Undeliverable Distributions**

Subject to Bankruptcy Rule 9010, all Distributions to any holder of an Allowed Claim shall be made at the address of such holder as set forth on the Schedules filed with the Bankruptcy Court or on the books and records of the Reorganized Debtors or their agents or in a letter of transmittal unless the Plan Administrator has been notified in writing of a change of address, including, without limitation, by the filing of a proof of claim or interest by such holder that contains an address for such holder different from the address reflected on such Schedules for such holder.

The Plan Administrator shall hold all Unclaimed Property for the benefit of the holders of Claims entitled thereto under the terms of this Plan. The Plan Administrator shall use reasonable efforts to determine the current address of the holders of Claims entitled to Unclaimed Property,

but no Distribution to such holders shall be made unless and until the Plan Administrator has determined the then current address of such holders, at which time such Distribution shall be made to such holders without any interest thereon whatsoever, except as otherwise provided in this Plan.

Upon the conclusion of one hundred and twenty (120) calendar days following the date that any Cash or other property becomes Unclaimed Property, the holders of Allowed Claims theretofore entitled to such Unclaimed Property shall be deemed to have forfeited such property, whereupon (i) all rights and title to and interest in such Unclaimed Property shall immediately and irrevocably re-vest in the applicable Debtor for the benefit of holders of Allowed, but as yet not fully paid, Claims in the Class in which the applicable Claim was classified; (ii) such holders shall cease to be entitled to such Unclaimed Property or any further Distributions on account of such Claims; (iii) such Claims shall be deemed to be Disallowed and expunged to the extent of such forfeiture; and (iv) such Unclaimed Property shall be redistributed by the Plan Administrator Pro Rata to any Allowed Claims that remain unpaid, either in whole or in part, in the Class in which the applicable Claim was classified.

**Section 6.9 ~~Section~~  
~~n-7.9~~ Withholding and  
Reporting Requirements**

All Distributions under this Plan shall be subject to federal, state, local and foreign withholding taxes or other amounts required to be withheld under any applicable law and such amounts shall be deducted and withheld from any Distributions made pursuant to this Plan. All holders of Allowed Claims shall be required to provide to the Plan Administrator any information necessary to effectuate the withholding of such taxes. Notwithstanding the foregoing, each holder of an Allowed Claim that is to receive a Distribution shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit on account of such Distribution, including withholding tax obligations in respect of in-kind Distributions. The Plan Administrator shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including, without limitation, establishing any mechanisms the Plan Administrator believes is reasonable and appropriate, including, without limitation, requiring claimholders to submit appropriate tax withholding certifications. Any entity issuing an instrument or making an in-kind Distribution under this Plan has the right, but not the obligation, to refrain from making such Distribution until the entity to which the Distribution is to be made has made arrangements satisfactory to such issuing or disbursing entity for payment of any such tax obligation.

**Section 6.10 ~~Section~~  
~~n-7.10~~ Time Bar to Cash  
Payment Rights**

Checks issued by the Plan Administrator in respect of Allowed Claims shall be null and void if not presented for payment within one-hundred twenty (120) calendar days after the date of issuance thereof. Requests for reissuance of any check shall be made to the Plan Administrator (as applicable) by the holder of the Allowed Claim to whom such check originally was issued on or before thirty (30) calendar days after the expiration of the one-hundred twenty

(120) calendar day period following the date of issuance of such check. After such date, all funds held on account of such voided check shall be redistributed by the Plan Administrator as soon as reasonably practicable thereafter.

**Section 6.11** ~~Section~~  
~~n-7.11~~ **Setoffs and**  
**Recoupment** .

Except as otherwise provided in this Plan, or in an agreement approved by a Final Order of the Bankruptcy Court, the Plan Administrator may, pursuant to applicable law (including section 553 of the Bankruptcy Code), set off against any Distribution amounts related to any Claim before such Distribution is made on account of such Claim, any and all of the Claims (other than the Released Claims), rights and Causes of Action of any nature that the Debtors, their Estates, or the Reorganized Debtors may hold against the holder of such Claim; provided, however, that neither the failure to effect such a setoff, the allowance of any Claim hereunder, or any other act or omission of the Plan Administrator, nor any provision of this Plan, shall constitute a waiver or release by any Debtor, ~~any~~ Estate, Reorganized Debtor, or the Plan Administrator of any such Claims, rights and Causes of Action that the Debtor, any Estate, or the Plan Administrator, as applicable, may possess against such holder. To the extent that the Plan Administrator sets off a Claim of the Debtors' Estates against a holder of a Claim against the Debtors before a Distribution is made to the holder of such Claim against the Debtors pursuant to this Plan, the Plan Administrator shall be entitled to full recovery on the Debtors' Claim against such holder.

**Section 6.12** ~~Section~~  
~~n-7.12~~ **Allocation of Plan**  
**Distributions Between**  
**Principal and Interest** .

To the extent that any Allowed Claim entitled to a Distribution under this Plan is comprised of indebtedness and accrued but unpaid interest thereon, such Distribution shall be allocated first to the principal amount (as determined for United States federal income tax purposes) of such Claim, and then to accrued but unpaid interest.

**Section 6.13** ~~Section 7.13~~ **No Distribution in Excess of Allowed Amount of Claim**

Notwithstanding any other provision of this Plan, no holder of an Allowed Claim shall receive in respect of such Claim any Distribution in excess of the Allowed amount of such Claim.

**Section 6.14** ~~Section 7.14~~ **Distributions with Respect to Disputed Claims**

Notwithstanding any other provision of this Plan, no Distributions of any kind or nature shall be made with respect to any portion of a Disputed Claim unless and until all objections to such Claim have been settled or withdrawn or have been determined by Final Order of the Bankruptcy Court, and the Disputed Claim has become Allowed. Except as otherwise provided in this Plan, each holder of a Disputed Claim that becomes Allowed after the Effective Date shall receive an amount, without any interest thereon, that provides such holder with the same

percentage recovery, as of the Effective Date, as holders of Claims in the same Class that were Allowed on the Effective Date, subject to the setoff rights as provided in ~~Section 7.11~~Section 6.11 of this Plan. To the extent that a Disputed Claim is Disallowed or expunged, the holder of such Claim shall not receive or retain any property or interest in property on account of the portion of such Claim that is Disallowed or expunged.

**Section 6.15 ~~Section 7.15~~ Distributions with Respect to Defendants**

Notwithstanding any other provision of the Plan, the Plan Administrator shall withhold any and all Distributions on account of any portion of a Claim held by an entity (i) that is a defendant in any pending contested matter or adversary proceeding being prosecuted by the Plan Administrator or either of the Proponents; or (ii) against whom the Plan Administrator has asserted or, in its reasonable determination, may assert a Cause of Action.

**Section 6.16 ~~Section 7.16~~ Disputed Payments**

If any dispute arises as to the identity of a holder of an Allowed Claim that is to receive any Distribution under this Plan, the Plan Administrator may, in lieu of making such Distribution to such entity, make such Distribution into an escrow account until such dispute is resolved by Final Order of the Bankruptcy Court or by written agreement among the interested parties to such dispute, which written agreement is reasonably acceptable to the Plan Administrator.

