

UNITED STATES BANKRUPTCY COURT
DISTRICT OF PUERTO RICO

IN RE:

EMPRESAS INTEREX, INC.

Debtor

CASE NO. 11-10475 (MCF)

CHAPTER 11

**ORDER CONFIRMING THE FIRST AMENDED CHAPTER 11 PLAN
PROPOSED BY THE DEBTOR**

WHEREAS, on August 19, 2013, Empresas Interex, Inc., as debtor and debtor in possession (the “Debtor”) in the above-captioned chapter 11 case (the “Chapter 11 Case”) pending before this Court, filed its first amended Chapter 11 Plan, and its 11 U.S.C. § 1129 statement filed on November 12, 2013 (the “Plan”), true and correct copies of which are attached hereto as **Exhibits A and B. [Docket Nos. 247 and 309, respectively]**;¹

WHEREAS, on October 3, 2013, the Court entered an order an notice approving the Debtor’s disclosure statement, as amended, scheduling the hearing on the confirmation of the Plan for November 21, 2013, at 9:00 a.m.AST, (the “Confirmation Hearing”), and establishing the deadline for the filing and service of objections to the confirmation of the Plan, as November 2, 2013, of which Confirmation Hearing notice was served by the Debtor by regular mail postage prepaid on October 9, 2013, on all creditors and parties in interest entitled to receive notice of the Confirmation Hearing **[Docket Nos. 284 and 295, respectively]**;

WHEREAS, based upon the Court’s review and consideration of the Plan and of all

¹ Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Plan. Any capitalized term not defined in the Plan or this Confirmation Order, but that is used in title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”) or the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

the evidence proffered, adduced or presented at, and arguments made by counsel at the Confirmation Hearing, and the entire record of this Chapter 11 Case; and after due deliberation thereon and good cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT: ²

(A) Exclusive Jurisdiction; Venue; Core Proceeding. This Court has jurisdiction over the Chapter 11 Case pursuant to sections 1334 of title 28 of the United States Code. Venue is proper before this Court pursuant to sections 1408 and 1409 of title 28 of the United States Code. Confirmation of the Plan is a core proceeding pursuant to section 157 (b)(2)(L) of Title 28 of the United States Code, and this Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules for the District of Puerto Rico (the "Local Rules") and should be confirmed.

(B) Commencement. On December 7, 2011 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the Court. The Debtor is operating its business and managing its affairs as a debtor in possession, pursuant to Sections 1107 (a) and 1108 of the Bankruptcy Code.

(C) Judicial Notice. The Court takes judicial notice of the docket of the Chapter 11 Case, Case No. 11-10475 (MCF), captioned as In re Empresas Interex, Inc., maintained by the Clerk of the Court and/or its duly-appointed agent, including, without limitation, all pleadings and other documents filed, all orders entered, and all evidence and arguments made, proffered, adduced or presented at the hearings held before the Court during the pendency of the Chapter 11 Case.

(D) Notice of Chapter 11 Case and Confirmation. Pursuant to the service of the

² Pursuant to Bankruptcy Rule 7052, findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate.

notice of Confirmation Hearing, as well as the service of the Plan, the Debtor provided due notice of the Confirmation Hearing and the relevant deadlines attendant to the confirmation of the Plan, including the deadline for objecting to the confirmation of the Plan. The notice of the Confirmation Hearing Notice constitutes adequate and sufficient notice pursuant to section 1128 of the Bankruptcy Code, Bankruptcy Rules 2002, 3020 and 9006 and other applicable law and rules, and no other or further notice of the Confirmation Hearing, the Plan, and any and all of the transactions contemplated under the Plan including, without limitation, the transfer of the Property subject to prior segregation and the units referred to in the Plan to DF Servicing, LLC, is or shall be required. All holders of Claims against and Equity Interest in the Debtor and all other parties in interest were duly given notice of, and an opportunity to be heard in connection with, the confirmation of the Plan pursuant to and in satisfaction of the applicable provisions of the Bankruptcy Code and Bankruptcy Rules. The notice of the Confirmation Hearing, and the Plan were transmitted and served as set forth in the relevant certificate of service filed with the Court, and shall be deemed to have been transmitted and served in compliance with the Bankruptcy Rules, and such transmittal and service were adequate and sufficient, and no other or further notice is or shall be required.

(E) Burden of Proof. The Debtor has met the burden of proving the elements of Section 1129 (a) of the Bankruptcy Code by a preponderance of the evidence, which is the applicable evidentiary standard for the confirmation of the Plan.

(F) All Administrative Expense Claims are to be paid in full in the regular course of the Debtor's business or as authorized by the Court on the Effective Date, as contemplated in the Plan.

