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

In re:

EPICENTER PARTNERS L.L.C.

GRAY MEYER FANNIN L.L.C.

SONORAN DESERT LAND INVESTORS LLC

EAST OF EPICENTER LLC

GRAY PHOENIX DESERT RIDGE II, LLC

Debtors.

Chapter 11

Case No. 2:16-bk-05493-MCW

Jointly Administered with:

Case No. 2:16-bk-05494-MCW

Case No. 2:16-bk-07659-MCW

Case No. 2:16-bk-07660-MCW

Case No. 2:16-bk-07661-MCW

**THIRD AMENDED JOINT PLAN OF REORGANIZATION FOR ALL DEBTORS
WITH STIPULATED AND NON-ADVERSE MODIFICATIONS**

This Third Amended Joint Plan of Reorganization for all Debtors (as amended, the “Plan”) is filed by CPF Vaseo Associates, LLC (“CPF” or “Plan Proponent”), a secured creditor and party-in-interest in the above captioned chapter 11 cases of Epicenter Partners, LLC (“EP”), Gray Meyer Fannin, LLC (“GMF”), Sonoran Desert Land Investors, LLC (“SDLI”), East of Epicenter, LLC (“EoE”) and Gray Phoenix Desert Ridge II, LLC (“GPDR II”) and together with EP, GMF, SDLI, and EoE, the “Debtors”). The Effective Date of the Plan is defined herein.

1 **ARTICLE 1. DEFINITIONS.**

2 Except as otherwise provided in this Plan, all terms used herein shall have the
3 meanings attributable to such terms under title 11 of the United States Code, 11 U.S.C.
4 §§ 101 *et seq.*, as amended (the “Bankruptcy Code”), the applicable Federal Rules of
5 Bankruptcy Procedure and the Local Bankruptcy Rules for the District of Arizona (the
6 “Local Bankruptcy Rules”). For purposes of this Plan, except as expressly otherwise
7 provided or unless the context otherwise requires, all capitalized terms not otherwise
8 defined shall have the meanings assigned to them in this Section of the Plan. In all
9 references herein to any parties, persons, entities, or corporations, the use of any particular
10 gender or the plural or singular number is intended to include the appropriate gender or
11 number as the text may require. Whenever the word “including” is used, it shall be deemed
12 to be followed by the phrase “but not limited to,” whether or not such phrase appears in the
13 text.

14 1.1 \$3.7 MM Note means the September 17, 2014 Promissory Note in the
15 principal amount of \$3,700,000 executed by EoE in favor of Pacific Coach, Inc. and later
16 assigned to CPF.

17 1.2 20 Acre Lease shall refer to and mean the Arizona State Land Department
18 Commercial Lease No. 003-116780-99 between GPDR II and ASLD, as amended, pursuant
19 to which GPDR II leases the 20 Acre Parcel from ASLD. The 20 Acre Lease was assumed
20 by GPDR II during the Cases.

21 1.3 20 Acre Parcel shall refer to and mean the approximately 20 acres of real
22 property of Parcel 5A of the DRSP located near the northwest corner of 56th Street and State
23 Route 101 in Phoenix, AZ leased by GPDR II from the ASLD, including any and all related
24 real property rights held by GPDR II with respect to the 20 Acre Property.

25 1.4 20 Acre Personal Property shall refer to and mean all Plans and
26 Specifications, as that term is defined in the Assignment of Plans, Specifications and

1 Contracts recorded as Instrument No. 20140812398 in the Official Records of Maricopa
2 County, Arizona, and all other documents and personal property of every kind and nature
3 related to the ownership, management, and development of the 20 Acre Parcel.

4 1.5 \$26.5 MM Note means the December 10, 2014 Promissory Note in the
5 principal amount of \$26,500,000 executed by SDLI and GPDR II in favor of Pacific Coach,
6 Inc. and later assigned to CPF.

7 1.6 96.5 Acre Lease shall refer to and mean the Arizona State Land Department
8 Commercial Lease No. 003-052415-99, as amended or modified, pursuant to which EP and
9 GMF lease the 96.5 Acre Parcels from ASLD. The 96.5 Acre Lease was assumed by the
10 May Debtors during the Cases.

11 1.7 96.5 Acre Parcel shall refer to and mean the approximately 96.5 acres of real
12 property leased by EP and GMF from ASLD pursuant to the 96.5 Acre Lease, including
13 any and all real property rights held by EP and/or GMF relating to the 96.5 Acre Parcels,
14 including, but not limited to all rights of EP and GMF as Master Developer and Declarant
15 described in the Assignment of Rights as Master Developer and Declarant, recorded on May
16 8, 2013 as Instrument 20130421834 in the Official Records of Maricopa County, Arizona.

17 1.8 96.5 Acre Personal Property shall refer to and mean all plans, contracts,
18 specifications, studies, and other documents and personal property of every kind and nature
19 related to the ownership, management, and development of the 96.5 Acre Parcel.

20 1.9 Administrative Expense shall mean any cost or expense of administration of
21 the Debtors' chapter 11 cases allowable under Section 503(b) and Section 507(a) of the
22 Bankruptcy Code, including, without limitation, any actual and necessary expenses of
23 preserving the estates of the Debtors, any actual and necessary expense of operating the
24 businesses of the Debtors, any indebtedness or obligation incurred or assumed by the
25 Debtors in connection with the conduct of the business or for the acquisition or lease of
26 property or the rendition of services to the Debtors, all allowances of compensation and

1 reimbursement of expenses of Professional Persons, including Professional Fee Claims, and
2 any fees or charges assessed against the estates of the Debtors under Chapter 123 of Title
3 28 of the United States Code.

4 1.10 Affiliates shall have the meaning set forth in Section 101(2) of the Bankruptcy
5 Code.

6 1.11 Allowed when used as an adjective preceding the words “Claim” or “Claims”
7 shall mean (a) any Claim against the Debtors that has been listed by the Debtors in their
8 Schedules as liquidated in amount and not disputed or contingent and for which no contrary
9 proof of claim has been filed, and any other Claim against the Debtors for which a proof of
10 claim has been filed by the applicable Bar Date, in each case as to which no objection to
11 the allowance thereof has been interposed with the applicable period of limitations fixed by
12 the Plan, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, or the Local
13 Rules, or as to which any objection has been interposed timely and such Claim has been
14 allowed in whole or in part by a Final Order (but only to the extent so allowed), and (b) any
15 Claim allowed hereunder. Subject to rights of Secured Creditors under Bankruptcy Code §
16 506(b), if any, unless otherwise specified in the Plan, “Allowed Claim” shall not, for
17 purposes of computation of distributions under the Plan, include interest on the amount of
18 such Claim from and after the applicable Debtor’s Petition Date.

19 1.12 ASLD shall refer to and mean the Arizona State Land Department.

20 1.13 Assets shall mean the aggregate assets of any kind of the Debtors and their
21 Estates, wherever located.

22 1.14 Auction(s) shall refer to and mean the Liquidating Trustee’s sale, with the
23 assistance of the Broker, of the DR Property, 5.9 Acre Parcel, and subject to the July
24 Debtors’ Blue Sky Election under Section 8.9 of the Plan, the Blue Sky Property, free and
25 clear of all liens, claims, encumbrances, and interests under Sections 363(f) and 1123(b)(4)
26 of the Bankruptcy Code.

1 1.15 Avoidance Actions shall refer to and mean, with respect to each Debtor, all
2 Claims and/or causes of action of the Debtor or its Estate under Sections 543, 544, 545,
3 546, 547, 548, 549, 550, et seq. of the Bankruptcy Code, or under related state or federal
4 statutes and common law, including but not limited to fraudulent transfer laws, whether or
5 not litigation is commenced to prosecute such Avoidance Actions, including but not limited
6 to all potential causes of action identified in Sections 3(b) and (c) of each Debtor's Statement
7 of Financial Affairs filed in the Case.

8 1.16 Ballot shall mean the form(s) distributed to creditors holding claims in an
9 impaired Class, or holders of interests in an impaired Class, on which is to be indicated the
10 acceptance or rejection of the Plan.

11 1.17 Bankruptcy Code or Code shall mean the Bankruptcy Reform Act of 1978
12 (11 U.S.C. Sections 101, *et seq.*), as amended, and as codified in Title 11 of the United
13 States Code.

14 1.18 Bankruptcy Court shall mean the United States Bankruptcy Court for the
15 District of Arizona having jurisdiction over the Debtors' chapter 11 cases and, to the extent
16 of any reference made pursuant to 28 U.S.C. Section 158, the unit of such District Court
17 constituted pursuant to 28 U.S.C. Section 151.

18 1.19 Bankruptcy Rules shall mean the rules and forms of practice and procedure
19 in bankruptcy, promulgated under 11 U.S.C. Section 2075 and also referred to as the Federal
20 Rules of Bankruptcy Procedure.

21 1.20 Bar Date shall mean October 20, 2016, the date established by the Bankruptcy
22 Court by which all proofs of claim must be filed, in accordance with the *ORDER Granting*
23 *Motion to Set Last Day to File Proofs of Claim* [Dkt. 154].

24 1.21 Blue Sky Property shall mean the approximately 3.74 acres of real property
25 owned by SDLI located northeast of the intersection of Scottsdale Rd. and Camelback Rd.
26

1 1.22 Blue Sky Option Price shall mean the sum, as of the closing date of the July
2 Debtors' Equity Security Holders purchase of the Blue Sky Property from the Liquidating
3 Trustee, in accordance with an election to purchase the Blue Sky Property under Section
4 8.9 of the Plan, of (a) the remaining amounts due and owing to CPF on account of CPF's
5 Allowed Class 2.2 Secured Claim (including post-petition interest, attorneys' fees and
6 costs), CPF's Allowed Class 8 subordinated Unsecured Claim, and the July Exit Financing
7 (including post-petition interest, attorneys' fees and costs) after the sale of the DR Property
8 and the 5.9 Acre Parcel, (b) the estimated remaining unpaid Allowed Claims against the
9 July Debtors (including post-petition interest), and (c) the estimated unpaid fees and
10 expenses for the Liquidating Trustee, including the fees and expenses necessary to wind-
11 down and close the July Liquidating Trust.

12 1.23 Broker shall mean CBRE, Inc. If CBRE is unwilling to be employed by the
13 Liquidating Trustee on the terms stated herein, the Liquidating Trustee shall retain another
14 nationally recognized broker to market and sell the DR Property, the 5.9 Acre Property or
15 the Blue Sky Property under the Plan on commercially reasonable terms acceptable to the
16 Liquidating Trustee in its sole discretion.

17 1.24 Business Day shall mean and refer to any day except Saturday, Sunday, and
18 any other days on which commercial banks in Arizona are authorized by law to close.

19 1.25 Cash shall mean legal tender of the United States of America or equivalents
20 thereof, as well as any and all foreign currencies.

21 1.26 Case shall mean, as to any Debtor, such Debtor's case under Chapter 11 of
22 the Bankruptcy Code currently pending before the Bankruptcy Court. "Cases," shall, unless
23 the context otherwise requires, mean collectively each Case filed by each Debtor.

24 1.27 Claim shall mean a claim against any of the Debtors as defined in Section
25 101(5) of the Bankruptcy Code; including but not limited to any right to payment from the
26 Debtors whether or not such right is reduced to judgment, liquidated, unliquidated, fixed,

1 contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or
2 unsecured; or any right to an equitable remedy for breach of performance if such breach
3 gives rise to a right of payment from the Debtors whether or not such right to an equitable
4 remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed,
5 undisputed, secured, or unsecured.

6 1.28 Claimant shall mean the holder of a Claim.

7 1.29 Class shall mean a class of holders of Claims or Equity Security Interests
8 described in Article III of the Plan.

9 1.30 Collateral means any property or interest in property of an Estate of any
10 Debtor, subject to a Lien to secure the payment of a Claim, which Lien is not subject to
11 avoidance or otherwise invalid and unenforceable under the Bankruptcy Code or applicable
12 non-bankruptcy law.

13 1.31 Commercial Core Declaration shall refer to and mean the Declaration of
14 Covenants, Conditions, Restrictions and Easements for Desert Ridge Commercial Core,
15 dated July 20, 2000, and recorded on July 21, 2000 in the Official Records of Maricopa
16 County, Arizona as Instrument 2000-0555236, as the same may have been or may be
17 amended or modified from time to time.

18 1.32 Committee shall mean the statutory committee of unsecured creditors
19 appointed in the EP and GMF Cases pursuant to Bankruptcy Code § 1102.

20 1.33 Confirmation shall mean the entry of the Confirmation Order.

21 1.34 Confirmation Date shall mean the date upon which the clerk of the
22 Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

23 1.35 Confirmation Hearing shall mean a hearing conducted before the Bankruptcy
24 Court for the purpose of considering confirmation of the Plan, as such hearing may be
25 adjourned or continued from time to time.

1 1.36 Confirmation Order shall mean an Order of the Bankruptcy Court confirming
2 the Plan pursuant to Section 1129 of the Bankruptcy Code.

3 1.37 CPF shall refer to and mean CPF Vaseo Associates, LLC.

4 1.38 CPF May Subordinated Claims shall mean any Unsecured Claims owned,
5 held or controlled by CPF on account of any: (i) Unsecured Claim(s) against the May
6 Debtors purchased by CPF, (ii) any actual or potential deficiency Claim by CPF against
7 the May Debtors under Bankruptcy Code Section 506, or (3) constituting any other
8 Unsecured Claim asserted by CPF against the May Debtors.

9 1.39 Creditor shall mean any person that has a Claim against the Debtors that arose
10 on or before the Petition Date or a Claim against the Estates of any kind specified in Section
11 502(g), 502(h) or 502(i) of the Bankruptcy Code.

12 1.40 Debtors shall mean EP, GMF, SDLI, EoE and GPDR II. With respect to any
13 period of time after the Effective Date, the term Debtors, as used herein shall mean and
14 include the Debtors as reorganized under and in accordance with the confirmed Plan.

15 1.41 Document shall mean refers to and includes the originals (or copies if the
16 originals are unavailable to you), and all non-identical copies, whether different from the
17 originals by reason of any notation made on such copies or otherwise, of every writing of
18 every type of description, and every other thing constituting any medium by which, through
19 which, or on which any type of communication or knowledge has been transmitted,
20 recorded, or preserved, whether printed, handwritten, recorded or graphic matter, computer
21 records, photographic matter, or sound reproductions, wherever produced or recorded,
22 whether claimed to be exempt from production pursuant to a properly asserted privilege or
23 for any other reason, with this definition including, for illustrative purposes and without
24 limitation, all of the following:

25 1.41.1 correspondence, memoranda, notes, diaries, statistics, letters,
26 telegrams, minutes, contracts, reports, studies, check statements, check stubs, bank

1 statements, memoranda, pamphlets, reports, surveys, studies, analyses, tabulations,
2 graphs, logs, statements, receipts, returns, summaries, pamphlets, books, inter-office
3 or intraoffice communications, telephone message slips, offers, notations of
4 conversations, bulletins, drawings, plans, computer printouts, teletypes, telefaxes,
5 invoices, worksheets, ledger books, books of account, reports and/or summaries of
6 investigations, opinions and/or reports of consultants, appraisals and/or other
7 valuation estimates of any kind, and all drafts, alterations, modifications, changes
8 and amendments of any of the foregoing;

9 1.41.2 all graphic or aural records and representations of any kind, including
10 without limitation photographs, charts, graphs, microfiche, microfilm, videotape
11 recordings, motion pictures and electronic, mechanical or electrical records,
12 cassettes, disks, or recordings of any kind; and (iii) electronic mail
13 communications, computer disks and diskettes, computer input or output, computer
14 hard drive files, computer back-up tapes, zip drive files, recorded information,
15 electromagnetic tapes used for preserving and backing up computer systems, data
16 and information located in computer systems, on computer networks, and
17 information in whatever other form stored or utilized by you on computer systems,
18 or stored for you by a third party.

19 1.42 DRCA shall mean the Desert Ridge Community Association, established
20 under the Declaration of Covenants, Conditions, Restrictions, and Easements for Desert
21 Ridge, as amended.