**~~Section 7.17—Postpetition Interest on Claims~~**

~~To the extent that any Debtor holds remaining Cash after all Allowed Claims against that Debtor have been satisfied in full in accordance with the Plan, each holder of each such Allowed Claim shall receive its Pro Rata share of further Distributions, if any, to the fullest extent permissible under the Bankruptcy Code in satisfaction of postpetition interest on the Allowed amount of such Claims at the rate applicable in the contract or contracts on which such Allowed Claim is based (or, absent such contractual rate, at the statutory rate) until such time as all postpetition interest on all such Allowed Claims has been paid in full.~~

**~~Section 7.18—Timing of Deemed Release of Allowed Claims~~**

~~Except as otherwise expressly provided in this Plan and notwithstanding anything herein to the contrary, each Allowed Claim that receives a Distribution under the Plan shall be deemed to be fully and finally released by the respective holder thereof on the date that all Distributions have been made by the Plan Administrator under the Plan, and the Chapter 11 Cases are closed pursuant to a final decree entered by the Bankruptcy Court.~~

**ARTICLE 7~~ARTICLE 8~~**

**DISPUTED CLAIMS AND EQUITY INTERESTS**

**Section 7.1 ~~Section 8.1~~ Objections to Claims and Equity Interests**

As of the Effective Date, the Plan Administrator on behalf of the Reorganized Debtors, and the Committee Representative, shall have the right to file and prosecute objections to, and



negotiate, settle or otherwise resolve, any and all Claims (including Professional Claims) and Equity Interests; ~~provided, the Committee Representative shall also have the authority, and~~ to object to any applications for final allowance of Professional Claims on or before the Professional Claims Objection Deadline. Except as otherwise provided herein, any objection to a Claim or Equity Interest shall be filed and served upon the holder of such Claim or Equity Interest on or before the Claims Objection Deadline or the Professional Claims Objection Deadline, as applicable. The Claims Objection Deadline may be extended by order of the Bankruptcy Court upon motion of the Plan Administrator or either of the Proponents and notice and a hearing. Notwithstanding any authority to the contrary, an objection to a Claim or Equity Interest shall be deemed properly served on the holder of such Claim or Equity Interest if service is made in any of the following manners: (i) in accordance with rule 4 of the Federal Rules of Civil Procedure, as modified and made applicable by Bankruptcy Rule 7004; (ii) by first class mail, postage prepaid, on any counsel that has appeared on behalf of the holder of such Claim or Equity Interest in the Chapter 11 Cases and has not withdrawn such appearance; (iii) by first class mail, postage prepaid, on the signatory on the respective proof of claim or interest or other representative identified on the proof of claim or interest or any attachment thereto; or (iv) at the last known address of the holder of such Claim or Equity Interest if no proof of claim is filed or if the Plan Administrator has been notified in writing of a change of address.

### Section 7.2 ~~Section 8.2~~ Estimation of Claims

As of the Effective Date, the Plan Administrator on behalf of the Reorganized Debtors, and the Committee Representative, shall have the right to request at any time that the Bankruptcy Court estimate any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code, for any reason or purpose, regardless of whether an objection has been previously filed with respect to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim including, without limitation, during the pendency of any appeal relating to any such objection. All of the aforementioned objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or otherwise resolved by any mechanism set forth in this Plan or approved by the Bankruptcy Court. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any holder of a Claim that has been estimated be entitled to seek reconsideration of the estimation of such Claim unless the holder of such Claim has filed a motion requesting the right to seek such reconsideration on or before thirty (30) calendar days after the date such Claim is estimated by the Bankruptcy Court.

### Section 7.3 ~~Section 8.3~~ Late-Filed Claims and Amendments to Claims

Pursuant to section 502(b)(9) of the Bankruptcy Code, any Claim that is not filed on or before the applicable deadline to file such Claim shall be Disallowed and expunged in full as of the Effective Date without any action required of the Plan Administrator, either of the Proponents, or the Bankruptcy Court.

On or after the applicable deadline to file a Claim, the holder of such Claim must obtain prior authorization from the Bankruptcy Court to file or amend such Claim. Any new or amended Claim filed after the applicable deadline to file such Claim without such prior

authorization will not appear on the register of claims and will be deemed Disallowed and expunged in full without any action required of the Plan Administrator, either of the Proponents, or the Bankruptcy Court.

**Section 7.4 ~~Section 8.4~~ Settlement of Disputed Claims**

Except as otherwise expressly provided in this Plan and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, from and after the Effective Date, the Plan Administrator on behalf of the Reorganized Debtors, and the Committee Representative, shall have the authority to compromise, settle, or otherwise resolve all Claims, rights, Causes of Action, suits and proceedings, whether in law or in equity, whether known or unknown, that the Debtors' Estates may hold against any entity, without the necessity for notice to or approval by the Bankruptcy Court or any other party in interest; provided, for the avoidance of doubt, any proposed settlement, compromise, or resolution of any material Cause of Action (which, for the avoidance of doubt, shall include any action commenced or which could be commenced by the Creditors' Committee (or the Committee Representative, as applicable) derivatively and on behalf of the Debtors' Estates against the First DIP Agent or any First DIP Lender), shall require the prior approval of a majority of the ~~Plan Trust Board, in accordance with Section 6.1(b)(iv) of the Plan and as shall be provided in the Plan Trust Agreement~~ Reorganized Debtor Board; provided further, from and after the Effective Date, the Reorganized Debtor Board shall be vested with the authority to instruct the Plan Administrator to compromise, settle, or otherwise resolve any and all Claims, rights, Causes of Action, suits and proceedings, whether in law or in equity, whether known or unknown, that the Debtors' Estates or the Reorganized Debtors may hold against any entity, without the necessity for notice to or approval by the Bankruptcy Court (unless otherwise required pursuant to an existing order of the Bankruptcy Court) or any other party in interest.

**ARTICLE 8 ~~ARTICLE 9~~**

**EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**Section 8.1 ~~Section 9.1~~ Assumption and Rejection of Executory Contracts and Unexpired Leases**

(a) Assumption of Executory Contracts and Unexpired Leases

All executory contracts and unexpired leases listed on the Schedule of Assumed Contracts and Leases shall be deemed automatically assumed ~~(and if by the applicable, Debtor and assigned)~~ to the applicable Reorganized Debtor pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code effective as of and subject to the occurrence of the Effective Date, except for those executory contracts or unexpired leases that (i) have already been assumed, assigned or rejected pursuant to a Final Order of the Bankruptcy Court; (ii) are not capable of assumption pursuant to section 365(c) of the Bankruptcy Code; or (iii) have previously expired or terminated pursuant to their own terms (and not otherwise extended).

To the extent any provision in any executory contract or unexpired lease assumed pursuant to this Plan (including, without limitation, any "change of control" provision) restricts

or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the applicable Debtor's assumption and/or assignment of such executory contract or unexpired lease, then such provision shall be deemed modified such that the transactions contemplated by this Plan shall not entitle the non-Debtor party thereto to terminate such executory contract or unexpired lease or to exercise any other default-related rights with respect thereto.

Modifications, amendments, supplements and restatements to prepetition executory contracts and unexpired leases that have been executed by the Debtors during the Chapter 11 Cases and actions taken in accordance therewith, (i) do not alter in any way the prepetition nature of the executory contracts and unexpired leases, or the validity, priority or amount of any Claims against the Debtors that may arise under such executory contract or unexpired lease; (ii) are not and do not create postpetition contracts or leases; (iii) do not elevate to Administrative Expense Claims any Claims of the counterparties to the executory contracts and unexpired leases against any of the Debtors; and (iv) do not entitle any entity to a Claim under any section of the Bankruptcy Code on account of the difference between the terms of any prepetition executory contracts or unexpired leases and subsequent modifications, amendments, supplements or restatements.