(G) Priority Tax Claims, in excess of \$1,000.00, except for the Center for Collection of Municipal Income's ("CRIM") claims for real property taxes for \$24,457.53 regarding unsold units at the residential housing development known as Ciudad

Atlantis, Hato Abajo Ward, Arecibo, Puerto Rico, to be transferred (the “Units to be Transferred”) to DF Services, LLC (“DF”) on the Effective Date of the Plan, as indicated below, and Law Number 7 claims by the Department of the Treasury of Puerto Rico (“Treasury”), totaling \$22,690.25, which will be paid by DF upon the sale of each transferred unit (Treasury’s claim), shall be paid by Debtor either: (i) upon such terms as may be agreed to with such Holders, (ii) on the later of the Effective Date of the Plan or the date that such Allowed Priority Tax Claims would have been due if the Bankruptcy Case had not been commenced, or (iii) in deferred equal consecutive monthly installments commencing on the Effective Date of the Plan and continuing on the last day of each month thereafter over a 48-month period after the Effective Date, equal to the amount of such Allowed Priority Tax Claims, plus the statutory rate of interest prevailing during the month the Plan is confirmed, estimated at 4% per annum, provided that the payment to the holders of Allowed Priority Tax Claims is effected in a manner not less favorable than the most favored non-priority unsecured claims provided for in the Plan, other than those payments made to a Class of creditors consisting only of every unsecured claim that is less than or reduced to an amount as reasonably necessary for administrative convenience.

Except as indicated above, Holders of Allowed Priority Tax Claims for \$1,000.00 or less, totaling \$816.96 (State Insurance Fund \$793.36 and IRS \$23.60) will be paid by Debtor, on the Effective Date of the Plan.

(H) Classes who Have Accepted or are Deemed to Have Accepted the Plan. Under the Plan, the holder of the Claim in Class 1 (the Secured Claim of DF Servicing, LLC), Class 2 and Class 3 (Universidad Interamericana de Puerto Rico) and Class 4 (Allowed General Unsecured Claims), all of which are impaired and have accepted the Plan, and the University as the Class 5 holder of the Interest in the Debtor is not Impaired as that term is

defined in Section 1124 of the Bankruptcy Code and is conclusively presumed to have accepted the Plan pursuant to Section 1126 (f) of the Bankruptcy Code.

(l) The Plan's Compliance with the Applicable Provisions of the Bankruptcy Code (11 U.S.C. § 1129 (a)(1)). The Plan complies with the applicable provisions of the Bankruptcy Code, and thereby satisfies Section 1129 (a)(1) of the Bankruptcy Code:

(1) Proper Classification (11 U.S.C. §§ 1122, 1123 (a)(1)). The Plan designates five (5) Classes of Claims and Equity Interest, excluding Administrative Expense Claims and Priority Tax Claims, which need not be classified. The Claims in each Class are substantially similar to other Claims in each Class. Valid business, factual, and legal reasons exist for separately classifying the various Classes of Claims and the Equity Interest created under the Plan and such classification scheme is reasonable and appropriate. The Plan therefore satisfies the requirements of Sections 1122 and 1123 (a)(1) of the Bankruptcy Code.

(2) Specification of Unimpaired Classes (11 U.S.C. § 1123 (a)(2)). Article IV of the Plan specifies that Class 5 (Holders of Interest in Debtor) is not impaired under the Plan, and therefore the Plan satisfies Section 1123 (a)(2) of the Bankruptcy Code.

(3) Specification of Treatment of Impaired Classes (11 U.S.C. § 1123 (a)(3)). Article IV of the Plan specifies that Class 1 (the Secured Claim of DF), Class 2 and Class 3 (the Claims of the University) and Class 4 (Holders of Allowed General Unsecured Claims) are Impaired. Article IV of the Plan also specifies the respective treatment for each Class of Claims and the Equity Interest established under the Plan, including such Impaired Classes. Therefore, the Plan satisfies Section 1123 (a)(3) of the Bankruptcy Code.

(4) No Discrimination (11 U.S.C. § 1123 (a)(4)). Each Section of Article IV of the Plan provides for equal treatment for each Claim of a particular Class. Therefore, the

Plan satisfies Section 1123 (a)(4) of the Bankruptcy Code.

(5) Adequate Means for Implementation of the Plan (11 U.S.C. § 1123 (a)(5)). The Plan provides adequate means for implementation of the Plan. Therefore, the Plan satisfies Section 1123 (a)(5) of the Bankruptcy Code.

(6) Non-Issuance of Non-Voting Equity Securities (11 U.S.C. § 1123 (a)(6)). Article XIII of the Plan prohibits from issuing non-voting stock and provides as to the Classes of Debtor's securities possessing voting power, for the fair and equitable distribution of such power among such classes, including, in the case of any class of stock having preference over other stock with respect to dividends, adequate provisions for the election of directors representing such preferred class in the event of default in the payment of such dividends; as well as Provisions which are fair and equitable and in accordance with sound business and accounting practices, with respect to the terms, positions, rights and privileges of the several classes of Debtor's securities, including without limiting the generality of the foregoing, provisions with respect to the issuance, acquisition, purchase and payments of dividends thereon; and provisions with respect to the making not less than once annually, of periodic reports to equity security holders which shall include profit and loss statements and balance sheets prepared in accordance with sound business and accounting practices. It also provides Provisions that Debtor will not pay dividends to its shareholder, nor to any other shareholder, which may exist in the future, until creditors are paid in accordance with the Plan. Therefore, the Plan satisfies Section 1123 (a)(6) of the Bankruptcy Code.