22 1.43 DR Property shall refer to and mean the 20 Acre Lease, the 20 Acre Parcel,
23 the 20 Acre Personal Property, the 96.5 Acre Lease, the 96.5 Acre Parcel, the 96.5 Acre
24 Personal Property, and all related real property and personal property rights, including, but
25 not limited to the Master Developer Rights, the Master Declarant Rights, the Property
26 Development Agreement, all intellectual property and contract rights, all Estate Claims

1 related to the LKY Parcels, and any options to repurchase the LKY Parcels (or other
2 property adjacent to the DR Property) owned by the May Debtors.

3 1.44 DRSP shall refer to and mean the Desert Ridge Specific Plan currently in
4 effect with respect to the Desert Ridge Master Planned Community, as the same may be
5 amended in accordance with applicable State law.

6 1.45 Disallowed Claim shall mean a Claim or portion thereof that: (i) has been
7 disallowed by a Final Order; (ii) is listed in any of the Debtors' Schedules in an amount of
8 zero dollars or as contingent, unliquidated, or disputed and as to which a proof of claim was
9 not filed by the Bar Date; or (iii) is not identified in the Debtors' schedules and as to which
10 no proof of claim has been filed or been deemed filed by the Bar Date.

11 1.46 Disclosure Statement shall mean and refer to the disclosure statement filed by
12 CPF as required pursuant to Section 1125 of the Bankruptcy Code, as the same may be
13 amended from time to time by the Debtors.

14 1.47 Disputed Claim shall mean any Claim that is not an Allowed Claim or a
15 Disallowed Claim and that has not been barred or otherwise disallowed or paid or otherwise
16 satisfied. In the event that any part of a Claim is a Disputed Claim, such Claim in its entirety
17 shall be deemed to constitute a Disputed Claim for purposes of distribution under the Plan
18 unless the Debtors and the holder thereof agree otherwise; provided, however, nothing in
19 this definition is intended to or does impair the rights of any holder of a Disputed Claim to
20 pursue its rights under Section 502(c) of the Bankruptcy Code. Without limiting any of the
21 foregoing, but subject to the provisions of the Plan, a Claim, including a Claim listed on
22 any of the Debtors' Schedules, that is the subject of a pending application, motion,
23 complaint, objection or any other legal proceeding commenced or filed by the Debtors or
24 CPF seeking to disallow, limit, subordinate or estimate such Claim shall be deemed to
25 constitute a Disputed Claim.

1 1.48 Dividend Fund shall mean such sums held by each of the Liquidating Trusts
2 for distribution to holders of Allowed Claims pursuant to the Plan on or after the Effective
3 Date of the Plan. The costs and expenses of each of the Liquidating Trusts shall be paid out
4 of the applicable Dividend Fund. For clarity sake, the Liquidating Trustee shall maintain a
5 separate Dividend Fund for each of the Liquidating Trusts.

6 1.49 Effective Date shall mean the earlier of (a) first Business Day after the
7 Confirmation Order becomes a Final Order; and (b) if an appeal or other challenge to the
8 Confirmation Order has been taken or may timely be taken, but such order remains in full
9 force and effect and has not been stayed, and CPF waives the condition “to the Effective
10 Date” in Section 15.1, the date designated in a writing filed by CPF in the Cases, whether
11 or not the Confirmation Order has become a Final Order.

12 1.50 Emerald Equities shall mean Emerald Equities, LLC, the entity that filed
13 Claim 4-1 against SDLI and Claim 14-1 against EP.

14 1.51 Emerald Equities Letter Agreement shall mean that certain letter agreement,
15 dated April 26, 2011, executed by Emerald Equities, SDLI, and Scottsdale Renaissance,
16 L.L.C. and attached as Exhibit 1 to the Emerald Equities Claim 4-1 filed against SDLI.

17 1.52 Entity shall have the meaning set forth in Section 101(15) of the Bankruptcy
18 Code.

19 1.53 EoE shall mean East of Epicenter, LLC, a debtor herein.

20 1.54 EoE Certificate of Purchase shall refer to and mean that certain Certificate of
21 Purchase No. 53-110227, as amended, pursuant to which ASLD sold the 26.1 Acre 2-H
22 Parcel to EoE, subject to EoE’s obligation to make certain deferred payments of the
23 purchase price to ASLD, which EoE Certificate of Purchase was rejected during the Cases.

24 1.55 EP shall mean Epicenter Partners, L.L.C., a debtor herein.
25
26

1 1.56 Equity Security shall have the meaning set forth in Section 101(16) of the
2 Bankruptcy Code and “Equity Security Holder” shall have the meaning set forth in Section
3 101(17) of the Bankruptcy Code.

4 1.57 Equity Security Interest means the interest of an Equity Security Holder in
5 the applicable Debtor.

6 1.58 Estate shall mean the estate of the applicable Debtor created in accordance
7 with Section 541 of the Bankruptcy Code.

8 1.59 Estate Claims shall mean, with respect to each Debtor, any and all claims,
9 actions, causes of action, liabilities, obligations, rights, damages, judgments, demands,
10 defenses, suits, choses in action and all other rights and remedies of the Debtor and its
11 Estate, for or on behalf of Creditors and/or the Debtor and/or the Estate, including but not
12 limited to any and all claims and/or causes of action by the Estate and/or the Debtor, against
13 any and all Creditors, Governmental Units, or other Persons, including but not limited to any
14 and all claims any of the Debtors may have against their respective current or former officers,
15 directors, managers, members, employees, consultants, attorneys, and other professionals, of
16 every kind or nature, whether known or unknown, suspected or unsuspected, whether
17 arising before, on or after the Petition Date, in contract or in tort, at law or in equity, and
18 whether or not brought as of the Effective Date, including but not limited to those for (i)
19 damages, (ii) the recovery of monies, (iii) lien avoidance, subordination, surcharge,
20 characterization, setoff, counterclaim, contribution or recoupment, (iv) tax refunds, (v)
21 claims and defenses such as fraud, mistake, duress and usury, (vi) injunctive, equitable or
22 other relief, and (vii) all Avoidance Actions of the Estate.

23 1.60 Executory Contract and Unexpired Lease or Executory Contract or Unexpired
24 Lease shall mean a contract or lease to which a Debtor is a party that is subject to assumption
25 or rejection under Section 365 of the Bankruptcy Code.

1 1.61 Final Order shall mean an order or judgment of the Bankruptcy Court or other
2 court of competent jurisdiction as entered on the docket that (a) is not stayed, (b) has not
3 been reversed, modified or amended, and (c) as to which the time to appeal, petition for
4 certiorari, or seek reargument, review, reconsideration, rehearing or leave to appeal
5 (excluding the time to move for relief from a final order or judgment under Rule 60(b) of
6 the Federal Rules of Civil Procedure and the time to request revocation of an order of
7 confirmation under Section 1144 of the Bankruptcy Code) has expired and as to which no
8 appeal, petition for certiorari or other proceeding for reargument, review, reconsideration,
9 rehearing or leave to appeal (including a motion for relief from a final order or judgment
10 under said Rule 60(b) or a request for revocation of an order of confirmation under said
11 Section 1144) or as to which any right to appeal, petition for certiorari or seek reargument,
12 review, reconsideration, rehearing or leave to appeal has been waived in writing, or, if any
13 appeal, petition for certiorari, or other proceeding for reargument, review, reconsideration,
14 rehearing or leave to appeal has been sought, the order or judgment of the Bankruptcy Court
15 has been affirmed by the highest court to which the order or judgment was appealed or from
16 which the reargument or rehearing was sought, or certiorari has been denied, and the time
17 to take any further appeal, petition for certiorari or seek further reargument, review
18 reconsideration, rehearing or leave to appeal (excluding the time to move for relief from a
19 final order or judgment under said Rule 60(b) and the time to request revocation of an order
20 of confirmation under said Section 1144) has expired.

21 1.62 Ganymede shall refer to and mean Ganymede Investments Limited, a
22 company organized under the laws of Guernsey.

23 1.63 Ganymede Adversary shall refer to and mean Adversary No. 16-ap-00334-
24 MCW commenced by EP and GMF against CPF, including, but not limited to, the First
25 Amended Complaint filed at Dkt. 59 in Adversary No. 16-ap-00334-MCW.
26

1 1.64 Ganymede Claims shall refer to and mean all claims and causes of action
2 alleged, or that could have been alleged, in the Ganymede Adversary against CPF, its
3 successors, assigns, and Representatives.

4 1.65 Ganymede Note means the April 22, 2013 Promissory Note in the principal
5 amount of \$50,713,000 executed by the May Debtors in favor of Ganymede Investments,
6 Ltd. and later assigned to CPF.

7 1.66 GBSRP I shall mean Gray Blue Sky Scottsdale Residential Phase I, LLC, an
8 Arizona limited liability company 100% owned by SDLI and the current owner of
9 approximately .55 acres adjacent to the Blue Sky Property.

10 1.67 GBSRP I Property shall refer to and mean the approximately .55 acres of real
11 property located adjacent to the Blue Sky Property owned by GBSRP I.

12 1.68 GMF shall mean Gray Meyer Fannin, LLC, a debtor herein.

13 1.69 GPDR II shall mean Gray Phoenix Desert Ridge II, LLC, a debtor herein.

14 1.70 Governmental Unit shall have the meaning set forth in Section 101(27) of the
15 Bankruptcy Code.

16 1.71 Impaired when used as an adjective preceding the words “Class of Claims”
17 or “Class of Equity Security Interests,” shall mean that the Plan alters the legal, equitable,
18 or contractual rights of the Claims or Equity Security Interests in that Class, other than in a
19 manner that comports with Section 1124(2) of the Bankruptcy Code.

20 1.72 Insider shall have the meaning set forth in Section 101(31) of the Bankruptcy
21 Code.

22 1.73 IRS shall mean the Internal Revenue Service, Department of the Treasury of
23 the United States of America.

24 1.74 July Debtors refers to and means SDLI, EoE, and GPDR II.

25 1.75 July Exit Financing shall mean a loan in the principal amount of \$1.2 million
26 by CPF to the July Debtors on the Effective Date of the Plan, which shall be an additional

1 advance under the \$26.5 MM Note secured by all of CPF's Liens in its existing Collateral.
2 The proceeds of the loan may be used by the Liquidating Trustee to pay Allowed
3 Administrative Expense Claims, Allowed Priority Claims, and fees and expenses of the July
4 Liquidating Trust. The July Exit Financing shall bear interest at the same rate as the Class
5 2.2 Secured Claim after the Effective Date of the Plan.

6 1.76 July Liquidating Trust shall mean the liquidating trust established on the
7 Effective Date for the Estates of the July Debtors pursuant to Article 8 hereof and the July
8 Liquidating Trust Agreement.

9 1.77 July Liquidating Trust Agreement shall mean the agreement to be entered into
10 by the Liquidating Trustee and the July Debtors on or before the Effective Date setting forth
11 the terms of the July Liquidating Trust which will govern the operations of the July
12 Liquidating Trust, substantially in the form attached hereto as Exhibit "A". The July
13 Liquidating Trust Agreement can be amended at any time up to three (3) Business Days
14 before the Confirmation Hearing. The final version of the July Liquidating Trust
15 Agreement will be submitted in accordance with Section 14.18 hereof. If the existing
16 members of managers of the July Debtors refuse to sign the July Liquidating Trust
17 Agreement, such agreement shall nevertheless be fully valid and effective provided that the
18 Plan is confirmed, the Effective Date occurs, and the July Liquidating Trust Agreement is
19 signed by the Liquidating Trustee.

20 1.78 Lien shall have the meaning assigned to such term in Section 101(37) of the
21 Bankruptcy Code.

22 1.79 Lien Avoidance Adversary shall refer to and mean Adversary No. 16-ap-
23 00395-MCW commenced by EP and GMF against CPF, including, but not limited to the
24 Complaint filed therein.

1 1.80 Lien Avoidance Claims shall refer to and mean all claims and causes of action
2 alleged, or that could have been alleged, in the Lien Avoidance Action against CPF, its
3 successors, assigns, and Representatives.

4 1.81 Liquidating Trustee shall refer to and mean Resolute Commercial Services,
5 acting by and through Jeremiah Foster, or such other Person mutually agreeable to CPF
6 and the Committee to be identified prior to the conclusion of the Confirmation Hearing, to
7 serve as liquidating trustee of each of the Liquidating Trusts, on such employment terms
8 as will be specified in the Confirmation Order. For efficiency sake, a single Person will
9 serve as Liquidating Trustee for each of the Liquidating Trusts.

10 1.82 Liquidating Trust(s) shall refer to and mean, as the context requires, the May
11 Liquidating Trust and the July Liquidating Trust.

12 1.83 Liquidating Trust Agreement(s) shall refer to and mean, as the context
13 requires, the May Liquidating Trust Agreement and the July Liquidating Trust Agreement.

14 1.84 LKY Parcels shall refer to and mean the real property that is the subject of
15 ASLD Lease 03-116824-99 and ASLD Lease 03-116825-99.

16 1.85 Master CC&Rs shall refer to and mean the Declaration of Covenants,
17 Conditions, Restrictions and Easements for Desert Ridge, Phoenix, Arizona, recorded on
18 February 7, 1994 in the Official Records of Maricopa County, Arizona as Instrument No.
19 94-0106341, as the same may have been or may be amended or modified from time to time.

20 1.86 Master Developer Rights shall refer to and mean those rights currently held
21 by EP and GMF under the 96.5 Acre Lease, as well as under all recorded covenants,
22 conditions and restrictions relating to the 96.5 Acre Parcels and otherwise under the DRSP,
23 as the same may have been or may be amended or modified from time to time.

24 1.87 Master Declarant Rights shall refer to and mean the rights of the Declarant
25 under the Commercial Core Declaration, as the same may have been or may be amended or
26 modified from time to time.

1 1.88 May Debtors refers to and means EP and GMF.

2 1.89 May Exit Financing shall mean a loan in the principal amount of \$4.8 million
3 by CPF to the May Debtors on the Effective Date of the Plan, which shall be an additional
4 advance under the Ganymede Note secured by all of CPF's Liens in its existing Collateral.
5 The proceeds of the loan may be used by the Liquidating Trustee to pay Allowed
6 Administrative Expense, Allowed Priority Claims, Allowed Unsecured Claims against the
7 May Debtors, and fees and expenses of the May Liquidating Trust. The May Exit Financing
8 shall bear interest at the same rate as the Class 2.1 Secured Claim after the Effective Date
9 of the Plan.

10 1.90 May Liquidating Trust shall mean the liquidating trust established on the
11 Effective Date for the Estates of the May Debtors pursuant to Article 8 hereof and the May
12 Liquidating Trust Agreement.

13 1.91 May Liquidating Trust Agreement shall mean the agreement to be entered
14 into by the Liquidating Trustee and the May Debtors on or before the Effective Date setting
15 forth the terms of the May Liquidating Trust which will govern the operations of the May
16 Liquidating Trust, substantially in the form attached hereto as Exhibit "B". The May
17 Liquidating Trust Agreement can be amended at any time up to three (3) Business Days
18 before the Confirmation Hearing. The final version of the May Liquidating Trust
19 Agreement will be submitted in accordance with Section 14.18 hereof. If the existing
20 members of managers of the May Debtors refuse to sign the May Liquidating Trust
21 Agreement, such agreement shall nevertheless be fully valid and effective provided that the
22 Plan is confirmed, the Effective Date occurs, and the May Liquidating Trust Agreement is
23 signed by the Liquidating Trustee.

24 1.92 May Advisory Committee shall mean a committee comprised of 3 holders of
25 Unsecured Claims against the May Debtors (excluding CPF and Insiders) to be selected by
26 the Committee and that shall serve as an advisory committee to the May Liquidating

1 Trustee, which advisory role, function and governing terms shall be specified in the May
2 Liquidating Trust Agreement.