(b) Rejection of Remaining Executory Contracts and Unexpired Leases

All executory contracts and unexpired leases to which any of the Debtors is a party, shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code effective as of and subject to the occurrence of the Effective Date, except for those executory contracts or unexpired leases that (i) have already been rejected pursuant to a Final Order of the Bankruptcy Court; (ii) have previously expired or terminated pursuant to their own terms (and not otherwise extended); or (iii) are specifically designated as a contract or lease to be assumed on the Schedule of Assumed Contracts and Leases. Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejections and a finding that such rejected executory contracts or unexpired leases are burdensome and that the rejection thereof is in the best interests of the Debtors and their Estates.

(c) The Schedule of Assumed Contracts and Leases

The Schedule of Assumed Contracts and Leases shall be included in the Plan Supplement and shall represent the Proponents' then-current good faith belief regarding the intended treatment of all executory contracts and unexpired leases listed thereon. The Proponents reserve the right, on or prior to 3:00 p.m. (prevailing Eastern time) on the Business Day immediately prior to the commencement of the Confirmation Hearing, (i) to amend the Schedule of Assumed Contracts and Leases in order to add or delete any executory contract or unexpired lease or amend a proposed assignment; and (ii) to amend the Proposed Cure with respect to any executory contract or unexpired lease previously listed as to be assumed; provided, however, that if the Confirmation Hearing is adjourned for a period of more than two consecutive calendar days, such amendment right shall be extended to 3:00 p.m. (prevailing Eastern time) on the Business Day immediately prior to the rescheduled or contingent Confirmation Hearing, and this proviso shall apply in the case of any and all subsequent adjournments of the Confirmation Hearing; ~~provided further, however, the Plan Administrator may remove or add any executory contract or unexpired lease from or to the Schedule of Assumed Contracts and Leases until the~~

~~date that is one hundred twenty (120) days after the Effective Date, subject to the right of the Plan Administrator to seek an extension of such deadline upon motion to the Bankruptcy Court.~~

Unless otherwise specified in the Schedule of Assumed Contracts and Leases, each executory contract and unexpired lease listed on such schedule, shall include all (i) modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affects such executory contract or unexpired lease; and (ii) easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, usufructs, reciprocal easement agreements, vault, tunnel or bridge agreements or franchises, and any other interests in real estate or rights in rem relating to such premises, unless any of the foregoing agreements has been rejected pursuant to a Final Order of the Bankruptcy Court.

(d) Exhibits Not Admissions

The exclusion of a contract, lease or other agreement in the Schedule of Assumed Contracts and Leases shall not constitute an admission by the Debtors as to the characterization of whether any such contract, lease, or other agreement is, or is not, an executory contract or unexpired lease or whether any parties to any such contract, lease or other agreement are time-barred from asserting Claims against the Debtors or that any Debtor has any liability thereunder. The Proponents reserve all rights with respect to the characterization of any such contracts, leases or other agreements.

Section 8.2 ~~Section 9.2~~ **Cure of Defaults**

Any monetary defaults under each executory contract and unexpired lease to be assumed under this Plan shall be satisfied pursuant to section 365(b)(1) of the Bankruptcy Code, (i) by payment of the default amount from the Reorganized Debtors' cash on hand on the Effective Date or as soon as reasonably practicable thereafter; or (ii) on such other terms as agreed to by the Debtors, the Reorganized Debtors, or the Plan Administrator, upon approval by either of the Proponents, and the parties to such executory contract or unexpired lease. With the exception of such payment of a Cure, if any, the Debtors or the Reorganized Debtors are not required to make any payment or take any other action in order to satisfy the requirements of section 365(b) of the Bankruptcy Code with regard to the executory contracts and unexpired leases being assumed under this Plan. No Cure shall be allowed with respect to a penalty rate or default rate of interest, each to the extent not allowed under the Bankruptcy Code or applicable law.

The Schedule of Assumed Contracts and Leases lists the Proposed Cure for each executory contract or unexpired lease to be assumed under this Plan. The Proposed Cures set forth on the Schedule of Assumed Contracts and Leases shall be final and binding on all non-Debtor parties to the respective executory contract or unexpired lease, and shall not be subject to further dispute or audit based on performance prior to the time of assumption, irrespective of the terms and conditions of such executory contracts or unexpired leases, unless an objection to such Proposed Cure is timely-filed and properly-served pursuant to Section 9.48.4 below. In the event of a dispute with respect to the assumption and/or assignment of any executory contract or unexpired lease or the amount of the respective Proposed Cure, payment of the Cure, if any, shall be made following the entry of a Final Order by the Bankruptcy Court resolving the dispute and

approving assumption (and, if applicable, assignment) of such executory contract or unexpired lease. If no such objection is filed, the Proposed Cure shall be deemed to satisfy fully any obligations the Debtors or the Reorganized Debtors might have with respect to such executory contract or unexpired lease under section 365(b) of the Bankruptcy Code.

**Section 8.3 ~~Section 9.3~~ Assignment**

To the extent provided under the Bankruptcy Code or other applicable law, any executory contract or unexpired lease assumed and assigned pursuant to this Plan shall remain in full force and effect for the benefit of the assignee in accordance with its terms, notwithstanding any provision in such executory contract or unexpired lease (including those of the type described in section 365(b)(2) of the Bankruptcy Code) that prohibits, restricts or conditions such assignment. To the extent provided under the Bankruptcy Code or other applicable law, any provision that prohibits, restricts or conditions the assignment of any such executory contract or unexpired lease or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or unexpired lease to terminate, modify, recapture, impose any penalty, condition renewal or extension or modify any term or condition upon any such assignment constitutes an unenforceable anti-assignment provision and is void and of no force or effect.

**Section 8.4 ~~Section 9.4~~ Objections to Rejection, Assumption, Assignment or Cure**

Any non-Debtor party to an executory contract or unexpired lease that wishes to object to the rejection, assumption, assignment of, or Proposed Cure related to, such executory contract or unexpired lease, must file an objection with the Bankruptcy Court by the Confirmation Objection Deadline and serve such objection on (i) counsel to each Proponent; and (ii) counsel to the Debtors. Any objection to the Proposed Cure set forth on the Schedule of Assumed Contracts and Leases shall state with specificity the Cure amount the objecting party believes is required and provide appropriate documentation in support thereof.