(7) Selection of Officers, Directors or Trustee (11 U.S.C. § 1123 (a)(7)). The Plan does not contain any provision that is inconsistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any

successor to such officer, director, or trustee. Therefore, the Plan complies with Section 1123 (a)(7) of the Bankruptcy Code.

(8) Funding of the Plan with Future Earnings (11 U.S.C. § 1123 (a)(8)).

The Debtor is not an individual, and therefore Section 1123 (a)(8) of the Bankruptcy Code is inapplicable to the Plan.

(9) Additional Provisions of the Plan (11 U.S.C. § 1123 (b)). The

provisions of the Plan are appropriate and not inconsistent with the applicable provisions of the Bankruptcy Code.

(J) Compliance with Applicable Law. The Debtor has complied with all

applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable non-bankruptcy law or rule.

(K) Proper Debtor (11 U.S.C. § 1121 (a)). The Debtor is a proper debtor under

Section 109 of the Bankruptcy Code, and the Debtor is a proper proponent of the Plan under Section 1121 (a) of the Bankruptcy Code.

(L) Solicitation of the Plan (11 U.S.C. § 1125 (b)). Pursuant to the order

approving the Debtor's Disclosure Statement, Debtor solicited acceptances to the Plan in accordance to Section 1125 (b) of the Bankruptcy Code.

(M) Plan Proposed in Good Faith (11 U.S.C. § 1129 (a)(3)). The Debtor has

proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying Section 1129 (a)(3) of the Bankruptcy Code. Good faith is evident from the facts and record of the Chapter 11 Case and the record of the Confirmation Hearing and other proceedings held in the Chapter 11 Case. The Plan is the product of good faith negotiations conducted at arm's length among the Debtor and DF and other parties in interest and each of their respective agents, counsel and advisors. The Plan reflects the results of these negotiations and was proposed with the legitimate and proper purpose of maximizing recoveries for all

legitimate stakeholders of the Debtor's Estate, in a manner that serves the best interests of all creditors and parties in interest.

(N) Payments for Services or Costs and Expenses (11 U.S.C. § 1129 (a)(4)). Any payment made or to be made by the Debtor for services or for costs and expenses in, or in connection with, the Chapter 11 Case or the Plan have, to the extent required by the Bankruptcy Code, the Bankruptcy Rules or the orders of the Court, been approved by, or are subject to the approval of, the Court as reasonable. Therefore, the Plan satisfies Section 1129 (a)(4) of the Bankruptcy Code.

(O) Directors, Officers, and Insiders (11 U.S.C. § 1129 (a)(5)). The Debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy. Therefore, the Plan complies with Section 1129 (a)(5) of the Bankruptcy Code.

(P) No Rate Changes (11 U.S.C. § 1129 (a)(6)). The Plan does not provide for the change of any rate that is within the jurisdiction of any governmental regulatory commission.

(Q) Best Interests of Creditors (11 U.S.C. § 1129 (a)(7)). Under the Plan, each Impaired creditor has accepted the Plan. Therefore, the Plan satisfies Section 1129 (a)(7) of the Bankruptcy Code. Pursuant to Article IV of the Plan, (i) the holders of Claims in Class 1 (the Secured Claim of DF) Class 2 and Class 3 (the Secured Claims of the University) and Class 4 (Holders of Allowed General Unsecured Claims) are Impaired, but all have accepted the Plan and Class 5 (Holder of Interest in the Debtor) is impaired and is thus conclusively presumed to have accepted the Plan.

(R) Acceptance of Certain Classes (11 U.S.C. § 1129 (a)(8)). Class 1 (the Secured Claim of DF), Class 2 and Class 3 (the Secured Claims of the University) and Class 4 (Holders of Allowed General Unsecured Claims) have accepted the Plan and Class 5 (Holder of the Interest in Debtor) is not impaired under the Plan and is conclusively presumed to have accepted the Plan. Accordingly, Section 1129 (a)(8) is satisfied.

(S) Treatment of Administrative Expense Claims, Priority Tax Claims and Priority Non-Tax Claims (11 U.S.C. § 1129 (a)(9)). The treatment of Administrative Expense Claims and Priority Tax Claims pursuant to Article II of the Plan satisfies the requirements of Section 1129 (a)(9)(A) and (C) of the Bankruptcy Code. There are no Priority Non-Tax Claims.