3 1.93 Net Proceeds shall mean an amount equal to the “gross proceeds” of sale
4 and/or collection and receipt of property (real or personal) of a Debtor, as actually received
5 by the Liquidating Trustee, less the amount of all Allowed Secured Claims against such real
6 and personal property, and less the costs and fees associated with such sale, including, but
7 not limited to appraisal fees, auctioneer’s fees, brokers fees and/or real property tax liability
8 of any kind arising out of or in connection with such sale.

9 1.94 Person shall have the meaning set forth in Section 101(41) of the Bankruptcy
10 Code.

11 1.95 Petition Date shall mean May 16, 2016 with respect to the May Debtors, and
12 shall mean July 6, 2016 with respect to the July Debtors.

13 1.96 Plan shall mean this plan of reorganization, including, without limitation, the
14 exhibits and schedules hereto, as the same may be amended, supplemented or modified
15 from time to time in accordance with the provisions of the Bankruptcy Code and the terms
16 hereof.

17 1.97 Priority Claims shall mean “Priority Tax Claims” and “Priority Non-Tax
18 Claims” in the aggregate, and shall mean any claim to the extent entitled to priority in
19 payment under Section 507 (3), (4), (5), (6), (7) or (8) of the Bankruptcy Code.

20 1.98 Priority Non-Tax Claims shall mean Priority Claims other than Priority
21 Claims entitled to priority treatment as a tax under Section 507(a)(8) of the Bankruptcy
22 Code.

23 1.99 Priority Tax Creditor shall mean a Creditor holding a Priority Tax Claim.

24 1.100 Priority Tax Claim shall mean any Claim entitled to priority in payment under
25 Section 507(a)(8) of the Bankruptcy Code, but only to the extent it is entitled to priority
26 under such subsection.

1 1.101 Professional Persons shall mean any professional employed in the Chapter 11
2 Case pursuant to Section 327 or Section 1103 of the Bankruptcy Code, or any professional
3 or other entity seeking compensation or reimbursement of expenses in connection with the
4 Case pursuant to Sections 503(b)(3)(F) and (b)(4) of the Bankruptcy Code.

5 1.102 Professional Fee Claim shall mean any claim by a Professional Person as
6 provided for in Sections 327, 328, 330, 503(b) and 1103 of the Bankruptcy Code.

7 1.103 Property Development Agreement shall refer to and mean the Property
8 Development Agreement, dated July 3, 2012, between EP, GMF, Bruce W. Gray, and City
9 North HH, Inc.

10 1.104 Pro Rata shall mean, with respect to an amount of Cash to be paid or
11 distributed to a Creditor with respect to an Allowed Claim on a particular date, in
12 accordance with the ratio, as of such date, of the dollar amount of the Allowed Claims of
13 such to the aggregate dollar amount of all Claims of the same type or in the same Class of
14 Claims, including unclassified Claims (including, in each such calculation, the full amount
15 of Disputed Claims of the same type or in the same Class of Claims, including unclassified
16 Claims, which have been asserted or are otherwise pending and which have not yet been
17 Allowed or otherwise disposed of).

18 1.105 Remaining Assets shall mean all of a Debtor's Assets, including Cash, as of
19 the Effective Date.

20 1.106 Reorganized Debtors shall mean the Debtors as reorganized under and in
21 accordance with the confirmed Plan from and after the Effective Date.

22 1.107 Representative shall mean, with respect to any entity, any officer, director,
23 affiliate, manager, member, subsidiary, attorney, advisor, investment banker, financial
24 advisor, accountant or other professional of such entity, in each case in such capacity,
25 together with each of their successors and assigns.

1 1.108 Reserve shall mean the Pro Rata portion of any Cash or other property
2 retained on account of a Disputed Claim, pending allowance or disallowance of such Claim.

3 1.109 Residual shall mean with respect to each Liquidating Trust any cash or other
4 Assets remaining in the applicable Liquidating Trust after the payment in full of all Allowed
5 Claims against the Debtors, all other amounts (including post-petition interest, attorneys'
6 fees and costs Allowed with respect to any Allowed Secured Claim and the May Exit
7 Financing and July Exit Financing) payable under the Plan, the full administration and
8 wind-down of the Liquidating Trust, and the payment in full of all fees and expenses of the
9 Liquidating Trustee with respect to such Liquidating Trust.

10 1.110 SDLI shall mean Sonoran Desert Land Investors, LLC, a debtor herein.

11 1.111 Schedules means the schedules of assets and liabilities, schedules of current
12 income and current expenditures and the statements of financial affairs filed by the Debtors
13 as required by the Bankruptcy Code and Bankruptcy Rules, including any supplements or
14 amendments thereto through the Confirmation Date

15 1.112 Secured Claim shall mean a Claim (a) which is secured by a Lien on Collateral
16 to the extent of the value of such Collateral, as determined in accordance with Section
17 506(a) of the Bankruptcy Code or (b) that is subject to a valid right of setoff pursuant to
18 Section 553 of the Bankruptcy Code. In accordance with Section 506(a) of the Bankruptcy
19 Code, Secured Claim specifically excludes that portion of a Claim of a holder of a Lien
20 against the property of the Debtor to the extent that the value of such holder's interest in the
21 property is less than the amount of such Claim. To the extent of any deficiency in the value
22 of the interest of the holder of such Secured Claim in such property, such deficiency is an
23 Unsecured Claim, unless otherwise provided for by order of the Bankruptcy Court.

24 1.113 STB shall refer to and mean the law firm of Simpson Thacher & Bartlett LLP.
25
26

1 1.114 STB Note means the April 22, 2013 Promissory Note in the principal amount
2 of \$2,956,703.66 executed by the May Debtors in favor of Simpson Thacher & Bartlett LLP
3 and later assigned to CPF.

4 1.115 Subordinated Claim shall mean all claims described in Section 510 of the
5 Bankruptcy Code or claims which are otherwise subordinated pursuant to an Order of the
6 Bankruptcy Court.

7 1.116 Unsecured Claim shall mean any Claim against the Debtors which arose or
8 which is deemed by the Bankruptcy Code to have arisen before the Petition Date for the
9 Debtors, and which is not (i) a secured claim pursuant to Section 506 of the Bankruptcy
10 Code, as modified by Section 1111(b) of the Bankruptcy Code, or (ii) a Claim entitled to
11 priority under Sections 503 or 507 of the Bankruptcy Code. “Unsecured Claims” shall
12 include all Claims against the Debtors that are not expressly otherwise dealt with in the
13 Plan.

14 1.117 Voting Class shall mean a Class of Claims under the Plan which is impaired
15 and entitled to vote to accept or reject the Plan.

16 **ARTICLE 2. INTERPRETATION, RULES OF CONSTRUCTION, AND OTHER**
17 **TERMS.**

18 2.1 Any term used in this Plan that is not defined herein, whether in Article I or
19 elsewhere, but that is used in the Bankruptcy Code or the Bankruptcy Rules, has the
20 meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules and shall
21 be construed in accordance with the rules of construction used in the Bankruptcy Code.

22 2.2 The words “herein,” “hereto,” “hereunder,” and others of similar importance,
23 refer to the Plan as a whole and not to any particular article or clause contained in this Plan.

24 2.3 Unless specified otherwise in a particular reference, a reference in this Plan
25 to an article is a reference to that article of this Plan.

1 2.4 Unless otherwise provided for, any reference in this Plan to an existing
2 document or instrument means such document or instrument as it may have been amended,
3 modified, or supplemented from time to time.

4 2.5 For purposes of this Plan and such defined terms, the singular and plural uses
5 of such defined terms and the conjunctive and disjunctive uses will be fungible and
6 interchangeable (unless the context otherwise requires); and the defined terms will include
7 masculine, feminine, and neuter genders.

8 2.6 In addition to the foregoing, the rules of construction set forth in Section 102
9 of the Bankruptcy Code shall apply to this Plan.

10 2.7 In computing any period of time prescribed or allowed by this Plan, the
11 provisions of Bankruptcy Rule 9006(a) shall apply.

12 2.8 Any exhibits or schedules to this Plan are incorporated into this Plan, and
13 shall be deemed to be included in this Plan, regardless of when filed with the Bankruptcy
14 Court.

15 2.9 Where Claims are divided into subclasses in this Plan, each subclass will be
16 considered to be a separate class for all confirmation purposes, including treatment and
17 voting on the Plan.

18 **ARTICLE 3. CLASSIFICATION OF CLAIMS AND INTERESTS.**

19 3.1 General Classification Provisions. For purposes of organization, voting, and
20 all confirmation matters, except as otherwise provided herein, all Claims (except for
21 Administrative Claims and Priority Tax Claims) and Equity Security Interests shall be
22 classified as set forth in this Article III of the Plan. All Claims and Equity Security Interests
23 are classified under the Plan as hereafter stated in this Article III; provided, however, that a
24 Claim or Equity Security Interest will be deemed classified in a particular Class only to the
25 extent that the Claim or Equity Security Interest qualifies within the description of that Class
26 and will be deemed classified in a different Class to the extent that any remainder of the

1 Claim or Equity Security Interest qualifies within the description of such different Class.
2 As of the Confirmation Hearing, any Class of Claims or Equity Security Interest that does
3 not contain any Creditor's Claim or an Equity Security Interest will be deemed deleted
4 automatically from the Plan; and any Class of Claims or Equity Security Interest that does
5 not contain an Allowed Claim (or a Claim temporarily or provisionally allowed by the
6 Bankruptcy Court for voting purposes) or Equity Security Interest will be deemed
7 automatically deleted from the Plan with respect to voting on confirmation of the Plan. A
8 Claim or Equity Security Interest is in a particular Class only to the extent the Claim or
9 Equity Security Interest is an Allowed Claim or Allowed Equity Security Interest as defined
10 herein.

11 3.2 Classification of Claims and Equity Security Interests. The Plan classifies
12 Claims and Equity Security Interests in various Classes according to their right to priority
13 of payments as provided in the Bankruptcy Code. The Plan states whether each Class of
14 Claims or Equity Security Interests are impaired or unimpaired. The Plan provides the
15 treatment each Class will receive under the Plan. In accordance with the requirements of
16 the Bankruptcy Code, Allowed Administrative Expense Claims and Priority Tax Claims are
17 not set forth in Classes and are not entitled to vote on the Plan. The Allowed Claims against
18 the Debtors' Estates are divided into the following classes:

19 3.2.1 Class 1 (Secured Tax Claims). Class 1 consists of any Secured Tax
20 Claims filed by the Maricopa County Treasurer against the Debtors.

21 (a) Class 1.1 (Secured Tax Claims Against EP). Class 1.1 consists
22 of any Secured Tax Claims filed against EP.

23 (b) Class 1.2 (Secured Tax Claims Against SDLI). Class 1.2
24 consists of any Secured Tax Claims filed against SDLI.

25 (c) Class 1.3 (Secured Tax Claims Against EoE). Class 1.3
26 consists of any Secured Tax Claims filed against EoE.

1 3.2.2 Class 2 (CPF Secured Claims). Class 2 consists of CPF's Secured
2 Claims against the Debtors.

3 (a) Class 2.1 (CPF Secured Claims against EP and GMF). Class
4 2.1 consists of CPF's Secured Claims against EP and GMF.

5 (b) Class 2.2 (CPF Secured Claims against GPDR II, EoE and
6 SDLI). Class 2.2 consists of CPF's Secured Claims against GPDR II, EoE
7 and SDLI.

8 3.2.3 Class 3 (DRCA Secured Claim). Class 3 consists of the Secured Claim
9 of DRCA against EoE.

10 3.2.4 Class 4 (Unsecured Claims). Class 4 consists of any Unsecured
11 Claims against the Debtors existing as of the Confirmation Date. The Unsecured
12 Claims against the Debtors are divided into the following subclasses:

13 (a) Class 4.1 (EP Unsecured Claims). Class 4.1 consists of all
14 Unsecured Claims against EP, except CPF May Subordinated Claims against
15 EP.

16 (b) Class 4.2 (GMF Unsecured Claims). Class 4.2 consists of all
17 Unsecured Claims against GMF, except CPF May Subordinated Claims
18 against GMF.

19 (c) Class 4.3 (SDLI Unsecured Claims). Class 4.3 consists of all
20 Unsecured Claims against SDLI, except CPF Late Fees Claims.

21 (d) Class 4.4 (EoE Unsecured Claims). Class 4.4 consists of all
22 Unsecured Claims against EoE, except CPF Late Fees Claims.

23 (e) Class 4.5 (GPDR II Unsecured Claims). Class 4.5 consists of
24 all Unsecured Claims against GPDR II, except CPF Late Fees Claims.

25 3.2.5 Class 5 (CPF May Subordinated Claims). Class 5 consists of all CPF
26 May Subordinated Claims against EP and GMF.

1 3.2.6 Class 6 (Equity Security Interests). Class 6 consists of the Equity
2 Security Interests in each of the Debtors.

3 (a) Class 6.1 (EP Equity Security Interests). Class 6.1 consists of
4 all Equity Security Interests in EP.

5 (b) Class 6.2 (GMF Equity Security Interests). Class 6.2 consists
6 of all Equity Security Interests in GMF.

7 (c) Class 6.3 (SDLI Equity Security Interests). Class 6.3 consists
8 of all Equity Security Interests in SDLI.

9 (d) Class 6.4 (EoE Equity Security Interests). Class 6.4 consists of
10 all Equity Security Interests in EoE.

11 (e) Class 6.5 (GPDR II Equity Security Interests). Class 6.5
12 consists of all Equity Security Interests in GPDR II.

13 3.2.7 Class 7 (Emerald Equities Claim). Class 7 consists of the Claim
14 asserted by Emerald Equities against EP and SDLI.

15 3.2.8 Class 8 (CPF Late Fees Claims). Class 8 consists of the Claims
16 asserted by CPF for pre-petition and post-petition late fees under the \$3.7 MM
17 Note and the \$26.5 MM Note.

18 **ARTICLE 4. IDENTIFICATION OF IMPAIRED AND UNIMPAIRED CLASSES.**

19 4.1 Allowed Administrative Expense Claims and Allowed Priority Tax Claims,
20 are not classified under the Plan and are not entitled to vote on the Plan.

21 4.2 All other classes of Claims and Equity Security Interests are impaired by the
22 Plan and therefore are entitled to vote to accept or reject the Plan, provided, however, that
23 for the purposes of Section 1129(a)(10) of the Bankruptcy Code, such acceptance or
24 rejection shall be determined without regard to votes cast by Insiders.

1 4.3 In the event of a controversy as to whether any Claimant or Class of Claimants
2 is impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, resolve
3 such controversy.

4 4.4 The Debtors shall provide all Claimants entitled to vote with a form of Ballot
5 approved by the Bankruptcy Court to be used in casting a vote on the Plan.

6 **ARTICLE 5. PROVISIONS FOR TREATMENT OF CLAIMS NOT IMPAIRED**
7 **UNDER THE PLAN.**

8 5.1 Administrative Expense Claims.

9 5.1.1 May Debtors. Every Creditor holding an Allowed Administrative
10 Claim against the May Debtors will be paid, in full satisfaction of their Allowed
11 Claim from the May Liquidating Trust: (a) fully and in Cash on or before ten (10)
12 Business Days after the Effective Date if the Claim is then an Allowed Claim; (b)
13 fully and in Cash within ten (10) Business Days after the entry of an order of the
14 Bankruptcy Court allowing the Claim, if the Claim is not an Allowed Claim as of
15 the Effective Date; (c) as otherwise agreed in writing by the Creditor holding the
16 Allowed Administrative Claim and the Liquidating Trustee; or (d) as otherwise
17 ordered by the Bankruptcy Court. “Allowed Administrative Expense Claim” shall
18 not, for any purpose under the Plan, include interest on such Administrative Expense
19 Claim from and after the Petition Date. Requests for allowance and payment of
20 Administrative Expenses must be filed and served no later than thirty (30) days after
21 the Effective Date. As soon as practicable after the Effective Date, the Liquidating
22 Trustee will make interim distributions to holders of Professional Fee Claims against
23 the May Debtors allowed on an interim basis by the Court prior to the Effective Date,
24 subject to disgorgement by the holder of any such Claim that is not later Allowed by
25 the Court on a final basis. Administrative Claims are unimpaired pursuant to the
26 Plan.