**THE FAILURE TO PROPERLY FILE AND SERVE AN OBJECTION TO THE DEBTORS' REJECTION, ASSUMPTION, ASSIGNMENT OR PROPOSED CURE ON OR BEFORE THE CONFIRMATION OBJECTION DEADLINE SHALL RESULT IN THE NON-DEBTOR PARTY TO THE APPLICABLE EXECUTORY CONTRACT OR UNEXPIRED LEASE BEING (A) DEEMED TO CONSENT TO SUCH REJECTION, ASSUMPTION, ASSIGNMENT OR PROPOSED CURE; (B) BARRED, ESTOPPED AND PERMANENTLY ENJOINED FROM (I) OBJECTING TO SUCH REJECTION, ASSUMPTION, ASSIGNMENT OR PROPOSED CURE AND PRECLUDED FROM BEING HEARD AT THE CONFIRMATION HEARING WITH RESPECT TO SUCH OBJECTION, (II) ASSERTING AGAINST THE DEBTORS, THEIR ESTATES, ANY OF THE DEBTORS' PROPERTY, THE REORGANIZED DEBTORS, THE PLAN ADMINISTRATOR, OR ANY OF THE RELEASED PARTIES, ANY DEFAULT EXISTING AS OF THE EFFECTIVE DATE OR ANY COUNTERCLAIM, DEFENSE, SETOFF OR ANY OTHER INTEREST, AND (III) IMPOSING OR CHARGING AGAINST THE DEBTORS, THEIR ESTATES, ANY OF THE DEBTORS' PROPERTY, THE REORGANIZED DEBTORS, THE PLAN ADMINISTRATOR, OR ANY OF THE RELEASED PARTIES, ANY ACCELERATIONS, ASSIGNMENT FEES, INCREASES**

**OR ANY OTHER FEES AS A RESULT OF ANY ASSUMPTION OR ASSIGNMENT PURSUANT TO THIS PLAN; AND (C) DEEMED TO WAIVE ANY RIGHT TO RECEIVE A CURE OTHER THAN THE PROPOSED CURE SET FORTH IN THE SCHEDULE OF ASSUMED CONTRACTS AND LEASES.**

With respect to any timely-filed and properly-served objection to the Debtors' proposed rejection, assumption, assignment or Proposed Cure, the Proponents may, in their sole discretion, (i) settle or otherwise resolve such objection; (ii) respond to such objection (in which case the Bankruptcy Court shall decide such objection at the Confirmation Hearing); or (iii) remove the particular agreement from the Schedule of Assumed Contracts and Leases (if applicable).

Notwithstanding anything in the foregoing to the contrary, with respect to any contract, lease or other agreement that is subject to litigation or a proceeding in which the characterization of such contract, lease or agreement is an issue and that is pending as of the commencement of the Confirmation Hearing, the Debtors shall have thirty (30) calendar days after the entry of a Final Order by the Bankruptcy Court resolving the litigation or proceeding to assume or reject such contract, lease or agreement.

**Section 8.5 ~~Section 9.5~~ Rejection Damage Claims**

All Rejection Damage Claims shall be treated as General Unsecured Claims and shall be classified in ~~SSDI Class 4 or Subsidiary Debtor~~ Class 4, as applicable, and may be objected to in accordance with the provisions of Section 8.4.7.1 of this Plan and the applicable provisions of the Bankruptcy Code and the Bankruptcy Rules. Any holder of a Rejection Damage Claim that ultimately becomes Allowed shall be entitled to receive its applicable Distribution under this Plan as an Allowed General Unsecured Claim in accordance with Section 4.4 ~~and Section 5.4, as applicable,~~ of the Plan.

All proofs of claim with respect to Rejection Damage Claims must be filed with the Bankruptcy Court and served on the Debtors on or before the later of (i) the deadline to file such claims set forth in the Bar Date Order; and (ii) the first business day that is thirty (30) calendar days after entry of an order authorizing the rejection of the respective executory contract or unexpired lease, including the Confirmation Order with respect to the executory contracts and unexpired leases rejected pursuant to this Plan.

**THE FAILURE TO PROPERLY FILE AND SERVE A PROOF OF CLAIM WITH RESPECT TO A REJECTION DAMAGE CLAIM BY THE DEADLINES SET FORTH IN THIS ARTICLE 9, AS APPLICABLE, SHALL RESULT IN SUCH CLAIM BEING DEEMED FOREVER BARRED, DISALLOWED AND DISCHARGED AS OF THE EFFECTIVE DATE AUTOMATICALLY WITHOUT THE NEED FOR ANY OBJECTION FROM THE PROPONENTS, THE DEBTORS, OR THE PLAN ADMINISTRATOR OR ANY ACTION BY THE BANKRUPTCY COURT.**

~~ARTICLE 9~~ **ARTICLE 10**

**EFFECT OF CONFIRMATION**

**Section 9.1 ~~Section 10.1~~ Vesting of Assets**

Upon the Effective Date, pursuant to section 1141(b) and (c) of the Bankruptcy Code, all Estate Assets of a Debtor shall automatically vest in ~~that Debtor~~ the Reorganized Debtors free and clear of all Claims, Liens, encumbrances, charges and other interests, except as expressly provided herein; ~~provided, for the avoidance of doubt, on the Effective Date, and unless otherwise approved by a majority of the Plan Trust Board after the Effective Date pursuant to the Plan Trust Agreement, (i) the assets of the Plan Trust shall consist solely and exclusively of the Exchanged Stock; and (ii) no Liquidating Trust shall be created by the Plan Administrator.~~ From and after the Effective Date, the Reorganized Debtors, acting through the Plan Administrator (and, as directed by the Plan Administrator, the Reorganized Debtor Management Team), may take any action, including, without limitation, the operation of the businesses, the use, acquisition, sale, lease and disposition of property, and the entry into transactions, agreements, understandings or arrangements whether in or other than in the ordinary course of business, and execute, deliver, implement, and fully perform any and all obligations, instruments, documents, and papers or otherwise in connection with any of the foregoing, free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if there were no pending cases under any chapter or provision of the Bankruptcy Code, except as explicitly provided herein.

**Section 9.2 ~~Section 10.2~~ Injunction**

Except as otherwise provided in this Plan, on the Effective Date, all holders of Claims against and Equity Interests in the Debtors or their Estates shall be precluded and enjoined from asserting against the Debtors, their Estates, their successors and assigns, or any of their assets or property, whether in the possession of the Debtors, the Reorganized Debtors, the Liquidating Trust, the Plan Administrator, the Reorganized Debtor Management Team, or a transferee of such property under this Plan, (i) any such Claim against or Equity Interest in the Debtors, by any means, including, without limitation, (a) commencing or continuing, in any matter or in any place, any action or other proceeding of any kind with respect to any such Claim or Equity Interest, (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Debtors or their Estates with respect to such Claim or Equity Interest, (c) creating, perfecting or enforcing any lien or encumbrance of any kind against the Debtors or their Estates or against property or interests in property of the Debtors or their Estates with respect to such Claim or Equity Interest, or (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtors or their Estates or against the property or interests in property of the Debtors or their Estates with respect to such Claim or Equity Interest; and (ii) any other or further Claim or Equity Interest based upon any document, instrument, act, omission, transaction or other activity of any kind or nature that occurred on or before the Effective Date, whether or not such holder has filed a proof of such Claim or Equity Interest and whether or not the facts or legal bases therefore were known or existed prior to the Effective Date; provided, however, that nothing contained herein shall preclude such entity from exercising their rights pursuant to and

**consistent with the terms of this Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered under or in connection with this Plan.**

**Section 9.3 ~~Section 10.3~~-Injunction Against Interference with Plan**

Except as otherwise provided in this Plan, upon entry of the Confirmation Order, all holders of Claims against or Equity Interests in any of the Debtors, and other parties in interest, along with any current or former officers, directors, employees, agents, representatives, partners, limited partners, members, trustees, managers, affiliates, parents, subsidiaries, attorneys, auditors, appraisers, accountants, financial advisors, investment bankers, consultants, or other professionals of any of the foregoing and any entity controlling or controlled by any of the foregoing and any predecessors, successors and assigns of any of the foregoing, shall be enjoined from seeking to oppose, delay, interfere or otherwise frustrate implementation or consummation of this Plan, including, without limitation, taking any action whatsoever that changes, alters, modifies or expands the tax filing status of any of the Debtors, taking any action in violation of the injunction imposed pursuant to Section 10.29.2 of the Plan, and any such action or omission shall be void ab initio.