(T) Acceptance By Impaired Class (11 U.S.C. § 1129 (a)(10)). Pursuant to Article III of the Plan, Class 1 (the Secured Claim of DF), Class 2 and Class 3 (the Secured Claims of the University) and Class 4 (Holders of Allowed General Unsecured Claims) are Impaired, but the holders of Claims in such Classes have accepted the Plan by affirmatively voting in reference thereto. Therefore, the Plan satisfies Section 1129 (a)(10) of the Bankruptcy Code.

(U) Feasibility of Plan (11 U.S.C. § 1129 (a)(11)). The Plan and the Feasibility Report, all evidence proffered, adduced or presented during the Confirmation Hearing, (i) is persuasive and credible; (ii) has not been controverted by other evidence; and (iii) establishes that confirmation of the Plan is not likely to be followed by the need for further liquidation or reorganization of the Debtor or its Estate. Therefore, the Plan satisfies Section 1129 (a)(11) of the Bankruptcy Code.

(V) Payment of Fees (11 U.S.C. § 1129 (a)(12)). Pursuant to Section 2.2 of the Plan, all fees payable under 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 Debtor on the Effective Date. All such fees that become due and payable after the Effective Date shall be paid by the Debtor. Therefore, the Plan satisfies Section 1129 (a)(12) of the Bankruptcy Code.

(W) Continuation of Retiree Benefits (11 U.S.C. § 1129 (a)(13)). The Debtor has no retiree obligations, and therefore Section 1129 (a)(13) of the Bankruptcy Code is inapplicable to the Plan.

(X) Domestic Support Obligations (11 U.S.C. § 1129 (a)(14)). The Debtor is not required to pay any domestic support obligations, and therefore section 1129(a)(14) of the Bankruptcy Code is inapplicable to the Plan.

(Y) Individual Debtors (11 U.S.C. § 1129 (a)(15)). The Debtor is not an individual, and therefore Section 1129 (a)(15) is inapplicable to the Plan.

(Z) Transfer of Property Under the Plan (11 U.S.C. § 1129 (a)(16)). The Debtor is a moneyed business or commercial corporation, and therefore Section 1129 (a)(16) of the Bankruptcy Code is inapplicable to transfers by the Debtor under the Plan. All other transfers of property under the Plan shall be made in accordance with this Confirmation Order and applicable non-bankruptcy law. Therefore, the Plan satisfies Section 1129 (a)(16) of the Bankruptcy Code.

(AA) Principal Purpose of the Plan (11 U.S.C. § 1129 (d)). The Plan has been proposed in good faith and for legitimate purposes, including the maximization of recoveries for all holders of Allowed Claims against the Debtor's Estate. The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933. Therefore, the Plan satisfies Section 1129 (d) of the Bankruptcy Code.

(BB) Modifications to the Plan. Any modifications to the Plan as specifically set forth in this Confirmation Order constitute technical changes, and do not materially adversely affect or change the treatment of any Claims against or Equity Interests in the Debtor. Accordingly, pursuant to Bankruptcy Rule 3019, these modifications do not require disclosure pursuant to Section 1125 of the Bankruptcy Code or solicitation of votes pursuant to Section 1126 of the Bankruptcy Code.

(CC) Sale of the Purchased Assets

The transfer of the Property and the Units to DF, all of which shall occur substantially simultaneously on the Effective Date, and without the need for any further act or action by any party, is authorized and approved in all respects pursuant to Sections 363, 1123 (a)(5)(D), 1123 (b)(4) and 1141 (c) of the Bankruptcy Code. Such transfer to DF is for fair consideration, not subject to avoidance as a fraudulent transfer or otherwise, and effectuated free and clear of any liens, Claims, encumbrances, rights, remedies, restrictions, interests, and contractual commitments of any kind or nature whatsoever, whether arising before or after the Chapter 11 Petition Date, whether at law or in equity, including all rights or claims based on any successor or transferee liability;

(DD) Executory Contracts and Unexpired Leases. The Debtor has exercised reasonable business judgment in determining whether to assume and assign, or reject each of the Debtor's executory contracts and unexpired leases as set forth in Article VIII of the Plan. Each party to an executory contract or unexpired lease to be assumed by the Debtor has been provided with sufficient notice under the circumstances of such assumption. Each assumption or rejection of an executory contract or unexpired lease, as provided under Article VIII of the Plan shall be legal, valid and binding upon the Debtor and all non-Debtor parties to such executory contract or unexpired lease.

(EE) Discharge. Pursuant to Section 9.1 of the Plan, except as otherwise expressly provided in Section 1141 of the Bankruptcy Code or the Plan, the distributions made pursuant to and in accordance with the applicable terms and conditions of the Plan are in full and final satisfaction, settlement, release and discharge of the Debtor of any debt of Debtor that arose before the Effective Date, and any debt of Debtor of a kind specified in Section 502 (g), 502 (h), or 502 (i) of the Bankruptcy Code, and all Claims against Debtor of any nature, including, without limitation, any interest accrued thereon from and after the

Petition Date, whether or not (i) a proof of claim based on such debt, obligation or equity interest is filed or deemed filed under Section 501 of the Bankruptcy Code; (ii) such Claim is Allowed under Section 502 of the Bankruptcy Code; or (iii) the holder of such Claim has accepted the Plan.