1 5.1.2 July Debtors. Every Creditor holding an Allowed Administrative
2 Claim against the July Debtors will be paid, in full satisfaction of their Allowed
3 Claim from the July Liquidating Trust: (a) fully and in Cash on or before ten (10)
4 Business Days after the Effective Date if the Claim is then an Allowed Claim; (b)
5 fully and in Cash within ten (10) Business Days after the entry of an order of the
6 Bankruptcy Court allowing the Claim, if the Claim is not an Allowed Claim as of
7 the Effective Date; (c) as otherwise agreed in writing by the Creditor holding the
8 Allowed Administrative Claim and the Liquidating Trustee; or (d) as otherwise
9 ordered by the Bankruptcy Court. “Allowed Administrative Expense Claim” shall
10 not, for any purpose under the Plan, include interest on such Administrative Expense
11 Claim from and after the Petition Date. Requests for allowance and payment of
12 Administrative Expenses must be filed and served no later than thirty (30) days after
13 the Effective Date. As soon as practicable after the Effective Date, the Liquidating
14 Trustee will make interim distributions to holders of Professional Fee Claims against
15 the July Debtors allowed on an interim basis by the Court prior to the Effective Date,
16 subject to disgorgement by the holder of any such Claim that is not later Allowed by
17 the Court on a final basis. Administrative Claims are unimpaired pursuant to the
18 Plan.

19 5.2 Objections. Notwithstanding any other provision of the Plan to the contrary,
20 any objections to motions or applications seeking the allowance and payment of
21 Administrative Expense Claims, including Professional Fee Claims, must be filed and
22 served within the normal time limits established by the Federal Rules of Bankruptcy
23 Procedure and the Local Rules of Bankruptcy Procedure for the District of Arizona, or as
24 otherwise ordered by the Bankruptcy Court. The Liquidating Trustee shall be entitled to
25 object to any Administrative Expense Claims, including Professional Fee Claims, as shall
26 be provided in the applicable Liquidating Trust Agreement. With respect to the May

1 Debtors only, the Liquidating Trustee shall have the exclusive right to object to alleged
2 Administrative Claims, subject to any limitations or procedures set forth in the May
3 Liquidating Trust Agreement.

4 5.3 U.S. Trustee Fees. All fees payable pursuant to section 1930 of Title 28 of
5 the United States Code, as determined by the Bankruptcy Court at the Confirmation
6 Hearing, shall be paid on the Effective Date, or as due in the normal course of billing and
7 payment. The Liquidating Trustee shall be responsible for timely payment of fees incurred
8 pursuant to 28 U.S.C. § 1930(a)(6) from the May Liquidating Trust or the July Liquidating
9 Trust, as applicable. The Liquidating Trustee shall file with the Bankruptcy Court, and
10 serve on the United States Trustee, a quarterly financial report for each quarter (or portion
11 thereof) that the cases remain open in a format prescribed by the United States Trustee and
12 provided to the Debtors by the United States Trustee, and shall pay such quarterly fees as
13 they become due, from the May Liquidating Trust or the July Liquidating Trust, as
14 applicable, for each quarter post-confirmation that the cases remain open. No motion or
15 application is required to fix fees payable to the Clerks' Office or the Office of the United
16 States Trustee, as those fees are determined by statute.

17 5.4 Priority Tax Claims. No Priority Tax Claim were filed against the Debtors.
18 To the extent that a Priority Tax Claim is filed and Allowed by the Bankruptcy Court, the
19 holder of such claim will be paid from the May Liquidating Trust or July Liquidating Trust,
20 as applicable, in full and in cash within five (5) years of the Petition Date through regular
21 equal monthly installments of principal and interest. Priority Tax Claims will be allowed
22 in the principal amount of the tax due as of the Petition Date, with interest at the applicable
23 statutory rate in accordance with section 511 of the Bankruptcy Code. No amounts
24 attributable to penalties imposed or sought to be imposed by holders of Priority Tax Claims
25 will be paid. Priority Tax Claims are unimpaired pursuant to the Plan.

26 **ARTICLE 6. PROVISIONS FOR TREATMENT OF CLAIMS IMPAIRED UNDER**

1 **THE PLAN.**

2 6.1 Class 1 (Secured Tax Claims). Class 1 consists of any Secured Tax Claims
3 filed by the Maricopa County Treasurer against the Debtors.

4 6.1.1 Class 1.1 (Secured Tax Claims Against EP). Class 1.1 consists of the
5 Secured Tax Claims filed by the Maricopa County Treasurer against EP. CPF paid
6 the Class 1.1 Claim in full on or about June 30, 2017 as part of a protective advance
7 to avoid the automatic cancellation of the 96.5 Acre Lease.

8 6.1.2 Class 1.2 (Secured Tax Claims Against SDLI). Class 1.2 consists of
9 the Secured Tax Claims filed by the Maricopa County Treasurer against SDLI. The
10 holder of the Class 1.2 Secured Tax Claim shall retain its Lien in its prepetition
11 Collateral. The Allowed amount of the Class 1.2 Secured Tax Claim will be paid in
12 full with interest at the applicable statutory rate in accordance with section 511 of
13 the Bankruptcy Code. The Allowed Amount of the Class 1.2 Secured Claim will be
14 paid: (a) if the July Debtors elect to sell the Blue Sky Property, in accordance with
15 their election under Section 8.9 of the Plan, from escrow at closing from the sale of
16 the Blue Sky Property; or (b) if the July Debtors elect to retain the Blue Sky Property,
17 in accordance with their election under Section 8.9 of the Plan, by the July Debtors
18 within five (5) years of the Petition Date through regular equal monthly installments
19 of principal and interest; or (c) if the Blue Sky Property is surrendered to CPF, CPF
20 will take the Blue Sky Property subject to the Class 1.2 Claim and will pay such
21 claim within 30 days of its foreclosure of the Blue Sky Property. The Class 1.2
22 Secured Tax Claim is impaired under the Plan.

23 6.1.3 Class 1.3 (Secured Tax Claims Against EoE). Class 1.3 consists of the
24 Secured Tax Claims filed by the Maricopa County Treasurer against EoE. The
25 holder of the Class 1.3 Secured Tax Claim shall retain its Lien in its prepetition
26 Collateral. The Allowed amount of the Class 1.3 Secured Tax Claim will be paid in

1 full with interest at the applicable statutory rate in accordance with section 511 of
2 the Bankruptcy Code from escrow at closing from the sale of the 5.9 Acre Parcel. If
3 CPF purchases the 5.9 Acre Parcel pursuant to its credit bid, CPF will take the 5.9
4 Acre Parcel subject to the Class 1.3 Secured Tax Claim and pay such claim within
5 30 days of closing. The Class 1.3 Secured Tax Claim is impaired under the Plan.

6 6.2 Class 2 (CPF Secured Claims). Class 2 consists of CPF's Secured Claims
7 against the Debtors.

8 6.2.1 Class 2.1 (CPF Secured Claims against EP and GMF). Class 2.1
9 consists of CPF's Secured Claims against EP and GMF. The Class 2.1 CPF Secured
10 Claims shall be deemed to be Allowed Claims, including postpetition interest at the
11 rates set forth in the Ganymede Note and the STB Note plus attorneys' fees, costs,
12 and other expenses recoverable under the terms of the applicable loan documents,
13 including any protective advances. CPF shall retain all of its Liens in its Collateral
14 securing the Class 2.1 Secured Claims and all post-Effective Date interest, attorneys'
15 fees and costs under this Plan. From and after the Effective Date, the interest rate
16 under the Ganymede Note shall be reduced to 12% per annum simple interest or such
17 other rate determined by the Bankruptcy Court to reflect a market rate of interest.
18 Except as expressly stated in this Section 6.2.1, the terms of the loan documents
19 evidencing and relating to CPF's Class 2.1 Secured Claims remain unchanged.

20 The CPF Class 2.1 Secured Claim and all post-Effective Date interest,
21 attorneys' fees and costs under this Plan shall be paid from the sale, in the manner
22 provided by the Plan, of the 96.5 Acre Lease, the 96.5 Acre Personal Property, and
23 all related real property and personal property rights, including, but not limited to the
24 Master Developer Rights, the Master Declarant Rights, the Property Development
25 Agreement, all Avoidance Actions or Estate Claims related to the LKY Parcels, and
26 any options to repurchase the LKY Parcels. CPF shall be deemed a Qualified Bidder

1 for all purposes in the sale process and may credit bid up to the full amount of the
2 sum of its Class 2.1 Claim, the May Exit Financing and all post-Effective Date
3 interest, attorneys' fees and costs on any of the foregoing. The Class 2.1 CPF
4 Secured Claims are impaired under the Plan.

5 6.2.2 Class 2.2 (CPF Secured Claim against GPDR II, EoE and SDLI).

6 Class 2.2 consists of CPF's Secured Claims against GPDR II, EoE, and SDLI. The
7 Class 2.2 Secured Claims shall be deemed to be Allowed Claims, including
8 postpetition default rate interest at the rates set forth in the \$26.5 MM Note and the
9 \$3.7 MM Note plus attorneys' fees, costs, and other expenses recoverable under the
10 terms of the applicable loan documents, except that late fees that accrued under the
11 terms of the \$26.5 MM Note and the \$3.7 MM Note shall not be included in CPF's
12 Class 2.2 Secured Claim. CPF shall retain all of its Liens in its Collateral securing
13 the Class 2.2 Secured Claims and all post-Effective Date interest, attorneys' fees and
14 costs under this Plan. From and after the Effective Date, the interest rate under the
15 \$26.5 MM Note and the \$3.7 MM Note shall be reduced to 12% per annum simple
16 interest or such other rate determined by the Bankruptcy Court to reflect a market
17 rate of interest. Except as expressly stated in this Section 6.2.2, the terms of the loan
18 documents evidencing and relating to CPF's Class 2.2 Secured Claims remain
19 unchanged.

20 The CPF Class 2.2 Secured Claim and all post-Effective Date interest,
21 attorneys' fees and costs under this Plan shall be paid from the sale, in the manner
22 provided by the Plan, of (i) the 20 Acre Lease, the 20 Acre Personal Property, and
23 all related real property and personal property rights, (ii) the 5.9 Acre Parcel and all
24 related real property and personal property rights, and, if necessary (iii) the sale,
25 refinance, or surrender of the Blue Sky Property in accordance with the July Debtors'
26 election under Section 8.9 of the Plan. CPF shall be deemed a Qualified Bidder for

1 all purposes of the sale process with respect to all sales under the Plan and may credit
2 bid up to the full amount of the sum of its Class 2.2 Secured Claims, the July Exit
3 Financing, and all post-Effective Date interest, attorneys' fees and costs on any of
4 the foregoing. Nothing in this Section 6.2.2 or any other provision of the Plan shall
5 release, reduce or impair, or be deemed to have released, reduced, or impaired, CPF's
6 separate and independent rights and Claims against Bruce Gray or Barbara Gray
7 under their continuing guaranties. Similarly, nothing in this Section 6.2.2 or any
8 other provision of the Plan shall release, reduce or impair, or be deemed to have
9 released, reduced, or impaired any rights, Claims or defenses that Bruce Gray or
10 Barbara Gray may have with respect to CPF and their related continuing guaranty.
11 The Class 2.2 CPF Secured Claims are impaired under the Plan.

12 6.3 Class 3 (DRCA Secured Claim). Class 3 consists of the Secured Claim of
13 DRCA against EoE. DRCA shall retain its prepetition Lien in its Collateral to the same
14 extent, validity and priority as existed on the Petition Date. In full satisfaction of the
15 Allowed amount, if any, of its Class 3 Secured Claim, DRCA shall be paid the Allowed
16 Amount of the Class 3 Secured Claim with interest, at the rate set forth in the Declaration
17 of Covenants, Conditions, Restrictions, and Easements for Desert Ridge, as amended, from
18 the sale of the 5.9 Acre Parcel from escrow at closing. If CPF purchases the 5.9 Acre Parcel
19 pursuant to its credit bid, CPF will take the 5.9 Acre Parcel subject to the Class 3 Secured
20 Claim and pay such claim within 30 days of closing. No post-petition late fees or other
21 penalties will be paid. The Class 3 Secured Claim is impaired.

22 6.4 Class 4 (Unsecured Claims). Class 4 consists of all Unsecured Claims against
23 the Debtors existing as of the Confirmation Date in sub-Classes 4.1, 4.2, 4.3, 4.4, and 4.5.
24 Class 4.1, 4.2, 4.3, 4.4, and 4.5 Unsecured Claims are impaired under the Plan.

25 6.4.1 Classes 4.1 and 4.2 (May Debtors). After the payment in full of all
26 Allowed Administrative Expense Claims, Allowed Priority Tax Claims, and

1 Allowed Secured Claims against the May Debtors, and all fees and expenses of the
2 Liquidating Trustee, and upon the Liquidating Trustee's determination that sufficient
3 cash is available in the May Liquidating Trust to make such payments, each holder
4 of an Allowed Unsecured Claim in Classes 4.1 and 4.2 shall receive its Pro Rata
5 share of the Dividend Fund established for the May Liquidating Trust. If the
6 liquidation of the Assets of the May Liquidating Trust generates sufficient proceeds
7 to pay all Class 4.1 and 4.2 Unsecured Claims in full, holders of Allowed Class 4.1
8 and 4.2 Claims shall be paid postpetition interest at the rate of 5% per annum (or, if
9 the assets available for distribution to holders of such Claims are insufficient to pay
10 interest at such rate, the maximum lesser rate that can be paid from such assets).
11 Neither CPF, the Liquidating Trustee, nor their respective Representatives shall be
12 individually liable or responsible for the payment of Allowed Class 4.1 or 4.1
13 Unsecured Claims such that the holders of Allowed Class 4.1 and 4.2 Unsecured
14 Claims shall have recourse against the applicable Debtor and Reorganized Debtor
15 only from the Dividend Fund established for the May Liquidating Trust, and their
16 Claims against the applicable Debtor and Reorganized Debtor shall be paid solely
17 out of such Dividend Fund. The Liquidating Trustee shall have discretion under the
18 terms of the May Liquidating Trust Agreement to make interim and/or final
19 distributions, create reserves, and other financial management decisions consistent
20 with prudent management of the May Liquidating Trust. Classes 4.1 and 4.2 are
21 impaired under the Plan.

22 6.4.2 July Debtors. After the payment in full of all Allowed Administrative
23 Expense Claims, Allowed Priority Tax Claims, and Allowed Secured Claims against
24 the July Debtors, and all fees and expenses of the Liquidating Trustee, and upon the
25 Liquidating Trustee's determination that sufficient cash is available in the July
26 Liquidating Trust to make such payments, each holder of an Allowed Unsecured

1 Claim in Classes 4.3, 4.4, and 4.5 shall receive its Pro Rata share of the Dividend
2 Fund established for the July Liquidating Trust. If the liquidation of the Assets of
3 the July Liquidating Trust generates sufficient proceeds to pay all Class 4.3, 4.4, and
4 4.5 Unsecured Claims in full, holders of Allowed Class 4.3, 4.4, and 4.5 Claims shall
5 be paid postpetition interest at the rate of 5% per annum (or, if the assets available
6 for distribution to holders of such Claims are insufficient to pay interest at such rate,
7 the maximum lesser rate that can be paid from such assets). Neither CPF, the
8 Liquidating Trustee, nor their respective Representatives shall be individually liable
9 or responsible for the payment of Allowed Class 4.3, 4.4, or 4.5 Unsecured Claims
10 such that the holders of Allowed Class 4.3, 4.4, and 4.5 Unsecured Claims shall have
11 recourse against the applicable Debtor and Reorganized Debtor only from the
12 Dividend Fund established for the July Liquidating Trust, and their Claims against
13 the applicable Debtor and Reorganized Debtor shall be paid solely out of such
14 Dividend Fund. The Liquidating Trustee shall have discretion under the terms of the
15 July Liquidating Trust Agreement to make interim and/or final distributions, create
16 reserves, and other financial management decisions consistent with prudent
17 management of the July Liquidating Trust. Classes 4.3, 4.4, and 4.5 are impaired
18 under the Plan.