**Section 9.4 ~~Section 10.4~~-Term of Injunctions or Stays Arising Under or Entered During the Chapter 11 Cases**

Unless otherwise provided in the Plan, (i) all injunctions with respect to or stays against an action against property of the Debtors' Estates arising under or entered during the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code, and in existence on the Confirmation Date, shall remain in full force and effect until such property is no longer property of the Debtors' Estates; and (ii) all other injunctions and stays arising under or entered during the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code shall remain in full force and effect until the earliest of (A) the date that the Chapter 11 Cases are closed pursuant to a Final Order of the Bankruptcy Court; or (B) the date that the Chapter 11 Cases are dismissed pursuant to a Final Order of the Bankruptcy Court.

**Section 9.5 ~~Section 10.5~~-Exculpation**

To the fullest extent permissible under applicable law, except as otherwise provided in this Plan, none of the Released Parties, or any of such parties' successors and assigns, or any of the Debtors' ~~representatives or attorneys~~, financial advisors, officers, or other representatives acting in such capacity, shall have or incur any liability to, or be subject to any right of action by, any holder of a Claim against or Equity Interest in any of the Debtors, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, or attorneys ~~or agents~~ acting in such capacity, or any of their successors and assigns, for any act or omission in connection with, related to or arising out of, the Chapter 11 Cases, the operation of the Debtors' businesses during the Chapter 11 Cases, the formulation, preparation, negotiation, dissemination, implementation, administration, confirmation or consummation of this Plan, or any other contract, instrument, release, agreement, settlement or document created, modified, amended, terminated or entered into in connection with this Plan, or any other act or omission in connection with the Debtors' bankruptcy; provided, however, that nothing in



this Section 10.59.5 shall impact the allowance or disallowance of any Claim not expressly released under this Plan.

Section 9.6 ~~Section 10.6~~ Releases

(a) Release by Debtors

On the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, the Debtors and any entity seeking to exercise the rights of the Debtors or their Estates, including, without limitation, any successor to the Debtors, shall completely, conclusively, absolutely, unconditionally, irrevocably, and forever release the Released Parties, from any and all Claims, Equity Interests, liens, encumbrances, obligations, damages, demands, debts, suits, Causes of Action, judgments, liabilities or rights whatsoever (other than the rights of the Debtors, through the Plan Administrator, to enforce this Plan and contracts, instruments, releases, indentures, agreements and other documents delivered hereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, that are based in whole or in part upon any act, omission, transaction, agreement, event or occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, the Chapter 11 Cases, the formulation, preparation, negotiation, dissemination, implementation, administration, confirmation or consummation of this Plan, the business or contractual arrangements between any Debtor and any Released Party, or any other act or omission in connection with the Debtors' bankruptcy, without further notice to or action by the Bankruptcy Court, or act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any entity; ~~provided, however, for the avoidance of doubt, that the foregoing shall not operate as a waiver or release of any Causes of Action against any of the Debtors' current or former directors, current or former officers, Charles Binder, Harry Binder, or any of the HIG Parties.~~

(b) Release by Holders of Claims and Equity Interests, and Released Parties

On the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, the holders of Claims against and Equity Interests in the Debtors, and the Released Parties, will be deemed to completely, conclusively, absolutely, unconditionally, irrevocably, and forever release the Released Parties from any and all Claims, Equity Interests, liens, encumbrances, obligations, damages, demands, debts, suits, Causes of Action, judgments, liabilities or rights whatsoever (other than the right to enforce the Debtors' obligations under this Plan and the contracts, instruments, releases, indentures, agreements and other documents delivered hereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise, based in whole or in part on any act, omission, transaction, agreement, event or occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, the Chapter 11 Cases, the business or contractual arrangements with any Debtor, the formulation, preparation, negotiation, dissemination, implementation, administration, confirmation or consummation of this Plan, or any other contract, instrument, release, agreement,

settlement or document created, modified, amended, terminated or entered into in connection with this Plan, the restructuring of any Claims against and Equity Interests in the Debtors, the property to be distributed under this Plan, or any other act or omission in connection with the Debtors' bankruptcy, without further notice to or action by the Bankruptcy Court, or act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any entity; ~~provided, however, for the avoidance of doubt, that the foregoing shall not operate as a waiver or release of any Causes of Action against any of the Debtors' current or former directors, current or former officers, Charles Binder, Harry Binder, or any of the HIG Parties.~~

Section 9.7 ~~Section 10.7~~ Binding Effect

Upon the Effective Date, this Plan shall be binding on, and shall inure to the benefit of, the Debtors' Estates and their respective successors and assigns. The rights, benefits and obligations of any entity named or referenced in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such entity, including any holder of a Claim against or Equity Interest in the Debtors, whether or not the Claim or Equity Interest of such holder is Impaired under this Plan and whether or not such holder has voted to accept this Plan.

ARTICLE 10~~ARTICLE 11~~

CONDITIONS PRECEDENT TO EFFECTIVE DATE

Section 10.1 ~~Section 11.1~~ Conditions Precedent to Confirmation of the Plan

The following are conditions precedent to the confirmation of the Plan with respect to each Debtor:

(i) The Bankruptcy Court shall have entered the Confirmation Order in form and substance satisfactory to the Proponents, and the Confirmation Order shall be a Final Order.

Section 10.2 ~~Section 11.2~~ Conditions to Effectiveness of Plan

The following are conditions precedent to the effectiveness of this Plan and the occurrence of the Effective Date, each of which must be satisfied, or waived in accordance with ~~Section 11.3~~Section 10.3 of this Plan:

(i) All actions, documents, instruments and agreements necessary to implement this Plan (each in form and substance satisfactory to the Proponents) shall have been executed and delivered by the parties thereto, unless such execution or delivery has been waived, in writing, by the parties benefited thereby;

(ii) The appointment of the Plan Administrator shall have been approved by the Bankruptcy Court, the Plan Administrator shall have accepted such appointment, ~~and~~ the Plan Administrator shall have been vested with the authority set forth in ~~Section 6.15.3(b)~~ Section 10.3(b) of the Plan, the Plan Administrator shall have appointed the Reorganized

Debtor Management Team, and ~~in the Plan Trust Agreement;~~ the Reorganized Debtor Management Team shall have accepted such appointed;

(iii) The ~~Plan Trust Agreement~~Newco Board and the Reorganized Debtor Boards shall have been ~~executed and delivered by the parties thereto~~appointed and installed;

(iv) The Exit Facility Documents shall have been executed and delivered by the parties thereto, and the Exit Facility shall have been consummated;~~and.~~

(v) The Restructuring Transactions shall have occurred; and

(vi) ~~(v)~~All consents, authorizations and approvals necessary to implement this Plan shall have been obtained and not revoked.

### Section 10.3 ~~Section 11.3~~ **Waiver of Conditions**

The Proponents may waive any of the conditions to effectiveness of this Plan without leave of or notice to the Bankruptcy Court or any party in interest and without any formal action other than proceeding with confirmation and consummation of this Plan. The failure to satisfy or waive a condition to effectiveness of this Plan may be asserted by the Proponents regardless of the circumstances giving rise to the failure of such condition to be satisfied. The failure of the Proponents to exercise any of the foregoing rights shall not be deemed a waiver of any other rights hereunder and each right shall be deemed an ongoing right that may be asserted at any time.