(FF) Retention of Jurisdiction. The Court may properly retain jurisdiction over the matters set forth in Article XI of the Plan and Section 1142 of the Bankruptcy Code.

DECREES

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Confirmation. The Plan, including the 11 U.S.C. Section 1129 Statement, all other schedules, exhibits, supplements and documents necessary to implement the Plan, are **APPROVED AND CONFIRMED** pursuant to Section 1129 of the Bankruptcy Code.

2. Compliance with Applicable Provisions of Bankruptcy Code. The Plan complies with the applicable provisions of the Bankruptcy Code, including Sections 1122, 1123 and 1129 of the Bankruptcy Code. The Debtor has complied with the applicable provisions of the Bankruptcy Code, including Sections 1125 and 1126 of the Bankruptcy Code.

3. Notice. The notice of the Confirmation Hearing and of the Disclosure Statement, the Plan, the 11 U.S.C. Section 1129 Statement, and all documents related to the foregoing, are appropriate and satisfactory based upon the circumstances of the Chapter 11 Case, and are in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules.

4. Objections. All parties in interest have had a full and fair opportunity to litigate all issues which might have been raised as to the Plan, and none were raised or were otherwise withdrawn. Any objection that has not been withdrawn, waived, or settled,

and all reservations of rights pertaining to confirmation of the Plan included therein, is overruled on the merits.

5. Plan Classification Controlling. The classifications of Claims against and the Equity Interest in the Debtor for purposes of the distributions to be made under the Plan shall be governed solely by the terms of the Plan.

6. Deadline to File Administrative Expense Claims and Final Fee Applications. Except as otherwise provided in the Plan, pursuant to Article II of the Plan, all Administrative Expense Claims (other than Administrative Expense Claims that have been fully satisfied or Allowed on or before the Effective Date), including all applications for final allowance of Professional Claims, must be filed with the Court and served on counsel for the Debtor within thirty (30) days from the service of the Confirmation Order. **THE FAILURE TO PROPERLY FILE AND SERVE AN ADMINISTRATIVE EXPENSE CLAIM OR APPLICATION FOR FINAL ALLOWANCE OF A PROFESSIONAL CLAIM ON OR BEFORE THIRTY (30) DAYS FROM THE SERVICE OF THIS CONFIRMATION ORDER SHALL RESULT IN SUCH ADMINISTRATIVE EXPENSE CLAIM OR PROFESSIONAL CLAIM (AS APPLICABLE) BEING DEEMED FOREVER BARRED AND DISALLOWED AS OF THE EFFECTIVE DATE AUTOMATICALLY WITHOUT THE NEED FOR ANY OBJECTION FROM THE DEBTOR, OR ANY OTHER PARTY IN INTEREST OR ANY ACTION BY THE COURT.**

7. Objection to and Settlement of Administrative Expense Claims. As of the Effective Date, the Debtor shall have the exclusive right to object to any Administrative Expense Claim, including Professional Claims. Unless the Debtor objects to a timely-filed and properly-served Administrative Expense Claim, such Claim shall be deemed Allowed in the amount requested. In the event that the Debtor objects to an Administrative Expense Claim, the parties may confer to try to reach a settlement and, failing that, the Court shall determine whether such Claim should be Allowed and, if so, in what amount. The Debtor

may settle Administrative Expense Claims (other than Professional Claims) in the ordinary course of business without further Court approval.

8. Transfer of the Property and the Units to DF. The transfer of the Property and the Units to DF, is hereby approved pursuant to Sections 1123 (a)(5) and 1146 (a) of the Bankruptcy Code and the Debtor and DF, are hereby authorized and directed to take any and all necessary actions on the Effective Date to consummate the transfer of the Property and of the Units, including, without limitation, each of the following actions:

On the Effective Date, the Debtor shall and is hereby directed to transfer the Property and the Units to DF, free and clear of any liens, Claims, encumbrances, rights, remedies, restrictions, interests, and contractual commitments of any kind or nature whatsoever, whether arising before or after the Chapter 11 Petition Date, whether at law or in equity, except as otherwise expressly provided for in the Plan.