19 6.5 Class 5 (CPF May Subordinated Claims Claims). Class 5 consists of the CPF
20 May Subordinated Claims. After the payment in full of all Allowed Administrative
21 Expense Claims, Allowed Priority Tax Claims, Allowed Secured Claims, and Allowed
22 Unsecured Claims against the May Debtors, (including any and all interest accrued and due
23 thereon pursuant to this Plan), and all fees and expenses of the Liquidating Trustee, and
24 upon the Liquidating Trustee's determination that sufficient cash is available in the May
25 Liquidating Trust to make such payments, the CPF Subordinated Claims shall receive a Pro
26

1 Rata share of the Dividend Fund established for the May Liquidating Trust until paid in
2 full. Class 5 is impaired under the Plan.

3 6.6 Class 6 (Equity Security Interests). Class 6 consists of the Equity Security
4 Interests in each of the Debtors in sub-Classes 6.1, 6.2, 6.3, 6.4, and 6.5. All Equity Security
5 Holders shall retain their Equity Security Interests in the respective Debtors, subject to the
6 terms of the Plan. Any Residual from the May Liquidating Trust shall be distributed by the
7 Liquidating Trustee to Bruce Gray for the benefit of and disbursement to the May Debtors'
8 Equity Security Holders. Any Residual from the July Liquidating Trust shall be distributed
9 by the Liquidating Trustee to Bruce Gray for the benefit of and disbursement to the July
10 Debtors' Equity Security Holders.

11 6.7 Class 7 (Emerald Equities Claim). Class 7 consists of the Claim asserted by
12 Emerald Equities against EP and SDLI. In full and final satisfaction of the Class 7 Claim,
13 the Liquidating Trustee will honor and perform all of SLDI's duties and obligations under
14 the Emerald Equities Letter Agreement, including, but not limited to conveying the GBSRP
15 I Property (referred to as the Sonoran Land Sale Parcel in the Emerald Equities Letter
16 Agreement) to Emerald Equities, in accordance with the terms of the Emerald Equities
17 Letter Agreement, in exchange for the Price reflected in the Emerald Equities Letter
18 Agreement to be paid by Emerald Equities to the July Liquidating Trust. Emerald Equities,
19 for the benefit of the July Liquidating Trust and any assignee/subsequent owner of the Blue
20 Sky Property under the Plan, shall honor and perform all of its duties and obligations under
21 the Emerald Equities Letter Agreement, including granting reciprocal shared access
22 easements as contemplated in Paragraph 4(a) of the Emerald Equities Letter Agreement,
23 and in lieu of the Exhibit "A" which is referenced in the Emerald Equities Letter Agreement
24 but missing, the shared access easement to be granted will be sufficient to satisfy the intent
25 of the requirements as set forth in the City of Scottsdale Stipulation for Zoning Application
26 BlueSky (Scottsdale Riverwalk) Case Number (65-ZN-1992#7 and 2-11-2010), Stipulation

1 #26, subparts a5, a6, and a7. Without limiting any of the foregoing, the Liquidating Trustee
2 and any assignee/subsequent owner of the Blue Sky Property under the Plan, and Emerald
3 Equities will work together in good faith to effectuate the terms and spirit of the original
4 Emerald Equities Letter Agreement. Subject to the Liquidating Trustee and Emerald
5 Equities reaching a mutually acceptable agreement on reimbursement of attorneys' fees
6 discussed below, in addition to the items and terms in the Emerald Equities Letter
7 Agreement, Emerald Equities will grant certain reasonable easements and shall cooperate
8 on other matters to aid in the development of the Blue Sky Property, provided that, if there
9 is any out-of-pocket costs associated with such granting of easements and cooperation, any
10 such costs shall be borne by the owner or developer of the Blue Sky Property, not Emerald
11 Equities. In addition, Emerald Equities shall not be required to provide such additional
12 easements or cooperation (over and above that required by the Emerald Equities Letter
13 Agreement) if the Blue Sky Property is to include a full service, branded hotel. The
14 Liquidating Trustee and Emerald Equities will negotiate in good faith in an effort to resolve
15 Emerald Equities' Claim for attorneys' fees and costs, through a credit (in an amount to be
16 determined) by the July Liquidating Trust to Emerald Equities at Closing to be applied
17 against the Price of the Sonoran Land Sale Parcel in full satisfaction of any and all alleged
18 damages, attorneys' fees, costs, and other amounts alleged to be owed to Emerald Equities.
19 If the parties are unable to agree on the amount of the credit, the matter will be submitted
20 to and adjudicated by the Bankruptcy Court. After the parties have performed their
21 respective obligations under the Emerald Equities Letter Agreement and the attorneys' fees
22 issue has been resolved, Emerald Equities and the Liquidating Trustee shall file a
23 Stipulation for Dismissal with Prejudice in *Emerald Equities, L.L.C. v. Sonoran Desert*
24 *Land Investors, LLC, et al.*, Maricopa County Superior Court Case No. CV2015-005837
25 dismissing the case with prejudice, each party to bear its own attorneys' fees and costs.
26 Unless otherwise stated, capitalized terms used in this Section 6.7 of the Plan shall have the

meanings ascribed to such terms in the Emerald Equities Letter Agreement. Any dispute regarding the treatment provided under this Class 7 or the parties' performance under the Emerald Equities Letter Agreement shall be resolved by the Bankruptcy Court. The Class 7 Claim is impaired under the Plan.

6.8 Class 8 (CPF Late Fees). Class consists of the Claim by CPF against the July Debtors for all late fees accrued under the \$26.5 MM Note and the \$3.7 MM Note through the Effective Date of the Plan. The Class 8 Claim shall be an Unsecured Claim against the July Debtors subordinate in right to payment to all other Claims that are payable under the Plan against the July Debtors and the fees and expenses of the July Liquidating Trust. The Class 8 Claim in the contractually-specified amount shall be paid by the July Liquidating Trust before any Residual is distributed by the July Liquidating Trust to the Equity Security Holders of the July Debtors.

ARTICLE 7. ACCEPTANCE OR REJECTION OF PLAN; EFFECT OF REJECTION BY ONE OR MORE CLASSES OF CLAIMS.

7.1 Impaired Classes to Vote. Each impaired class of Creditors with Claims against the Estates shall be forwarded a ballot and shall be entitled to vote to accept or reject the Plan.

7.2 Acceptance by a Class of Creditors. A Class of Creditors shall be deemed to have accepted the Plan if the Plan is accepted by at least (i) two-thirds (2/3) in the aggregate dollar amount and (ii) more than one-half (1/2) in number of the Claims of such class that have voted to accept or reject the Plan.

7.3 Cram-down. With respect to any impaired Class of Claims or Equity Security Interests that fails to accept the Plan or is deemed to have rejected the Plan in accordance with Sections 1126 and 1129(a) of the Bankruptcy Code, CPF requests that the Bankruptcy Court confirm the Plan, notwithstanding such rejection, in accordance with Section 1129(b) of the Bankruptcy Code.

1 7.4 Blank Ballots. Any Ballot which is executed by the Holder of an Allowed
2 Claim or interest but which does not indicate an acceptance or rejection of the Plan shall be
3 deemed an acceptance of the Plan.

4 **ARTICLE 8. MEANS OF EFFECTUATING THE PLAN.**

5 8.1 In General. The Plan is to be implemented in a manner consistent with
6 Section 1123 of the Bankruptcy Code and the Liquidating Trustee is authorized to take any
7 and all actions that may be necessary or appropriate to implement the terms of the Plan.

8 8.2 Substantive Consolidation.

9 8.2.1 May Debtors. On the Effective Date, the Estates of the May Debtors
10 shall be deemed substantively consolidated for all purposes under the Plan.

11 8.2.2 July Debtors. On the Effective Date, the Estates of the July Debtors
12 shall be deemed substantively consolidated for all purposes under the Plan.

13 8.3 Transfers to Liquidating Trusts.

14 8.3.1 May Debtors. On the Effective Date, the proceeds of the May Exit
15 Financing and all Remaining Assets of the May Debtors and their Estates, except the
16 portion of the DR Property owned by the May Debtors, shall be deemed transferred
17 to the May Liquidating Trust in accordance with the terms of the Plan. The portion
18 of the DR Property owned by the May Debtors shall remain in the Estate of the May
19 Debtors, as reorganized, pending the sale of the DR Property by the Liquidating
20 Trustee in accordance with the terms of the Plan.

21 8.3.2 July Debtors. On the Effective Date, the proceeds of the July Exit
22 Financing and all Remaining Assets of the July Debtors and their Estates, except the
23 portion of the DR Property owned by GPDR II, shall be deemed transferred to the
24 July Liquidating Trust in accordance with the terms of the Plan. The portion of the
25 DR Property owned by GPDR II shall remain in the Estate of the July Debtors, as
26 reorganized, pending the sale of the DR Property by the Liquidating Trustee in

1 accordance with the terms of the Plan.

2 8.4 Liquidating Trustee as Sale Agent. On the Effective Date, pursuant to
3 sections 1123(a)(5)(B), 1123(b)(3)(B), 1123(b)(4) and 1141 of the Bankruptcy Code, the
4 Liquidating Trustee shall be appointed as the sole manager of EP, GMF, and GPDR II, as
5 reorganized under the Plan, vested with sole power and authority to manage, control, market
6 and sell the DR Property in accordance with the terms of the Plan. From the Effective Date,
7 the Liquidating Trustee shall be a representative of the Estates of the May Debtors and July
8 Debtors, pursuant to Bankruptcy Code section 1123, appointed for the purposes described
9 herein. In furtherance of that objective, the Liquidating Trustee shall, except as expressly
10 limited in the applicable Liquidating Trust Agreement, have the rights of a trustee appointed
11 under Bankruptcy Code section 1106 as it relates to the DR Property. The Liquidating
12 Trustee shall have and is hereby granted the power and authority to list and/or market the
13 DR Property for sale (at such prices and for such amounts as determined by the Liquidating
14 Trustee), and the Liquidating Trustee shall also have the power and authority to execute any
15 and all documents (including contracts, deeds, and other documents) necessary to effectuate
16 this Plan, and sell and convey title to the DR Property. Without limiting the foregoing, the
17 Liquidating Trustee shall have the power to execute all documents necessary to convey all
18 property retained in the Estates after the Effective Date. At closing, the Net Proceeds from
19 the sale of the DR Property, as allocated between the May Debtors and the July Debtors,
20 shall be transferred to the May Liquidating Trust and the July Liquidating Trust to pay
21 Allowed Claims in accordance with the Plan and as otherwise provided herein. For the
22 avoidance of any doubt, the proceeds from the sale of the DR Property, after costs of sale,
23 and as allocated between the May Debtors and the July Debtors, will first be paid to CPF
24 as a credit against its Allowed Class 2.1 and 2.2 Secured Claims.

25 8.5 Liquidating Trusts.

26 8.5.1 The Plan will be consummated and distributions will be made by each

1 of the Liquidating Trusts out of each Dividend Fund in accordance with the terms of
2 this Plan and each of the Liquidating Trust Agreements.

3 8.5.2 Pursuant to Bankruptcy Code sections 1123(a)(5)(B), 1123(b)(3)(B)
4 and 1141 of the Bankruptcy Code, the Confirmation Order shall approve each
5 Liquidating Trust Agreement, the establishment of each Liquidating Trust and the
6 appointment of the Liquidating Trustee and the May Advisory Committee, and
7 authorize and direct the Debtors to take all actions necessary to consummate the
8 terms of the Liquidating Trust Agreements and to establish the Liquidating Trusts,
9 including the transfer of the Assets of each Debtor and its Estate to the applicable
10 Liquidating Trust. The Assets transferred to the applicable Liquidating Trust shall
11 include, but are not limited to, Avoidance Actions and the Estate Claims. Each
12 Liquidating Trust shall be deemed established, and the Liquidating Trustee shall be
13 deemed appointed, as of the Effective Date. Each Liquidating Trust shall be created
14 and administered solely to implement the Plan. The powers, responsibilities and
15 compensation for the Liquidating Trustee shall be set forth herein and in the
16 Liquidating Trust Agreements. From the Effective Date, the Liquidating Trustee
17 shall be a representative of the Estates, pursuant to Bankruptcy Code section 1123,
18 appointed for the purposes of, among other things, pursuing the Estate Claims on
19 behalf of the Debtors' Estates. In furtherance of that objective, the Liquidating
20 Trustee shall have the rights of a trustee appointed under Bankruptcy Code section
21 1106 as it relates to the Assets. Each of the Liquidating Trusts shall have the full
22 power and authority, either in its name or the name of the applicable Debtor and
23 Estate, to commence, if not already commenced, prosecute, settle and abandon any
24 action related to the Estate Claims and to object to Claims as specified below. The
25 Liquidating Trustee shall be authorized to retain professionals (which may include
26 Professional Persons) with the reasonable professional fees, expenses and costs to

1 be paid out of the assets of the applicable Liquidating Trust and Dividend Fund.

2 8.5.3 The transfer of each Debtor's and the Estate's Assets to the applicable
3 Liquidating Trust shall be treated for federal income tax purposes and any applicable
4 state or local income franchise or gross receipts tax purposes, and for all purposes of
5 the Internal Revenue Code of 1986, as amended (the "Tax Code") (e.g., sections
6 61(a)(12), 483, 1001, 1012 and 1274) as a transfer to creditors to the extent creditors
7 are beneficiaries of the applicable Liquidating Trust, followed by a deemed transfer
8 from the creditors to the applicable Liquidating Trust. The beneficiaries of each
9 Liquidating Trust shall be treated as the grantors and deemed owners of the
10 Liquidating Trust for federal income tax purposes and any applicable state or local
11 income, franchise or gross receipt tax purposes, and it is intended that each
12 Liquidating Trust be classified as a liquidating trust under Section 301-7701-4 of the
13 Treasury Regulations, as more particularly described in Revenue Procedure 94-45,
14 1994-2 C.B. 684. The Liquidating Trustee and the Beneficiaries of each Liquidating
15 Trust shall value the assets of the Liquidating Trust on a consistent basis and use
16 such valuation for all federal and state tax purposes.

17 8.5.4 The Net Proceeds of any and all sales (private or public) of the Assets
18 collected by each Liquidating Trust (or its designee or agent) and the recoveries from
19 the Estate Claims of each Debtor shall be used first to pay any remaining all Allowed
20 Administrative Expense Claims, and then all remaining funds shall be placed by the
21 Liquidating Trustee in the applicable Dividend Fund to pay other Allowed Claims
22 and amounts payable under the Plan.

23 8.5.5 Except as expressly stated in the Plan, on and after the Effective Date,
24 each Liquidating Trust, by and through the Liquidating Trustee, shall be fully
25 empowered and authorized (without further order of the Bankruptcy Court): (i) to
26 market for sale and/or to sell and/or dispose of the Assets, and shall have the power

1 and authority (without the need for a further hearing or order of the Bankruptcy
2 Court) to execute all contracts of sale and other documents necessary to effectuate
3 the sale or disposition of the Assets, and (ii) settle and compromise Claims without
4 supervision of the Bankruptcy Court and free of any restrictions of the Bankruptcy
5 Code or the Bankruptcy Rules, other than those restrictions expressly imposed by
6 this Plan and the Confirmation Order. Without limiting the foregoing, the
7 Liquidating Trustee may pay the charges it incurs for professional fees,
8 disbursements, expenses or related support services after the Effective Date without
9 any application to the Bankruptcy Court, as provided in the applicable Liquidating
10 Trust Agreement.