## ARTICLE 11~~ARTICLE 12~~

### **RETENTION OF JURISDICTION**

On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction, to the fullest extent permissible under law, over all matters arising in, arising under, or related to the Chapter 11 Cases and this Plan pursuant to, and for the purposes of, sections 105(a) and 1142 of the Bankruptcy Code and for, among other things, the following purposes:

(i) To hear and determine any motions for the assumption, assumption and assignment, or rejection of executory contracts or unexpired leases and the allowance of Claims resulting therefrom;

(ii) To hear and determine any motion, adversary proceeding, application, contested matter, and other litigated matter pending on or commenced after the Confirmation Date including, without limitation, with respect to any Cause of Action;

(iii) To ensure that Distributions to holders of Allowed Claims are accomplished as provided herein;

(iv) To hear and determine all matters related to the allowance, disallowance, liquidation, classification, priority, compromise, estimation or payment of any Claim or

Equity Interest, including any objections to, or requests for estimation of, Claims or Equity Interests, whether filed, asserted or made before or after the Confirmation Date;

(v) To enter, implement or enforce such orders as may be appropriate in the event that the Confirmation Order is for any reason stayed, reversed, revoked, modified or vacated;

(vi) To issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any entity with the consummation, implementation or enforcement of this Plan, the Confirmation Order or any other order of the Bankruptcy Court;

(vii) To hear and determine any application to modify this Plan to cure any defect or omission or reconcile any inconsistency in this Plan, or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

(viii) To hear and determine any application for compensation for services rendered and reimbursement of expenses incurred to the extent authorized to be paid or reimbursed under this Plan or the Bankruptcy Code;

(ix) To hear and determine disputes arising in connection with the interpretation, implementation or enforcement of this Plan, the Confirmation Order, any transactions, Distributions or payments contemplated hereby, or any agreement, instrument, or other document governing or relating to any of the foregoing;

(x) To hear and determine disputes arising in connection with statements for fees and expenses incurred by counsel or any other professional retained by the Plan Administrator;

(xi) To take any action and issue such orders as may be necessary to construe, enforce, implement, execute and consummate this Plan or to maintain the integrity of this Plan following consummation;

(xii) To determine any other matters that may arise in connection with or are related to this Plan, the Confirmation Order, or any other contract, instrument, release or other agreement or document related to this Plan;

(xiii) To hear and determine all disputes involving the existence, nature or scope of the discharges, injunctions and releases granted under this Plan, the Confirmation Order or the Bankruptcy Code;

(xiv) To hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code (including any requests for expedited determinations under section 505(b) of the Bankruptcy Code);

(xv) To enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Chapter 11 Cases;

(xvi) To consider and act on the compromise and settlement of any Claim, Equity Interest or Cause of Action by, on behalf of, or against the Debtors' Estates, to the extent that Bankruptcy Court approval is required;

(xvii) To hear and determine any action in respect of any and all rights, Claims, ~~Exchanged Stock~~, or Causes of Action, as applicable, held by or accruing to the Reorganized Debtors, the Committee Representative, the Plan Administrator, ~~or the Plan Liquidating Trust pursuant to this Plan~~, the Bankruptcy Code or any federal or state law, irrespective of whether any such action is commenced before or after the Confirmation Date;

(xviii) To resolve any matter relating to the sale of property of the Debtors' Estates;

(xix) To hear and determine any other matters related hereto and not inconsistent with the Bankruptcy Code and title 28 of the United States Code;

(xx) To recover all assets of any of the Debtors and property of the applicable Debtor's Estate, wherever located, and to hear and determine all adversary proceedings or other litigations related thereto; and

(xxi) To enter a final decree closing the Chapter 11 Cases.

## ARTICLE 12~~ARTICLE 13~~

### MISCELLANEOUS PROVISIONS

#### Section 12.1 ~~Section 13.1~~ **Operations Between the Confirmation Date and the Effective Date**

During the period from the Confirmation Date through and until the Effective Date, the Debtors shall continue to operate their businesses as debtors in possession, subject to the oversight of the Bankruptcy Court as provided in the Bankruptcy Code, the Bankruptcy Rules and all orders of the Bankruptcy Court that are then in full force and effect.

#### Section 12.2 ~~Section 13.2~~ **Transition of the Affairs of the Debtors' Estates After the Effective Date**

Through and including the date that is the first Business Day that is five (5) Business Days after the Effective Date, the Debtors shall use their best efforts to ensure that the affairs of the Debtors' Estates are smoothly transitioned to the Reorganized Debtors, the Plan Administrator, and the Reorganized Debtor Management Team, and shall cooperate with the ~~Plan Administrator~~foregoing in respect of such transition.

#### Section 12.3 ~~Section 13.3~~ **Payment of Statutory Fees**

All fees payable pursuant to section 1930 of title 28 of the United States Code that are due and payable as of the Effective Date shall be paid by the Plan Administrator from the

Debtors' cash on hand on the Effective Date. All such fees that become due and payable after the Effective Date shall be paid by the Plan Administrator from the Reorganized Debtors' cash on hand when such fees become due and payable.

**Section 12.4 ~~Section 13.4~~ Substantial Consummation**

On the Effective Date, this Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

**Section 12.5 ~~Section 13.5~~ Exemption from Transfer Taxes**

Pursuant to section 1146(a) of the Bankruptcy Code, (i) the issuance, transfer or exchange of any security under, in furtherance of, or in connection with, this Plan; or (ii) the assignment or surrender of any lease or sublease, or the delivery of any instrument of transfer under, in furtherance of, or in connection with, this Plan, including, without limitation, any deed, asset purchase agreement, bill of sale, assignment, mortgage, deed of trust or similar document executed in connection with any disposition of assets contemplated by this Plan (including real and personal property), shall not be subject to any stamp tax, real estate transfer tax, recording tax, sales tax, personal property tax, mortgage tax, use tax, or other similar tax, or any Uniform Commercial Code filing or recording fee or similar or other government assessment. The Confirmation Order shall direct the appropriate state or local government officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

**~~Section 13.6 Tax Treatment of the Plan Trust~~**

~~The Plan Trust shall be established on the Effective Date and shall continue in existence until the closing of all the Chapter 11 Cases. The Plan Trust shall be established for the sole purpose of (i) holding the Exchanged Stock in accordance with the Plan and with no objective or authority to continue or engage in the conduct of a trade or business; (ii) aiding in the implementation of the Plan; and (iii) receiving and distributing any proceeds with respect to the Exchanged Stock pursuant to the Plan, in each case, for the exclusive benefit of the Beneficiaries consistent with the relative priority and economic entitlements of their former holdings of Existing Stock immediately prior to the Commencement Date. The Plan Trust Interests shall not be certificated and shall not be transferable by the holder thereof except under laws of descent and distribution.~~

~~The Plan Trust is intended to qualify as a liquidating trust within the meaning of Treasury Regulation Section 301.7701-4(d). For all purposes, including U.S. federal income taxes, all parties (including, without limitation, the Debtors, the Plan Trustees and the Beneficiaries) shall be deemed to treat the issuance of the Exchanged Stock to the Plan Trust in accordance with the terms of the Plan, as an issuance of such Exchanged Stock to the applicable Beneficiaries followed by a transfer by such Beneficiaries to the Plan Trust of such Exchanged Stock in exchange for the Plan Trust Interests. Accordingly, the Beneficiaries shall be treated for U.S. federal income tax purposes as the grantors and owners of their respective shares of the Exchanged Stock and any Distributions made in respect thereof.~~

**Section 12.6 ~~Section 13.7~~ Determination of Tax Liabilities**

The Plan Administrator shall, pursuant to section 505(b) of the Bankruptcy Code and consistent with Section 6.15.3(b)(xivxiii) of the Plan, have the right to request an expedited determination of any unpaid liability of the Debtors' Estates ~~or the Plan Trust~~ for any tax incurred during the administration of the Chapter 11 Cases. The Plan Administrator also shall be responsible for preparing and filing any tax forms or returns on behalf of the Debtors' Estates (including, without limitation, final tax returns for SSDI upon completion of the liquidation and dissolution of SSDI in accordance with the Plan); provided, however, that the Plan Administrator shall not be responsible for preparing or filing any tax forms for holders of Equity Interests in SSDI, but shall provide such holders with any information they reasonably require to prepare such forms.