9. Free and Clear of Liens, Claims, Encumbrances and Other Interests. Except as expressly provided for in the Plan, the transfer of the Property and of the Units to DF shall be effectuated free and clear of all liens, Claims, encumbrances, rights, remedies, restrictions, interests and contractual commitments of any kind or nature whatsoever, whether arising before or after the Chapter 11 Petition Date, whether at law or in equity, including, without limitation, all rights or claims based on any successor or transferee liability, except as expressly provided in the Plan, the Property and of the Units transferred to DF, free and clear of all liens, claims, encumbrances, and other interests in, on, or with respect thereto, including, without limitation, interests, obligations, rights, encumbrances, pledges, liens (including, without limitation, mechanics', materialmens', and other consensual and non-consensual liens and statutory liens), mortgages, deeds of trust, security interests, claims (including, any "claim" as defined in Section 101 (5) of the

Bankruptcy Code), liabilities, debt obligations, losses, penalties, leases, charges, offsets, contracts, options, rights of first refusal, rights of first offer, rights of first sale, rights of notice, proxies, voting trusts or agreements, transfer restrictions under any agreement, conditional sale or other title retention agreements, judgments, hypothecations, demands, licenses, sublicenses, assignments, indentures, loan agreements, instruments, debts, rights of recovery, guaranties, contractual commitments, restrictions, setoff, recoupment, subrogation, employee benefit agreements and obligations, collective bargaining agreements and obligations, claims based on reimbursement, contribution, indemnity, exoneration, products liability, tortious conduct, property damage, personal injury, alter-ego, environmental liability, or taxes, and claims or liabilities otherwise arising under doctrines of successor liability, de facto merger, or substantial continuity, in each case, of any kind or nature in, against, or with respect to the Property and of the Units or the Debtor, or accrued prior to and through the Closing, whether direct or indirect, absolute or contingent, choate or inchoate, known or unknown, matured or unmatured, liquidated or unliquidated, arising or imposed by agreement, understanding, law, statute, equity, or otherwise, and whether arising prior to, on, or after the Chapter 11 Petition Date (collectively, "Interests").

10. Except as otherwise expressly provided in the Plan, any distribution or transfer made under the Plan, including, without limitation, distributions to any holder of an Allowed Claim, shall be free and clear of any liens, Claims, encumbrances, charges and other interests, and no other entity shall have any interest, whether legal, beneficial or otherwise, in property distributed or transferred pursuant to the Plan.

11. The provisions of this Confirmation Order authorizing the transfer of the Property and of the Units, free and clear of liens, Claims, encumbrances and other interests, except as expressly provided in the Plan, shall be self-executing, and neither the Debtor nor DF, as contemplated by the Plan and this Confirmation Order, shall be required

to execute or file releases, termination statements, assignments, consents, or other instruments in order to effectuate, consummate and implement the provisions of this Confirmation Order; provided, however, that this paragraph shall not excuse such parties from performing any and all of their respective obligations under the Plan and this Confirmation Order. However, if any person or entity that has filed financing statements, mortgages, mechanic's liens, lis pendens or other documents or agreements evidencing interests with respect to the Debtor and/or the Property and of the Units to be transferred to DF pursuant to the Plan and this Confirmation Order shall not have delivered to the Debtor, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all interests which the person or entity has with respect to the Debtor and/or such assets then (i) the Debtor is authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of such person or entity with respect to such assets; and (ii) the transferee of such assets pursuant to the Plan and this Confirmation Order, as the case may be, is authorized to file, register, or otherwise record a certified copy of this Confirmation Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all liens, Claims encumbrances and other interests in, against or with respect to the Debtor and/or the applicable assets. This Confirmation Order is deemed to be in recordable form sufficient to be placed in the filing or recording system of each and every federal, state, and local governmental agency, department, or office.

12. Exculpation. To the fullest extent permissible under applicable law, except as otherwise provided in the Plan, the Debtor nor any of its successors and assigns, 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 the Debtor, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, 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 Case, the operation of the Debtor's businesses during the Chapter 11 Case, the formulation, preparation, negotiation, dissemination, implementation, administration, execution, confirmation or consummation of the Plan, or any other contract, instrument, release, agreement, settlement or document created, modified, amended, terminated or entered into in connection with the Plan, or any other act or omission in connection with the Debtor's bankruptcy; provided however, that nothing in this paragraph 12 shall impact the allowance or disallowance of any Claim not expressly released under the Plan; provided further, however, that the foregoing shall not apply to any fraud, gross negligence, or willful misconduct by the party.

13. Cancellation of Existing Securities and Agreements. Except to the extent reinstated or unimpaired under the Plan, or for purposes of evidencing a right to distribution under the Plan or as otherwise provided thereunder, on the Effective Date, all agreements and other documents evidencing any Claim or rights of any holder of a Claim against the Debtor, including all indentures and notes evidencing such Claims shall be canceled.

14. Distributions on the Effective Date. Immediately upon the entry of this Confirmation Order, satisfaction of the conditions precedent included in Article X of the Plan, and the occurrence of (and on the) Effective Date, the Debtor shall transfer the the Property and of the Units to DF, and consummate the Plan, as set forth in Articles III and IV of the Plan.