11 8.5.6 Each Liquidating Trust shall have a term of not greater than five (5)
12 years from its date of creation, unless extended from time to time pursuant to the
13 terms of the applicable Liquidating Trust Agreement, with the approval of the
14 Bankruptcy Court, solely to implement the Plan. At least twice a year, but only if
15 permitted by the other terms of the Plan and the applicable Liquidating Trust
16 Agreement, the Liquidating Trustee shall distribute the net income of the applicable
17 Liquidating Trust plus all net proceeds and recoveries from the Assets to the
18 Creditors holding Allowed Claims in accordance with the terms of the Plan, provided
19 that the Liquidating Trustee shall not be required to make a distribution if the
20 administrative time, costs and expenses in doing so is greater than the benefit to the
21 beneficiaries of such distribution as determined by the Liquidating Trustee, and the
22 Liquidating Trustee may retain a sufficient amount of net income and net proceeds
23 in the Liquidating Trusts that the Liquidating Trustee reasonably believes are
24 necessary to maintain the value of the Assets, to pay the costs and expenses of the
25 Liquidating Trusts, including the compensation of the Liquidating Trustee and the
26 reasonable fees, expenses and costs of professionals retained by the Liquidating

1 Trusts, or to meet claims and contingent liabilities (including Disputed Claims). The
2 Liquidating Trustee shall make continuing, reasonable efforts to dispose of the
3 Assets of the Liquidating Trusts, make timely distributions and not unduly prolong
4 the duration of the Liquidating Trusts.

5 8.6 Liquidating Trustee.

6 8.6.1 Appointment of Liquidating Trustee. On the Effective Date, the
7 Liquidating Trustee shall be immediately appointed and authorized to administer
8 each Liquidating Trust and to liquidate any and all Assets on behalf of each
9 Liquidating Trust for distribution in accordance with the Plan and the applicable
10 Liquidating Trust Agreement.

11 8.6.2 Powers of the Liquidating Trustee. All transfers of the Assets,
12 including the execution of all contracts of sale, deeds, and other documents necessary
13 to effectuate this Plan and to make payments under the Plan, shall be made by the
14 Liquidating Trustee, on behalf of each Liquidating Trust and in accordance with the
15 applicable Liquidating Trust Agreement. Except as expressly stated in the Plan, the
16 Liquidating Trustee shall have and is hereby granted the power and authority to list
17 and/or market the Remaining Assets for sale (at such prices and for such amounts as
18 determined by the Liquidating Trustee), and the Liquidating Trustee shall also have
19 the power and authority to execute any and all documents (including contracts,
20 deeds, and other documents) necessary to effectuate this Plan, sell or convey title to
21 the Assets and shall have the standing and authority to prosecute, settle, assign or
22 abandon the Avoidance Actions and the Estate Claims without the need of further
23 order of the Bankruptcy Court, and to object to Claims. The Liquidating Trustee, on
24 behalf of each Liquidating Trust, shall be further empowered to: (i) effect all actions
25 and execute all agreements, instruments, and other documents necessary to perform
26 its duties under the Plan including, without limitation, releases, settlement

1 documents, notices of dismissal, stipulations of dismissal of any and all Estate
2 Claims; (ii) review and object to any Claims; (iii) subject to the provisions of this
3 section of the Plan, make all distributions contemplated hereby; (iv) employ
4 professionals to represent each Liquidating Trust in connection with the
5 consummation of the terms of this Plan; and (v) commence such actions and exercise
6 such other powers as may be vested in the Liquidating Trustee and/or the Liquidating
7 Trust by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the
8 Liquidating Trustee to be necessary and proper to implement the provisions of the
9 Plan, all subject to the terms of the applicable Liquidating Trust Agreement.

10 8.6.3 Expenses Incurred on or After the Effective Date. The amount of any
11 reasonable fees and expenses incurred by each Liquidating Trust on or after the
12 Effective Date (including, without limitation, reasonable attorney and other
13 professional fees and expenses) shall be paid from funds held in the applicable
14 Liquidating Trust. The Liquidating Trustee shall receive compensation as set forth
15 in the Liquidating Trust Agreements for services rendered and expenses incurred on
16 behalf of each Liquidating Trust and in carrying out its duties pursuant to the Plan.

17 8.6.4 Non-Transferability of Beneficial Interests in the Trusts. No Person
18 entitled to a distribution from a Liquidating Trust under the terms of the Plan may
19 sell, transfer or otherwise assign its right to receive a distribution from such
20 Liquidating Trust except by will, by intestate succession or by operation of law. The
21 right to receive distributions from the Liquidating Trusts will not be represented by
22 any certificate.

23 8.6.5 Bond and Reporting. The Liquidating Trustee shall obtain a bond in
24 the amount of \$500,000. From and after the Effective Date, the Liquidating Trustee
25 shall file interim reports with the Bankruptcy Court regarding the operations of the
26 Liquidating Trusts no less frequently than quarterly.

1 8.6.6 Indemnification. The Liquidating Trustee and its Representatives shall
2 be indemnified as provided in the Liquidating Trust Agreements.

3 8.7 Retention of Broker. As soon as practicable after the Effective Date, the
4 Liquidating Trustee shall retain CBRE, Inc. to market and sell the DR Property, the 5.9
5 Acre Parcel, and, subject to the July Debtors' Blue Sky Election under Section 8.9 of the
6 Plan, the Blue Sky Property on the same or more favorable monetary and other terms as is
7 reflected in CBRE's employment application and order approved by the Bankruptcy Court
8 in the Cases. Without limiting the foregoing, CBRE shall not be entitled to a commission
9 for any sale of the DR Property, the 5.9 Acre Property or the Blue Sky Property to CPF, the
10 May Debtors, the July Debtors or any Representative of any of the foregoing (together a
11 "Related Party Sale"). In the case of each Related Party Sale, CBRE shall be reimbursed
12 for its out-of-pocket expenses and shall be paid a reasonable fee for its time spent on the
13 engagement, not to exceed \$250,000 in aggregate for all sales. If CBRE is unwilling to be
14 employed by the Liquidating Trustee on the terms stated herein, the Liquidating Trustee
15 shall retain another qualified broker to market and sell the DR Property, the 5.9 Acre
16 Property and the Blue Sky Property under the Plan on commercially reasonable terms
17 acceptable to the Liquidating Trustee in its sole discretion, provided that any such terms
18 shall include the limitations described in this Section 8.7 with respect to Related Party Sales.

19 8.8 Property Sales. The Liquidating Trustee shall promptly sell the DR Property,
20 the 5.9 Acre Parcel, and, subject to the July Debtors' Blue Sky Election under Section 8.9
21 of the Plan, the Blue Sky Property in accordance with the terms of the Plan.

22 8.9 Order and Timing of Property Sales; July Debtors' Election. The DR
23 Property shall be sold by the Liquidating Trustee first, no later than 90 days after the
24 Effective Date. After the closing of the sale of the DR Property, the 5.9 Acre Parcel will be
25 sold by the Liquidating Trustee no later than 120 days after the Effective Date. Within five
26 (5) days after the closing of the sale of the 5.9 Acre Parcel (the "CPF Notice Date"), CPF

1 shall provide the Liquidating Trustee and Bruce Gray, as a Representative of the July
2 Debtors' Equity Security Holders, with a notice and calculation of the remaining amounts,
3 if any, due and owing to CPF under CPF's Class 2.2 Secured Claim including the July Exit
4 Financing and CPF's Class 8 subordinated Unsecured Claim. Within five (5) days after the
5 CPF Notice Date, the Liquidating Trustee shall provide written notice to CPF and Bruce
6 Gray, as a Representative of the July Debtors' Equity Security Holders, of the amount of
7 the Blue Sky Option Price, along with a form of Purchase and Sale Agreement for an "as
8 is" "where is" all cash sale of the Blue Sky Property to the July Debtors' Equity Security
9 Holders. Within twenty (20) days after receiving written notice of the amount of the Blue
10 Sky Option Price, the July Debtors' Equity Security Holders shall deliver written notice to
11 the Liquidating Trustee and CPF of their election (the "Blue Sky Election") to either: (a)
12 consent to the Liquidating Trustee's auction sale of the Blue Sky Property; or (b) purchase
13 the Blue Sky Property "as is" from the July Liquidating Trust for the Blue Sky Option Price
14 paid in cash in accordance with the terms of the Blue Sky Purchase and Sale Agreement
15 delivered by the Liquidating Trustee. If the July Debtors' Equity Security Holders elect to
16 purchase the Blue Sky Property from the Liquidating Trustee, the Blue Sky Election
17 delivered to the Liquidating Trustee must include the Blue Sky Purchase and Sale
18 Agreement countersigned by the July Debtors' Equity Security Holders (or an entity formed
19 by the July Debtors' Equity Security Holders for the purposes of completing the
20 transaction). Any dispute regarding the form of Blue Sky Purchase and Sale Agreement
21 shall be resolved by the Bankruptcy Court on an expedited basis. The Blue Sky Purchase
22 and Sale Agreement shall require the July Debtors' Equity Security Holders (or an entity
23 formed by the July Debtors' Equity Security Holders for the purposes of completing the
24 transaction) to deposit in escrow nonrefundable earnest money in an amount equal to 5% of
25 the Blue Sky Option Price within ten (10) days of making the Blue Sky Election, which
26 earnest money shall be forfeited by the July Debtors' Equity Security Holders (or an entity

1 formed by the July Debtors' Equity Security Holders for the purposes of completing the
2 transaction) to the July Liquidating Trust as liquidated damages if the July Debtors' Equity
3 Security Holders (or an entity formed by the July Debtors' Equity Security Holders for the
4 purposes of completing the transaction) fail to timely consummate their purchase of the
5 Blue Sky Property.

6 If the July Debtors' Equity Security Holders elect to purchase the Blue Sky Property,
7 the closing must occur no later than sixty (60) days after the date that the Blue Sky Election
8 is delivered to the Liquidating Trustee. If the July Debtors' Equity Security Holders elect
9 not to purchase the Blue Sky Property for the Blue Sky Option Price, or fail to timely
10 consummate their purchase, the Liquidating Trustee may elect in its reasonable business
11 judgment, based on the remaining amount owing to CPF on account of its Class 2.2 Secured
12 Claim and the estimated value of the Blue Sky Property, to either market and sell the Blue
13 Sky Property by Auction, or surrender the Blue Sky Property to CPF. If the Liquidating
14 Trustee elects to Auction the Blue Sky Property, the closing of the sale must occur and the
15 proceeds must be paid to CPF to satisfy the balance of its Class 2.2 Secured Claim no later
16 than 300 days after the Effective Date of the Plan, or CPF shall be entitled to complete its
17 trustee's sale of the Blue Sky Property.

18 8.10 CPF Stalking Horse Bids. No later than five (5) Business Days after the
19 Effective Date, CPF shall file copies of (a) its Purchase and Sale Agreement for its stalking
20 horse bid for the DR Property, and (b) its Purchase and Sale Agreement for its stalking
21 horse bid for the 5.9 Acre Parcel (each a "Stalking Horse Agreement" and "Stalking Horse
22 Bid").

23 8.10.1 DR Property. CPF's initial Stalking Horse Bid for the DR Property
24 shall be \$67,067,950 allocated (a) \$54,000,000 to the portion of the DR Property
25 owned by the May Debtors, and (b) \$13,067,950 allocated to the portion of the DR
26 Property owned by the July Debtors, to be satisfied by exercise of its credit bid rights

1 under Section 363(k) of the Bankruptcy Code.

2 8.10.2 5.9 Acre Parcel. CPF's initial Stalking Horse Bid for the 5.9 Acre
3 Property shall be \$4,970,000, to be satisfied by exercise of its credit bid rights under
4 Section 363(k) of the Bankruptcy Code

5 8.11 Bid and Auction Procedures.

6 8.11.1 Bid Procedures. CPF shall be deemed to be a Qualified Bidder for all
7 purposes under the Plan and the Auctions. CPF's credit bid rights under Section
8 363(k) of the Bankruptcy Code shall be preserved and may be exercised by CPF in
9 connection with any Auction. CPF shall be entitled to increase its Stalking Horse
10 Bids during the Auctions up to the full amount of its Allowed Secured Claims
11 secured by the property being sold, and CPF shall be entitled to, in its sole discretion,
12 supplement its credit bid during any Auction with additional cash. The following
13 procedures shall govern all Auctions:

14 (a) Access to Due Diligence. To participate in the bidding process
15 and to receive access to any materials relating to the Auction and the property
16 to be sold (the "Diligence Materials"), a party must submit to the Liquidating
17 Trustee an executed Confidentiality Agreement in form and substance
18 acceptable to the Liquidating Trustee. A party who qualifies for access to the
19 Diligence Materials shall be a "Preliminarily Interested Party." The
20 Liquidating Trustee and Broker will establish an electronic data room for all
21 due diligence materials. All due diligence requests must be directed to the
22 Liquidating Trustee and Broker.

23 (b) Auction Qualification Process. To be eligible to participate in
24 the Auctions, each offer, solicitation or proposal (each, a "Potential Bid"),
25 and each party submitting such a Potential Bid (each, a "Potential Bidder"),
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1 must be determined by the Liquidating Trustee to satisfy each of the following
2 conditions:

3 (i) Identity of Potential Bidder. Each Potential Bid must
4 identify the Potential Bidder and the Potential Bidder's financial
5 sponsors, if any, who are authorized to appear and act on Potential
6 Bidder's behalf for all purposes.

7 (ii) Good Faith Deposit. Each Potential Bid (other than the
8 bid submitted by CPF) must be accompanied by a cash deposit in the
9 amount equal to 5% of the Potential Bid to an interest bearing escrow
10 account to be identified and established by the Liquidating Trustee (the
11 "Good Faith Deposit").

12 (iii) Form PSA: Potential Bids(s) must be on substantially
13 the same terms (other than proposed purchase price) and form as the
14 Stalking Horse Agreement. A Potential Bid must include an executed
15 Purchase and Sale Agreement ("PSA") along with a redline
16 comparison showing any changes to the Stalking Horse Agreement.
17 All Bids relating to the DR Property must be for all of the DR Property
18 and, with the exception of the Stalking Horse Agreement, must be all
19 cash offers. All Potential Bids relating to the DR Property must
20 include an allocation of the total purchase price between the portion of
21 the DR Property owned by the May Debtors and the portion of the DR
22 Property owned by the July Debtors. The Liquidating Trustee may
23 disapprove of any Potential Bid that materially deviates from the terms
24 of the Stalking Horse Agreements.

25 (iv) Minimum Bid Amount: In all Auctions, Potential Bids
26 must exceed the applicable CPF Stalking Horse Bid by a minimum of

1 the amount of the additional commission that would be due to the
2 Broker in the event of a sale that is not a Related Party Sale plus
3 \$250,000.

4 (v) Corporate Authority: Potential Bids must include
5 written evidence reasonably acceptable to the Liquidating Trustee
6 demonstrating appropriate corporate authorization to consummate the
7 proposed transaction; provided, however, that, if the Potential Bidder
8 is an entity specially formed for the purpose of effectuating the
9 transaction, then the Potential Bidder must furnish written evidence
10 reasonably acceptable to the Liquidating Trustee of the approval of the
11 Potential Bid and transaction by the equity holder(s) of such Potential
12 Bidder.

13 (vi) Proof of Financial Ability to Perform: Potential Bids
14 must include written evidence that the Liquidating Trustee reasonably
15 concludes demonstrates that the Potential Bidder has the necessary
16 financial ability to close the transaction and provide adequate
17 assurance of future performance under the 20 Acre Lease and the 96.5
18 Acre Lease. Such information should include, *inter alia*, the
19 following:

20 (1) With respect to a Potential Bid for the DR
21 Property, evidence that the Potential Bidder has been approved
22 in writing by ASLD as a lessee, Master Developer, and Master
23 Declarant with respect to the 96.5 Acre Lease and as a lessee
24 with respect to the 20 Acre Lease;

25 (2) contact names and numbers for verification of
26 financing sources,

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(3) evidence of the Potential Bidder's internal resources and proof of any debt or equity funding commitments that are needed to close the transaction;

(4) the Potential Bidder's current financial statements (audited if they exist); and

(5) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Liquidating Trustee demonstrating that such Potential Bidder has the ability to close the transaction; provided, however, that the Liquidating Trustee shall determine, in its reasonable discretion, whether the written evidence of such financial wherewithal is reasonably acceptable.

(vii) No Bid Protections: A Potential Bidder may not request any break-up fee, termination fee, expense reimbursement or similar type of payment. Moreover, neither the tendering of a Potential Bid, nor the determination that a Potential Bid is a Qualified Bid, shall entitle the Potential Bidder to any break-up fee, termination fee, expense reimbursement or similar type of payment.