**~~Section 13.8~~ ~~Fifty Percent Shareholder~~**

~~On and after the Confirmation Date and pursuant to Section 10.2, Section 10.3, and Section 13.8 of the Plan, the Confirmation Order, and any other applicable interim order or Final Order of the Bankruptcy Court, any "Fifty Percent Shareholder" within the meaning of section 382(g)(4)(D) of the Internal Revenue Code of 1986, as amended, shall be enjoined from claiming a worthless stock deduction with respect to any Equity Interest held by such shareholder for any taxable year of such shareholder ending prior to the closing of the Chapter 11 Cases.~~

**Section 12.7 ~~Section 13.9~~ Exemption from Securities Laws**

Pursuant to section 1145 of the Bankruptcy Code, the offering, issuance and distribution of any securities contemplated by this Plan ~~and any and all settlement agreements incorporated therein~~ (including, without limitation, the issuance of the Newco Equity Interests, the Reorganized SSDA Equity Interests, and the Reorganized Subsidiary Debtor Equity Interests), shall be exempt from, among other things, the registration requirements of section 5 of the Securities Act and any state or local law requiring registration prior to the offering, issuance, distribution or sale of securities. ~~In addition,~~ Any and all other securities under section 1145 of the Bankruptcy Code, any securities contemplated by this Plan will be freely tradable by the recipients thereof (provided, the Newco Equity Interests shall not be tradeable by the recipients thereof, other than as permitted under the Newco Equity Documents), subject to (i) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, and compliance with any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments; (ii) the restrictions, if any, on the transferability of such securities and instruments; and (iii) applicable regulatory approval.

**Section 12.8 ~~Section 13.10~~ Modification and Amendment**

The Proponents may alter, amend, modify or supplement this Plan pursuant to section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date. After the Confirmation Date and prior to substantial consummation of this Plan, the Proponents may, upon order of the Bankruptcy Court, amend or modify this Plan in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in this

Plan as may be necessary to carry out the purpose and effects of this Plan. A holder of a Claim against or Equity Interest in the Debtors that has accepted this Plan shall be deemed to have accepted this Plan as altered, amended or modified if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim or Equity Interest of such holder.

**Section 12.9 ~~Section 13.11~~ Revocation or Withdrawal of the Plan**

Each Proponent reserves the right to revoke or withdraw this Plan or the Confirmation Order in each party's sole and absolute discretion prior to the Effective Date as to any or all of the Debtors. If this Plan or the Confirmation Order is revoked or withdrawn, then (i) this Plan; (ii) all settlements and compromises set forth in this Plan and not otherwise approved by a separate Final Order of the Bankruptcy Court; (iii) any assumption or rejection of an executory contract or unexpired lease effected by this Plan; and (iv) any document or agreement executed pursuant to this Plan, shall be deemed null and void with respect to the applicable Debtors without further notice to or order by the Bankruptcy Court.

In the event that this Plan or the Confirmation Order is revoked or withdrawn, nothing in this Plan, and no actions taken in preparation for consummation of this Plan shall (i) constitute a waiver or release of any Claim by or against or Equity Interest in the applicable Debtors; (ii) prejudice in any manner the rights of the Proponents or the Debtors; (iii) constitute an admission, acknowledgment, offer or undertaking by the Proponents or any other entity or party in interest; or (iv) constitute a waiver or release of the rights of the Proponents to move to dismiss any of the Chapter 11 Cases or convert any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code.

**Section 12.10 ~~Section 13.12~~ Fiduciary Withdrawal Option as Plan Co-Proponent**

Notwithstanding anything to the contrary contained herein, prior to confirmation of the Plan, the Creditors' Committee reserves the right to withdraw as co-proponent of this Plan and support an alternative plan in the event that the Creditors' Committee, in the exercise of its fiduciary responsibilities, should determine that a superior plan is more advantageous for creditors of the Debtors.

**Section 12.11 ~~Section 13.13~~ Dissolution of Creditors' Committee; Role of Committee Representative**

On the Effective Date, the Creditors' Committee shall be dissolved for all purposes, and the members of the Creditors' Committee shall be released and discharged of and from all further authority, duties, responsibilities, and obligations related to and arising from and in connection with the Chapter 11 Cases, and the retention or employment of the Creditors' Committee's attorneys, accountants, and other agents shall terminate; provided, the Creditors' Committee shall remain in existence following the Effective Date for the sole and limited purpose of reviewing and approving the Final Fee Applications of its professionals during the Chapter 11 Cases and, upon entry of a Final Order with respect to such Final Fee Applications, such limited role shall terminate. Simultaneously with the dissolution of the Creditors' Committee on the Effective Date, the Committee Representative shall be appointed and such



appointment shall be approved by the Bankruptcy Court pursuant to the Confirmation Order. The Committee Representative shall be authorized to oversee the implementation of the Plan for the collective benefit of the holders of Allowed General Unsecured Claims ~~in SSDI Class 4 and Subsidiary Debtor Class 4~~ including, without limitation, (i) to enforce the obligations in favor of the holders of Allowed General Unsecured Claims (by and through the Committee Representative) under the Second Cash Distribution Installment Note; and (ii) to review and object to Claims (including Professional Claims); provided, the Committee Representative shall be required to notify the Plan Administrator of any proposed objections to Claims by the Committee Representative, and to coordinate and cooperate with the Plan Administrator in connection with any such objections to Claims. The Committee Representative shall have observation rights with respect to the Liquidating Trust and the Plan Administrator, until such time as the Cash Distribution has been paid in full. In addition, on the Effective Date, the Committee Representative shall be deemed to succeed to the rights and powers of the Creditors' Committee under the Final Alternative DIP Order to the extent any such rights and powers continue in existence pursuant to the terms of the Final Alternative DIP Order from and after the Effective Date (including, without limitation, with respect to any Cause of Action commenced or that may be commenced against the First DIP Agent or the First DIP Lenders), to the same extent such rights and powers were held by and vested with the Creditors' Committee as of immediately prior to its dissolution on the Effective Date; provided, the foregoing is not intended to nor shall it be deemed to conflict with the authority of the Plan Administrator with respect to Causes of Action and Disputed Claims as provided in Section 5.3(b)(iv), Section 6.5, and Section 7.4 of the Plan. The appointment of the Committee Representative shall terminate automatically upon the completion of all Distributions to the holders of Allowed General Unsecured Claims ~~in SSDI Class 4 and Subsidiary Debtor Class 4 pursuant to the Plan unless the Committee Representative is then presently prosecuting a Cause of Action as contemplated herein, in which case the appointment of the Committee Representative shall terminate upon entry of a Final Order resolving such Cause of Action pursuant to the Plan.~~ The Committee Representative may hire professionals he or she deems necessary to carry out its responsibilities as set forth herein, including, without limitation, the professionals retained by the Creditors' Committee. The reasonable fees and expenses of professionals retained by the Committee Representative shall be paid promptly by the post-Effective Date Debtors. Professionals retained by the Committee Representative are not required to be approved by the Bankruptcy Court, and approval of fees and expenses incurred by the Committee Representative are not subject to approval of the Bankruptcy Court pursuant to section 330 of the Bankruptcy Code; provided, however, that in the event of a dispute regarding the fees and expenses incurred by professionals retained by the Committee Representative, the Bankruptcy Court may hear and determine such dispute upon application to the Bankruptcy Court.