15. Distributions After the Effective Date. Except as otherwise provided herein or pursuant to agreement or understanding between the Debtor and the holder of an Allowed Claim as of the Effective Date, all transfers and distributions required to be made under the Plan with respect to Claims that are Allowed as of the Effective Date shall be made by the Debtor, no earlier than three (3) business days after the Effective Date, or as soon as reasonably practicable thereafter, and the Debtor shall be and is hereby directed to comply

with the foregoing. In addition, except as otherwise provided in the Plan or pursuant to agreement or understanding between the Debtor and the holder of a Disputed Claim, if such Claim becomes Allowed after the Effective Date, the Debtor shall make all transfers and distributions with respect to such Claim on or as soon as reasonably practicable after the date on which such Claim becomes Allowed (but in any event no earlier than three (3) business days after the Effective Date, or as soon as reasonable practicable thereafter). Distributions made after the Effective Date to holders of Allowed Claims shall be deemed to have been made on the Effective Date. No interest shall accrue or be payable with respect to such Claims or any distributions related thereto.

16. Distributions with Respect to Disputed Claims. Notwithstanding any other provision of the 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 Court, and the Disputed Claim has become Allowed. Except as otherwise provided in the 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. 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.

17. Post-petition Interest on Claims. Except as otherwise expressly provided in the Plan, the Confirmation Order or any contract, instrument, release, settlement or other agreement entered into in connection with the Plan, or required by applicable bankruptcy law (including the fair and equitable rule), post-petition interest shall not accrue on or after the Petition Date on account of any Claim.

18. Assumption and Rejection of Executory Contracts and Unexpired Leases (11

U.S.C. § 1123 (b)(2)). Pursuant to sections 365 and 1123 of the Bankruptcy Code, except as otherwise provided for in the Plan, all Executory Contracts listed in Section 7.4 of the Disclosure Statement are deemed automatically assumed by the Debtor. Modifications, amendments, supplements and restatements to prepetition Executory Contracts and Leases that have been executed by the Debtor during the Chapter 11 Case and actions taken in accordance therewith, (i) do not alter in any way the prepetition nature of the Executory Contracts or Leases, or the validity, priority or amount of any Claims against the Debtor that may arise under such Executory Contract or Leases; (ii) are not and do not create post-petition contracts or leases; and (iii) 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 and subsequent modifications, amendments, supplements or restatements.

19. Rejection of Executory Contracts. Pursuant to Sections 365 and 1123 of the Bankruptcy Code, Executory Contracts shall be deemed automatically rejected effective as of and subject to the occurrence of the Effective Date, except for those Executory Contracts or Leases that (i) have already been rejected pursuant to a Final Order of the Court; (ii) are specifically listed in Section 7.4 of the Disclosure Statement. Entry of this Confirmation Order by the Court constitutes approval of such rejections and a finding that such rejected Executory Contracts are burdensome and that the rejection thereof is in the best interests of the Debtor and its Estate.

20. Bar Date for Rejection Damage Claims. Pursuant to Section 8.2 of the Plan, all proofs of claim with respect to Rejection Damage Claims must be filed with the Court and served on the Debtor within forty-five (45) days following the notice of this Confirmation Order.

21. **THE FAILURE TO PROPERLY FILE AND SERVE A PROOF OF CLAIM WITH RESPECT TO A REJECTION DAMAGE CLAIM BY THE DEADLINE SET FORTH**

IN ARTICLE VIII, SECTION 8.2 OF THE PLAN, AS APPLICABLE, SHALL RESULT IN SUCH CLAIM BEING DEEMED FOREVER BARRED AND DISALLOWED AS OF THE EFFECTIVE DATE AUTOMATICALLY WITHOUT THE NEED FOR ANY OBJECTION FROM THE DEBTOR OR THE DISTRIBUTION AGENT OR ANY ACTION BY THE COURT.

22. Vesting of Assets (11 U.S.C. § 1141 (b) and (c)). Except as to the transfer of the Property and of the Units to DF, upon the Effective Date, pursuant to Sections 1141(b) and (c) of the Bankruptcy Code, all other property of the Debtor shall vest in the Debtor, except as otherwise expressly provided in the Plan, the vesting of the property on the Debtor shall be free and clear of all liens and encumbrances, claims, charges, and other interests.

23. Binding Effect. Upon the Effective Date, the Plan shall be binding on, and shall inure to the benefit of, the Debtor's Estate and its respective successors and assigns. The rights, benefits and obligations of any entity named or referenced in the 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 Debtor, whether or not the Claim or Equity Interest of such holder is Impaired under the Plan and whether or not such holder has voted to accept the Plan.

24. Payment of Fees. As set forth in Section 2.2 (b) of the Plan, 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 Debtor on the Effective Date. All such fees that become due and payable after the Effective Date shall be paid by the Debtor when such fees become due and payable.

25. Substantial Consummation. On the Effective Date, the Plan shall be deemed to be substantially consummated under Sections 1101 and 1127 (b) of the Bankruptcy Code.

26. Exemption From Transfer Taxes. Pursuant to Section 1146 (a) of the Bankruptcy Code, (i) the transfer of the Property and of the Units to DF; (ii) the issuance, transfer or exchange of any security under, in furtherance of, or in connection with, the Plan; and/or (iii) 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, the Plan, including, and any deed, bill of sale, assignment, mortgage, deed of trust or similar document executed in connection therewith (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, mortgage or lien release/cancellation tax, or other similar tax, or any Uniform Commercial Code filing or recording fee or similar or other government assessment. This Confirmation Order directs the appropriate state or local government officials or agents to forgo 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. Each and every federal, state and local government agency or department are directed to forgo 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.