(viii) Contingencies: A Potential Bid may not be conditioned on obtaining financing or any internal approval, or on the outcome or review of due diligence, but may be subject to the accuracy in all material respects at the closing of specified representations and warranties.

1 (ix) Irrevocable: A Potential Bid must be irrevocable
2 through the date of the Auction, provided, however, that if such
3 Potential Bid is accepted as the Successful Bid or the Backup Bid (as
4 defined herein), such bid shall continue to remain irrevocable, subject
5 to the terms and conditions of the Bid Procedures.

6 (x) Closing. Each Potential Bid must include an irrevocable
7 commitment to close the sale within 10 days after the Auction, if the
8 Potential Bidder is determined to be the Successful Bidder.

9 (xi) Bid Deadline: Regardless of when a party qualifies as a
10 Preliminarily Interested Party, the Liquidating Trustee must receive a
11 Potential Bid in writing, on or before 4:00 p.m. (Arizona time) on the
12 date (the "Bid Deadline") set by the Liquidating Trustee. The Bid
13 Deadline shall be no later than 75 days after the Effective Date of the
14 Plan. A Potential Bid received from a Potential Bidder before the Bid
15 Deadline that meets the above requirements shall constitute a
16 "Qualified Bid," and such Potential Bidder shall constitute a "Qualified
17 Bidder."

18 (c) Auctions. If one or more Qualified Bids is received by the Bid
19 Deadline (other than the CPF Stalking Horse Bid), the Liquidating Trustee
20 will conduct the Auction to determine the highest and best Qualified Bid.
21 This determination shall take into account any factors the Liquidating Trustee
22 reasonably deems relevant to the value of the Qualified Bid, including, inter
23 alia, the following: (i) the amount of the consideration; and (ii) the ability of
24 the Qualified Bidder to close the proposed transaction. The Liquidating
25 Trustee shall identify and notify the Qualified Bidders of their selection and
26 the time, date, and location of the Auction no later than seven (7) days prior

1 to the Auction. Any party make seek Bankruptcy Court review of the
2 Liquidating Trustee's determination whether a Potential Bidder is a Qualified
3 Bidder; provided, however, that any such challenge must be raised and
4 concluded prior to the commencement of the applicable Auction. If no
5 Qualified Bid (other than the CPF Stalking Horse Bid) is received by the Bid
6 Deadline with respect to any Auction, the Liquidating Trustee shall forego
7 the Auction and sell the applicable property to CPF for the amount of the CPF
8 Stalking Horse Bid. If the Auction goes forward, because more than one
9 Qualified Bid has been received by the Liquidating Trustee, the following
10 procedures shall apply:

11 (i) Opening Bid: The highest Qualified Bid received by the
12 Liquidating Trustee by the Bid Deadline shall be the "Opening Bid" at
13 the Auction.

14 (ii) Terms of Overbids. An "Overbid" is any bid made at the
15 Auction subsequent to the Liquidating Trustee's announcement of the
16 Opening Bid. To submit an Overbid for purposes of this Auction, a
17 Bidder must comply with the following conditions:

18 (1) Minimum Overbid Increment. Any Overbid after
19 the Opening Bid shall be made in increments of at least
20 \$250,000 (the "Minimum Overbid Increment"). With respect
21 to the Auction of the DR Property, all Overbids must be
22 allocated between the portion of the DR Property owned by the
23 May Debtors and the portion of the DR Property owned by the
24 July Debtors. If the Commission to be paid on a sale to a
25 Related Party is less than that of a sale to an unrelated party, the
26 difference shall be credited to the Related Party in considering

1 the amount of the Overbids. Additional consideration in excess
2 of the amount set forth in the Opening Bid (other than an
3 Overbid by CPF) may include only cash. CPF may bid cash in
4 addition to any increased credit bid.

5 (2) Remaining Terms are the same as for Qualified
6 Bids. Except as modified herein, an Overbid must comply with
7 the conditions for a Qualified Bid set forth above, provided,
8 however, that the Bid Deadline shall not apply. Any Overbid
9 must remain open and binding on the Qualified Bidder until and
10 unless the Liquidating Trustee accepts a higher Overbid. To the
11 extent not previously provided (which shall be determined by the
12 Liquidating Trustee), a Qualified Bidder submitting an Overbid
13 must submit, as part of its Overbid, written evidence (in the
14 form of financial disclosure or credit-quality support
15 information or enhancement reasonably acceptable to the
16 Liquidating Trustee) demonstrating such Qualified Bidder's
17 ability to close the transaction proposed by such Overbid.

18 (3) Announcing Overbids. All Overbids shall be
19 announced by the Liquidating Trustee.

20 (4) Consideration of Overbids. The Liquidating
21 Trustee reserves the right, in its reasonable business judgment, to
22 request one or more adjournments in an Auction to, among
23 other things: facilitate discussions between the Liquidating
24 Trustee and individual Qualified Bidders; allow individual
25 Qualified Bidders to consider how they wish to proceed; and
26 give Qualified Bidders the opportunity to provide the

1 Liquidating Trustee with such additional evidence as the
2 Liquidating Trustee in its reasonable business judgment may
3 require, that the Qualified Bidder has sufficient internal
4 resources, or has received sufficient non-contingent debt and/or
5 equity funding commitments, to consummate the proposed
6 transaction at the prevailing Overbid amount.

7 (5) Backup Bidder: Notwithstanding anything in the
8 Bid Procedures to the contrary, if an Auction is conducted, the
9 party with the next highest or otherwise best Qualified Bid(s) at
10 the Auction, as determined by the Liquidating Trustee, in the
11 exercise of its reasonable business judgment, shall be required
12 to serve as a backup bidder (the "Backup Bidder"). The Backup
13 Bidder shall be required to keep its initial Bid (or if the Backup
14 Bidder submitted one or more Overbids at the Auction, its final
15 Overbid) (the "Backup Bid") open and irrevocable until the
16 earlier of 5:00 p.m. (prevailing Arizona time) on the date that is
17 fourteen (14) days after the date of the Auction (the "Outside
18 Backup Date") or the closing of the transaction with the
19 Successful Bidder. Following the Auction, if the Successful
20 Bidder fails to consummate an approved transaction because of
21 a breach or failure to perform on the part of such Successful
22 Bidder, the Liquidating Trustee may designate the Backup
23 Bidder to be the new Successful Bidder, and the Liquidating
24 Trustee will be required to consummate the transaction with the
25 Backup Bidder. In such case, the defaulting Successful
26 Bidder's deposit shall be forfeited to the applicable Liquidating

1 Trust, and the Liquidating Trustee specifically reserves the right
2 to seek all available damages from the defaulting Successful
3 Bidder. The deposit of the Backup Bidder shall be held by the
4 Liquidating Trustee until the earlier of 24 hours after (a) the
5 closing of the transaction with the Successful Bidder and (b) the
6 Outside Backup Date.

7 (6) Additional Procedures. The Liquidating Trustee
8 may announce at the Auction additional procedural rules that
9 are reasonable under the circumstances (e.g., the amount of
10 time to make subsequent Overbids) for conducting the Auction
11 so long as such rules are not inconsistent with these Bid
12 Procedures.

13 (7) Consent to Jurisdiction as a Condition to Bidding.
14 All Qualified Bidders at the Auction shall be deemed to have
15 consented to the core jurisdiction of the Bankruptcy Court and
16 waived any right to a jury trial in connection with any disputes
17 relating to the Bid Procedures, the Auction or the construction
18 and enforcement of any transaction documents.

19 (8) Closing the Auction. The Auction shall continue
20 until there is only one Qualified Bid that the Liquidating Trustee
21 determines in its reasonable business judgment, after
22 consultation with its financial and legal advisors, is the highest
23 and best Qualified Bid (the “Successful Bid” and the Qualified
24 Bidder submitting such Successful Bid, the “Successful
25 Bidder”). The Liquidating Trustee shall not consider any bids
26 submitted after the conclusion of the Auction.

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(9) Closing. The closing shall occur not less than ten (10) days after the Auction, unless extended by the Liquidating Trustee in its sole discretion, provided that any such extension shall not exceed five (5) Business Days. All Auction sales of property to the Successful Bidder shall be free and clear of all liens, claims and interests of every kind and nature, with all such liens claims and interests to attach to the sale proceeds; provided, however, any Auction sales shall be subject to and shall affirm the terms and conditions of the 96.5 Acre Lease and the 20 Acre Lease and any covenants, conditions and restrictions and other *in rem* conditions or restrictions set forth in recorded documents that are related to the 96.5 Acre Parcel and/or the 20 Acre Parcel and /or the Desert Ridge community.

8.12 Turnover of Assets. Bruce Gray, Gray Western Development Company, and all affiliates, insiders, and Representatives of Bruce Gray and Gray Western Development Company shall promptly turnover all Assets, including all Documents, contracts, and business records of the Debtors to the Liquidating Trustee on the Effective Date.

8.13 Pending CPF Litigation. Notwithstanding any other term or provision of the Plan to the contrary, in consideration to the benefits provided and to be provided under the Plan by CPF, on the Effective Date, the Ganymede Adversary, the Ganymede Claims, the Lien Avoidance Adversary, and the Lien Avoidance Claims shall be deemed settled and dismissed with prejudice, and all Claims asserted or that could have been asserted in the foregoing actions shall be deemed released.

8.14 Transfer of GBSRP I Property. On the Effective Date or as soon thereafter as practicable, the Liquidating Trustee will cause GBSRP I to convey the GBSRP I Property from GBSRP I to the July Liquidating Trust by special warranty deed, subject to any

1 existing encumbrances, including the *lis pendens* associated with Proof of Claim 4-1 filed
2 by Emerald Equities, LLC against SDLI. The transfer of the GBSRP I Property to the July
3 Liquidating Trust will be in settlement of any Avoidance Action by the Estates against
4 GBSRP I in relation to the GBSRP I Property.

5 **ARTICLE 9. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.**

6 9.1 The Plan contemplates and hereby provides for the rejection, pursuant to
7 Section 365 of the Bankruptcy Code, of any and all other Executory Contracts and
8 Unexpired Leases of the Debtors which are in force on the Effective Date, except (i) those
9 Executory Contracts and Unexpired Leases which were specifically assumed pursuant to an
10 order of the Bankruptcy Court, and (ii) those Executory Contracts and Unexpired Leases
11 listed on Schedule 9.1 attached hereto, which Executory Contracts and Unexpired Leases
12 shall be deemed assumed on the Effective Date.

13 9.2 The Confirmation Order (except as otherwise provided therein) shall
14 constitute an order of the Bankruptcy Court pursuant to Section 365 of the Bankruptcy
15 Code, effective as of the Effective Date, approving the assumptions and rejections
16 hereunder. Each contract and lease assumed pursuant to Section 9.1 shall be assumed only
17 to the extent that any such contract or lease constitutes an Executory Contract or Unexpired
18 Lease. Assumption of a contract or lease pursuant to Section 9.1 shall not constitute an
19 admission by the Liquidating Trustee that such contract or lease is an Executory Contract
20 or Unexpired Lease or that the Debtors or the Reorganized Debtors, as applicable, have any
21 liability thereunder. All Executory Contracts and Unexpired Leases that are assumed will
22 be assumed under their present terms or upon such terms as are agreed to in writing between
23 the Liquidating Trustee and the counterparty to such contract or lease.

24 9.3 CPF asserts that no cure amounts are due from the Debtors to any
25 counterparty to an Executory Contract or Unexpired Lease assumed hereunder. CPF will
26 serve the Plan on the non-Debtor counterparties to each such Executory Contract or

1 Unexpired Lease prior to the Confirmation Hearing. Each such counterparty shall have
2 until the date that is five (5) Business Days prior to the Confirmation Hearing to file an
3 objection to the assumption of its Executory Contract or Unexpired Lease (whether the
4 objection relates to the cure amount or otherwise). If any objections are filed and cannot be
5 resolved by agreement, the Bankruptcy Court shall hold a hearing to determine the cure
6 amount with respect to such Executory Contract or Unexpired Lease or to otherwise resolve
7 the objection, which hearing may be the Confirmation Hearing. Any party failing to object
8 to the assumption of their Executory Contract or Unexpired Lease as set forth above shall
9 be forever barred from asserting, collecting or seeking to collect any cure amount or from
10 otherwise objecting to the assumption and assignment of such Executory Contract or
11 Unexpired Lease. Notwithstanding the foregoing, or anything else in this Article 9, with
12 respect to any Executory Contract or Unexpired Lease which is the subject of an objection,
13 the Liquidating Trustee shall retain the right, until five (5) Business Days following any
14 order resolving such objection having become a Final Order, to reject such Executory
15 Contract or Unexpired Lease by amending Schedule 9.1. Within ten (10) days of the later
16 of the Effective Date or the date that an order of the Bankruptcy Court establishing the cure
17 amount of such Executory Contract or Unexpired Lease becomes a Final Order, or as
18 otherwise agreed with the counterparty to each Executory Contract or Unexpired Lease, the
19 Liquidating Trustee shall pay the cure amounts to the non-Debtor parties to such Executory
20 Contracts and Unexpired Leases being assumed and/or assigned.

21 9.4 Notwithstanding any other provision in this Plan or prior notice of any kind
22 from the clerk of the Bankruptcy Court, any and all Creditors or persons with Claims against
23 a Debtor's Estate arising out of or in connection with or due to the rejection of an Executory
24 Contract or Unexpired Lease pursuant to the Plan shall have thirty (30) days from the
25 Effective Date within which to file a proof of claim in the true amount of such Claims. If
26 any such Creditors fail to file such proofs of claim within said thirty (30) day period, then

1 such Creditors shall have no Claims as against the Debtors, their Estates, the Reorganized
2 Debtors or their respective Representatives, which Claims arising out of or in connection
3 with or due to such rejection of such Executory Contract or Unexpired Lease, shall be
4 dismissed, released and null and void.

5 9.5 Any Claim that arises from the rejection of an Executory Contract or
6 Unexpired Lease shall, to the extent such Claim becomes an Allowed Claim, be treated as
7 an Unsecured Claim against the applicable Debtor.

8 9.6 Any claim filed in accordance with the provisions of Section 9.5 hereof shall
9 be treated as a Disputed Claim until the period of time has elapsed within which the
10 Liquidating Trustee may file an objection to such Claim.

11 **ARTICLE 10. RETENTION OF JURISDICTION.**

12 10.1 Notwithstanding the entry of the Confirmation Order or the occurrence of
13 Effective Date, the Bankruptcy Court shall retain jurisdiction over these Cases and any
14 proceedings related thereto to the fullest extent permitted by the Bankruptcy Code or
15 applicable law, and to make such orders as are necessary or appropriate to carry out the
16 provisions of this Plan.

17 10.2 In addition, the Bankruptcy Court shall retain jurisdiction to implement the
18 provisions of the Plan in the manner as provided under Section 1142 of the Bankruptcy
19 Code. If the Bankruptcy Court abstains from exercising, or declines to exercise jurisdiction,
20 or is otherwise without jurisdiction over any matter set forth in this Section, or if the
21 Reorganized Debtors elect to bring an action or proceeding in any other forum, then this
22 Section shall have no effect upon and shall not control, prohibit or limit the exercise of
23 jurisdiction by any other court, public authority, or commission having competent
24 jurisdiction over such matters.