#### Section 12.12 ~~Section 13.14~~ Reservation of Rights

Except as expressly set forth herein, this Plan shall have no force or effect unless the Bankruptcy Court shall have entered the Confirmation Order and the Effective Date has occurred. Prior to the Effective Date, none of the filing of this Plan, any statement or provision contained herein or the taking of any action by the Proponents with respect to this Plan, shall be or shall be deemed to be (i) an admission or waiver of any rights of the Debtors or the Proponents, including with respect to the holders of Claims or Equity Interests or as to any treatment or classification of any contract or lease; or (ii) a waiver or release of the rights of the

Proponents to move to dismiss any of the Chapter 11 Cases or convert any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code.

**No entity may rely on the absence of a specific reference in this Plan to any Cause of Action against them as an indication that the Plan Administrator or either Proponent will not pursue any and all available Causes of Action against them. The Plan Administrator and each Proponent expressly reserve all rights to prosecute any and all Causes of Action against any entity except as otherwise provided in this Plan. Unless any Causes of Action against an entity are expressly waived, relinquished, exculpated, released, compromised or settled in this Plan, the Confirmation Order or other Final Order of the Bankruptcy Court, the Plan expressly reserves all Causes of Action for later adjudication and, therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, estoppel (judicial, equitable or otherwise) or laches, shall apply to such Causes of Action upon or after the confirmation or consummation of this Plan.**

**Section 12.13 ~~Section 13.15~~ Severability**

In the event that prior to the entry of the Confirmation Order, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court, at the request of the Proponents, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and in no way will be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

**Section 12.14 ~~Section 13.16~~ Notice of Entry of Confirmation Order and Relevant Dates**

As soon as reasonably practicable after entry of the Confirmation Order, the Debtors shall, as directed by the Bankruptcy Court, publish and serve on all known parties in interest and holders of Claims against and Equity Interests in the Debtors, notice of the entry of the Confirmation Order and all relevant deadlines and dates under this Plan, including, without limitation, the deadline for filing Administrative Expense Claims and Rejection Damage Claims.

**Section 12.15 ~~Section 13.17~~ Courts of Competent Jurisdiction**

In the event that the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases or this Plan, such abstention, refusal or failure of jurisdiction shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

**Section 12.16 ~~Section 13.18~~ No Admissions**

As to contested matters, adversary proceedings and any Causes of Action, this Plan shall not constitute or be construed as an admission of any fact or liability, stipulation, or waiver, but rather as a statement made in settlement negotiations. This Plan shall not be admissible in any non-bankruptcy proceeding nor shall it be construed to be conclusive advice on the tax and other legal effects of this Plan as to holders of Claims against and Equity Interests in the Debtors.

**Section 12.17 ~~Section 13.19~~ Closing of the Chapter 11 Cases**

When a Debtor's Estate is fully administered, the Plan Administrator may request that the Bankruptcy Court enter a final decree closing the applicable Debtor's Chapter 11 Case in accordance with the Bankruptcy Code and the Bankruptcy Rules.

**Section 12.18 ~~Section 13.20~~ Rates**

This Plan does not provide for the change of any rate that is within the jurisdiction of any governmental regulatory commission after the occurrence of the Effective Date. Where a Claim has been denominated in foreign currency on a proof of claim, the Allowed amount of such Claim shall be calculated in currency of the United States of America based upon the conversion rate in place as of the Commencement Date and in accordance with section 502(b) of the Bankruptcy Code.

**Section 12.19 ~~Section 13.21~~ Governing Law**

Except to the extent that the Bankruptcy Code or other federal law is applicable, or to the extent an exhibit, schedule or supplement hereto provides otherwise, the rights, duties and obligations arising under this Plan and any agreements, documents and instruments executed in connection with this Plan (except as otherwise expressly provided in such agreements, documents and instruments) 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 conflict of laws of such jurisdiction.

**Section 12.20 ~~Section 13.22~~ Schedules, Exhibits and Supplements**

All schedules, exhibits and supplements to this Plan are incorporated into and are a part of this Plan as if set forth in full herein. Copies of the schedules, exhibits and supplements to this Plan can be obtained by downloading such documents from the Bankruptcy Court's website (located at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)).

**Section 12.21 ~~Section 13.23~~ Notices**

To be effective, all notices, requests and demands to or upon the Proponents shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

**If to Stellus:**

Stellus Capital Investment Corporation

c/o Stellus Capital Management  
4400 Post Oak Parkway  
Suite 2200  
Houston, TX 77027  
Attn: Robert R. Collins, Managing Director  
Telephone: 713-292-5400

with copies to:

MOORE & VAN ALLEN, PLLC  
Stephen E. Gruendel  
Zachary H. Smith  
100 North Tryon Street  
Suite 4700  
Charlotte, North Carolina 28202-4003  
Telephone: 704-331-1000

Counsel to Stellus

**If to the Creditors' Committee:**

Official Committee of Unsecured Creditors of Binder & Binder – The National  
Social Security Disability Advocates (NY), LLC, *et al.*

c/o KLESTADT WINTERS JURELLER SOUTHARD & STEVENS, LLP

Tracy L. Klestadt  
Sean C. Southard  
Fred Stevens  
Joseph C. Corneau  
200 West 41<sup>st</sup> Street, 17<sup>th</sup> Floor  
New York, New York 10036-7203  
Telephone: (212) 972-3000

with copies to:

KLESTADT WINTERS JURELLER SOUTHARD & STEVENS, LLP

Tracy L. Klestadt  
Sean C. Southard  
Fred Stevens  
Joseph C. Corneau  
200 West 41<sup>st</sup> Street, 17<sup>th</sup> Floor  
New York, New York 10036-7203  
Telephone: (212) 972-3000

Counsel to the Creditors' Committee

\* \* \* \* \*

As of ~~November 18, 2015~~ January 15, 2016

~~/s/ Stephen E. Gruendel~~

/s/ Stephen E. Gruendel

MOORE & VAN ALLEN, PLLC  
Stephen E. Gruendel (*admitted pro hac vice*)  
Zachary H. Smith  
100 North Tryon Street  
Suite 4700  
Charlotte, North Carolina 28202-4003  
Telephone: (704) 331-1000

*Counsel to Stellus Capital  
Investment Corporation*

~~/s/ Sean C. Southard~~

/s/ Sean C. Southard

KLESTADT WINTERS JURELLER  
SOUTHARD & STEVENS, LLP  
Tracy L. Klestadt  
Sean C. Southard  
Fred Stevens  
Joseph C. Corneau  
200 West 41<sup>st</sup> Street, 17<sup>th</sup> Floor  
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*Counsel to the Official Committee  
of Unsecured Creditors*



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