27. General Authorizations. The Debtor and its respective officers, employees, agents or attorneys are authorized and empowered pursuant to sections 105 and 1142(b) of the Bankruptcy Code and any applicable state law, without further order of the Court, 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 the Plan, including, without limitation, implementing all transactions, settlements and compromises, as set forth in or contemplated by Plan,

and this Confirmation Order.

28. Governmental Approvals Not Required, and Other Governmental Matters.

This Confirmation Order shall constitute all approvals and consents required, if any, by the laws, rules, or regulations of any state or any other governmental authority with respect to the implementation or consummation of the Plan and any documents, instruments, or agreements, and any amendments or modifications thereto, and any other acts referred to in or contemplated by the Plan and any documents, instruments, or agreements, and any amendments or modifications thereto.

29. This Confirmation Order shall be binding upon all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Purchased Assets, to be transferred pursuant to the Plan and this Confirmation Order. Each and every federal, state, territorial, and local governmental agency or department or office (including the government for the Commonwealth of Puerto Rico) is directed to accept this Confirmation Order and any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Plan and this Confirmation Order (including pertaining to the Governmental Purchased Assets Agreements).

30. Applicable Non-Bankruptcy Law. Pursuant to Sections 1123 (a) and 1142 (a) of the Bankruptcy Code, the provisions of this Confirmation Order and the Plan, shall apply and be enforceable notwithstanding any otherwise applicable non- bankruptcy law.

31. Governing Law. Except to the extent that the Bankruptcy Code or other federal law is applicable, the rights, duties and obligations arising under the Plan and

any agreements, documents and instruments executed in connection with the 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 Puerto Rico, without giving effect to the principles of conflict of laws of such jurisdiction.

32. Severability. In the event that prior to the entry of the Confirmation Order, any term or provision of the Plan is held by the Court to be invalid, void or unenforceable, the Court, at the request of the Debtor 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 the Plan will remain in full force and effect and in no way will be affected, impaired or invalidated by such holding, alteration or interpretation. This Confirmation Order shall constitute a judicial determination that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

33. Conflicts Between Confirmation Order and the Plan. To the extent of any inconsistency between the provisions of the Plan and this Confirmation Order exists, the terms and conditions contained in this Confirmation Order shall govern, and the terms of the Plan shall be deemed to have been amended in a manner consistent with this Confirmation Order. References to the Plan and the provisions thereof shall be references to the Plan and such provisions as amended by this Confirmation Order. The provisions of this Confirmation Order are integrated with each other and are non-severable and mutually dependent unless expressly stated by further order of this Court.

34. References to Provisions of the Plan. The failure specifically to include or reference any particular provision of the Plan in this Confirmation Order shall not diminish

or impair the effectiveness of such provision, it being the intent of the Court that the Plan be confirmed in its entirety, as amended by this Confirmation Order.

35. Final Order. This Confirmation Order is a final order and the period in which an appeal must be filed shall commence upon the entry hereof.

36. Reversal. In the event that any or all of the provisions of this Confirmation Order are hereafter reversed, modified or vacated by subsequent order of the Court or any other court, such reversal, modification or vacatur shall not affect the validity or enforceability of the acts or obligations incurred or undertaken under or in connection with the Plan or this Confirmation Order prior to the Debtor's and DF's receipt of written notice of such order. Notwithstanding any such reversal, modification or vacatur of this Confirmation Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Confirmation Order prior to the effective date of such reversal, modification or vacatur shall be governed in all respects by the provisions of this Confirmation Order and the Plan and all related documents or any amendments or modifications thereto.

37. Notice of Entry of Confirmation Order and Effective Date. Pursuant to Bankruptcy Rules 2002 (f), 2002 (k) and 3020 (c), as soon as reasonably practicably after entry of this Confirmation Order, the Debtor shall serve on all known parties in interest and holders of Claims against and Equity Interests in the Debtor (including all counterparties to non-assumed Executory Contracts) and notice of the entry of this Confirmation Order). The notice described herein is adequate and sufficient under the circumstances of the Chapter 11 Case and no other or further notice is necessary.

38. No Stay of Confirmation Order. Pursuant to Bankruptcy Rule 3020 (e), this Confirmation Order shall not be stayed and shall be effective upon entry on the docket of the Court.

39. Retention of Jurisdiction. The Court (and, in the event the Court is unable or unwilling, the United States District Court for the District of Puerto Rico) will retain

jurisdiction over all matters related to the confirmation of the Plan and Section 1142 of the Bankruptcy Code.

SO ORDERED.

San Juan, Puerto Rico, this 17 day of December, 2013.

Mildred Cabán

Mildred Cabán Flores

U.S. Bankruptcy Judge