25 10.3 Without limiting the foregoing, the Bankruptcy Court shall retain jurisdiction
26 of the Cases for the following matters:

1 10.3.1 To enable the Liquidating Trustee to consummate any and all
2 proceedings which may have been brought before or after the entry of the
3 Confirmation Order, to challenge or object to the allowance of Claims and to recover
4 any preferences, transfers, assets or damages to which the Reorganized Debtors may
5 be entitled under the applicable provisions of the Code or other federal, state or local
6 law;

7 10.3.2 To adjudicate all controversies concerning the classification or
8 allowance of a Claim or Equity Security Interest;

9 10.3.3 To adjudicate all disputes regarding or relating in any way to Claims,
10 Equity Security Interests, and the Plan;

11 10.3.4 To hear and determine all claims or motions arising from or seeking
12 the assumption and/or assignment or rejection of any Executory Contracts or
13 Unexpired Leases, and to consummate the rejection and termination thereof or with
14 respect to any Executory Contracts or Unexpired Leases to which an application or
15 motion for rejection or termination is filed before entry of the Confirmation Order;

16 10.3.5 To liquidate the amount of any Disputed, contingent or unliquidated
17 Claims;

18 10.3.6 To adjudicate all claims to a security or ownership interest in any
19 property of the Debtors or in any proceeds thereof, including the adjudication of all
20 claims asserted by Creditors and Holders of Equity Security Interests;

21 10.3.7 To adjudicate all claims or controversies arising out of any purchases,
22 sales, or contracts made or undertaken by the Debtors during the pendency of the
23 Cases;

24 10.3.8 To adjudicate, determine and resolve any and all adversary
25 proceedings, applications, motions, and contested or litigated matters, instituted
26 before the closing of the Case;

1 10.3.9 To recover all Assets and properties of the Debtors, wherever located;

2 10.3.10 To adjudicate and determine any cause of action retained by the
3 Debtors or otherwise provided for under the Plan or pursuant to the Confirmation
4 Order;

5 10.3.11 To make orders as are necessary or appropriate to carry out the
6 provisions of the Plan, or in aid of confirmation and consummation of the Plan;

7 10.3.12 To hear and determine any application to modify the Plan in
8 accordance with Section 1127 of the Bankruptcy Code, to remedy any defect or
9 omission, or reconcile any inconsistency in the Plan, the Disclosure Statement or any
10 Order of the Bankruptcy Court, including the Confirmation Order, in such a manner
11 as may be necessary to carry out the purposes and effects hereof;

12 10.3.13 To hear and determine all matters concerning state, local and
13 federal taxes in accordance with Sections 346, 505 and 1146 of the Bankruptcy
14 Code;

15 10.3.14 To determine any and all applications, adversary proceedings,
16 and contested or litigated matters properly before the Bankruptcy Court before or
17 after the Confirmation Date;

18 10.3.15 To hear and determine all controversies, suits and disputes, if
19 any, as may arise with regard to orders of the Bankruptcy Court in the Cases entered
20 on or before the Effective Date;

21 10.3.16 Notwithstanding the provisions of this Article Ten or any other
22 provision of this Plan, nothing in this Plan nor in the Order of the Bankruptcy Court
23 confirming the same is intended to indicate any consent by the State of Arizona,
24 through its agency ASLD or otherwise, to the jurisdiction of the Bankruptcy Court.
25 The State of Arizona expressly reserves and preserves its rights of sovereign
26 immunity under the Eleventh Amendment to the United States Constitution and any

1 restrictions on the jurisdiction of the Bankruptcy Court over the State of Arizona
2 which may be otherwise imposed under federal law and applicable judicial
3 precedents related to the limited jurisdiction of federal courts in matters involving
4 the States and their agencies; and

5 10.3.17 To enter an Order closing each of the Cases.

6 **ARTICLE 11. PROCEDURES FOR RESOLVING DISPUTED CLAIMS.**

7 11.1 Objections to Claims. The Liquidating Trustee shall be entitled to object to
8 any Claims that have not been Allowed under the Plan or by an Order of the Bankruptcy
9 Court prior to the Effective Date, subject to any limitations or procedures set forth in the
10 respective applicable Liquidating Trust Agreement. With respect to the May Debtors only,
11 the Liquidating Trustee shall have the exclusive right to object to Claims. Any objections
12 to Claims shall be served and filed on or before the later of: (i) sixty (60) days after the
13 Effective Date; (ii) thirty (30) days after a request for payment or proof of Claim is timely
14 filed and properly served; or (iii) such other date as may be fixed by the Bankruptcy Court,
15 whether before or after the dates specified in subsections (i) and (ii) herein.
16 Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed
17 properly served on the Creditor if service is effected in any of the following manners: (a) in
18 accordance with Federal Rule of Civil Procedure 4, as modified and made applicable by
19 Bankruptcy Rule 7004; (b) by first class mail, postage prepaid, on any counsel that has
20 appeared on the Creditor's behalf in the Cases; or (c) by first class mail, postage prepaid,
21 on the signatory on the proof of Claim or other representative identified in the proof of
22 Claim or any attachment thereto.

23 11.2 Payments and Distributions with Respect to Disputed Claims.
24 Notwithstanding any other provision hereof, if any portion of a Claim is a Disputed Claim,
25 no payment or distribution provided hereunder shall be made on account of such Claim
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1 unless and until the amount of such Disputed Claim which constitutes an Allowed Claim is
2 determined, and the balance (if any) becomes a Disallowed Claim.

3 11.3 Distributions after Allowance. After such time as a Disputed Claim becomes
4 an Allowed Claim, the Liquidating Trustee shall distribute to the holder thereof the
5 distributions, if any, to which such holder is then entitled under the Plan in accordance with
6 the provisions hereof. Distributions in respect of Disputed Claims that become Allowed
7 Claims shall be made within fifteen (15) days after such Disputed Claims become Allowed
8 Claims by Final Order of the Bankruptcy Court or as soon thereafter as practicable.

9 **ARTICLE 12. PROVISIONS CONCERNING DISTRIBUTIONS.**

10 12.1 Time of Distributions under the Plan. Payments and distributions to be made
11 on or after the Effective Date pursuant to the Plan shall be made on such date, or as soon as
12 practicable thereafter, except as otherwise provided for in the Plan, or as may be ordered by
13 the Bankruptcy Court, or as may be agreed to by the Liquidating Trustee and the holder of
14 the Allowed Claim.

15 12.2 Payment Dates. Whenever any payment or distribution to be made under the
16 Plan shall be due on a day other than a Business Day, such payment or distribution shall
17 instead be made, without interest, on the next Business Day, or as soon as practicable
18 thereafter, or as may be agreed to by the Liquidating Trustee and the holder of the Allowed
19 Claim.

20 12.3 Manner of Payments under the Plan. Cash payments made pursuant to the
21 Plan shall be made in the currency of the United States, by check drawn on a domestic bank
22 or by wire transfer from a domestic bank. Distributions to all holders of Allowed Claims
23 shall be made (a) at the addresses set forth in the proof of claim filed by such holders (or at
24 last known addresses of such holders if no proofs of claims were filed or the Debtors were
25 notified of a change of address); or (b) at the addresses set forth in any written notices of
26 address change delivered to the Liquidating Trustee or the Bankruptcy Court; or (c) at the

1 addresses reflected in the Debtors' schedules if no claim shall have been filed and no written
2 notice of an address change has been received by the Reorganized Debtors. No payments
3 shall be made to a holder of a Disputed Claim unless and until such Claim becomes an
4 Allowed Claim by a Final Order.

5 12.4 Fractional Cents. Any other provision of the Plan to the contrary
6 notwithstanding, no payments of fractions of cents will be made. Whenever any payment
7 of a fraction of a cent would otherwise be called for, the actual payment shall reflect a
8 rounding of such fraction to the nearest whole cent (rounding down in the case of .5).

9 12.5 Non-Negotiated Checks. If a Holder of an Allowed Claim, or any other claim
10 or interest fails to negotiate a check issued to such holder under the Plan within sixty (60)
11 days of the date such check was issued by the Liquidating Trustee, then the amount of Cash
12 or other property attributable to such check shall be deemed to be "Unclaimed
13 Distributions," and the payee of such check shall be deemed to have no further Claim or
14 future Claim against the Liquidating Trustee.

15 12.6 Unclaimed Distributions. In the event any payment to a holder of a Claim
16 under the Plan remains unclaimed for a period of sixty (60) days after such distribution has
17 been made (or after such delivery has been attempted), such Unclaimed Distribution and all
18 future distributions to be made to such holders shall be deemed forfeited by such holder.

19 12.7 Disputed Payments or Distributions. In the event of any dispute between and
20 among Claimants (including the Entity or Entities asserting the right to receive the disputed
21 payment or distribution) as to the right of any Entity to receive or retain any payment or
22 distribution to be made to such Entity under the Plan, the Liquidating Trustee may, in lieu
23 of making such payment or distribution to such Entity, make it instead into an escrow
24 account or to a disbursing agent, for payment or distribution as ordered by the Bankruptcy
25 Court or as the interested parties to such dispute may otherwise agree among themselves,
26 and the payment or distribution shall be deemed to have been made to and received by the

1 Entity determined to be entitled to such payment or distribution as of the date that the
2 Liquidating Trustee delivers such payment or distribution to a disbursing agent or escrow
3 account.

4 **ARTICLE 13. EFFECT OF CONFIRMATION OF PLAN.**

5 13.1 Binding Effect. On and after the Confirmation Date, the provisions of the
6 Plan shall bind the Debtors and any holder of a Claim against, or Equity Security Interest
7 in, the Debtors and their respective successors and assigns, whether or not the Claim or
8 Equity Interest of such holder is impaired under the Plan and whether or not such holder
9 has voted on or accepted the Plan.

10 13.2 Discharge. The Plan is a liquidating plan. Therefore, any liability imposed
11 by the Plan will not be discharged. If Confirmation of this Plan does not occur, the Plan
12 shall be deemed null and void. In such event, nothing contained in this Plan shall be deemed
13 to constitute a waiver or release of any claims against the Debtors or their Estates or any
14 other Persons, or to prejudice in any manner the rights of the Debtors or their Estates or any
15 Person in any further proceeding involving the Debtors or their Estates.

16 13.3 Post-Confirmation Quarterly Fees. Quarterly fees pursuant to 28 U.S.C.
17 Section 1930(a)(6) continue to be payable to the Office of the United States Trustee by the
18 Liquidating Trustee until such time as the Case is converted, dismissed, or closed pursuant
19 to a final decree.

20 13.4 Retention of Claims and Causes of Action. Except to the extent any rights,
21 claims, causes of action, defenses, and counterclaims are expressly and specifically released
22 or assigned in connection with this Plan or in any settlement agreement approved during
23 the Cases: (i) any and all Claims accruing to the Debtors or the Estates shall remain assets
24 of and vest in the applicable Liquidating Trust whether or not litigation relating thereto is
25 pending on the Effective Date, and whether or not any such Claims have been listed or
26 referred to in the Plan, the Disclosure Statement, or any other document filed with the

1 Bankruptcy Court, and (ii) neither the Reorganized Debtors, the Liquidating Trustee nor the
2 Estates waive, release, relinquish, forfeit, or abandon (nor shall they be estopped or
3 otherwise precluded or impaired from asserting) any Claims or defenses that constitute
4 property of the Debtors or the Estates: (a) whether or not such Claims or defenses have been
5 listed or referred to in this Plan, the Disclosure Statement, or any other document filed with
6 the Bankruptcy Court, (b) whether or not such Claims are currently known to the Debtors
7 or CPF, and (c) whether or not a defendant in any litigation relating to such Claims filed a
8 proof of claim in the Case, filed a notice of appearance or any other pleading or notice in
9 the Case, voted for or against this Plan, or received or retained any consideration under this
10 Plan. Without in any manner limiting the scope of the foregoing, notwithstanding any
11 otherwise applicable principle of law or equity, including, without limitation, any principles
12 of judicial estoppel, res judicata, collateral estoppel, issue preclusion, or any similar
13 doctrine, the failure to list, disclose, describe, identify, analyze or refer to any Claim or
14 cause of action, in the Plan, the Disclosure Statement, or any other document filed with the
15 Bankruptcy Court shall in no manner waive, eliminate, modify, release, or alter the
16 Liquidating Trustee's right to commence, prosecute, defend against, settle, recover on
17 account of, and realize upon any Claim that the Debtors or their Estates have or may have
18 as of the Effective Date.

19 Except to the extent any rights, claims, causes of action, defenses, and counterclaims
20 are expressly and specifically released or assigned in connection with this Plan or in any
21 settlement agreement approved during the Case, the Liquidating Trustee expressly reserves
22 all Claims and defenses for later adjudication by the Liquidating Trustee and therefore, no
23 preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue
24 preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches
25 will apply to such Claims and defenses upon or after the Confirmation or Consummation
26 of the Plan based on the Disclosure Statement, the Plan, and/or the Confirmation Order. In

1 addition, the Liquidating Trustee expressly reserves the right to pursue or adopt Claims that
2 are alleged in any lawsuits in which the Debtors are a defendant or an interested party,
3 against any Person or Governmental Entity, including the plaintiffs or co-defendants in such
4 lawsuits. Any Person or Governmental Entity to whom the Debtors have incurred an
5 obligation (whether on account of services, purchase, sale of goods or otherwise), or who
6 has received services from the Debtors, or who has received money or property from the
7 Debtors, or who has transacted business with the Debtors, or who has leased equipment or
8 property from or to the Debtors should assume that such obligation, receipt, transfer or
9 transaction may be reviewed by the Liquidating Trustee subsequent to the Effective Date
10 and may be the subject of an action after the Effective Date, whether or not: (a) such Person
11 or Governmental Unit has Filed a proof of Claim against the Debtors in the Cases; (b) such
12 Person's or Governmental Unit's proof of Claim has been objected to by the Debtors; (c)
13 such Person's or Governmental Unit's Claim was included in the Debtors' Schedules; or
14 (d) such Person's or Governmental Unit's scheduled Claim has been objected to by the
15 Debtors or has been identified by the Debtors as contingent, unliquidated or disputed.

16 13.5 NO WAIVER OF CLAIMS. NEITHER THE FAILURE TO LIST A CLAIM
17 IN THE SCHEDULES FILED BY THE DEBTORS, THE FAILURE OF THE DEBTORS
18 OR ANY OTHER PERSON TO OBJECT TO ANY CLAIM FOR PURPOSES OF
19 VOTING, THE FAILURE OF THE DEBTORS OR ANY OTHER PERSON TO OBJECT
20 TO A CLAIM OR ADMINISTRATIVE EXPENSE BEFORE CONFIRMATION OR THE
21 EFFECTIVE DATE, THE FAILURE OF ANY PERSON TO ASSERT A CLAIM OR
22 CAUSE OF ACTION BEFORE CONFIRMATION OR THE EFFECTIVE DATE, THE
23 ABSENCE OF A PROOF OF CLAIM HAVING BEEN FILED WITH RESPECT TO A
24 CLAIM, NOR ANY ACTION OR INACTION OF THE DEBTORS OR ANY OTHER
25 PERSON WITH RESPECT TO A CLAIM, OR ADMINISTRATIVE EXPENSE, OTHER
26 THAN A LEGALLY EFFECTIVE EXPRESS WAIVER OR RELEASE SHALL BE

1 DEEMED A WAIVER OR RELEASE OF THE RIGHT OF THE LIQUIDATING
2 TRUSTEE, BEFORE OR AFTER SOLICITATION OF VOTES ON THE PLAN OR
3 BEFORE OR AFTER CONFIRMATION OR THE EFFECTIVE DATE TO (A) OBJECT
4 TO OR EXAMINE SUCH CLAIM OR ADMINISTRATIVE EXPENSE, IN WHOLE OR
5 IN PART OR (B) RETAIN AND EITHER ASSIGN OR EXCLUSIVELY ASSERT,
6 PURSUE, PROSECUTE, UTILIZE, OTHERWISE ACT OR OTHERWISE ENFORCE
7 ANY CLAIM OR CAUSE OF ACTION AGAINST THE HOLDER OF ANY SUCH
8 CLAIM.

9 **ARTICLE 14. GENERAL PROVISIONS.**

10 14.1 Notices under the Plan. Notices, requests, or demands with respect to this
11 Plan shall be in writing and shall be deemed to have been received within five (5) days of
12 the date of mailing, provided they are sent by registered mail or certified mail, postage
13 prepaid, return receipt requested, and:

14 if sent to CPF, addressed to:

15 GALLAGHER & KENNEDY, P.A.
16 Attn.: Todd A. Burgess
2575 East Camelback Road
17 Phoenix, Arizona 85016-9225
Facsimile: (602) 530-8500
18 Email: todd.burgess@gknet.com

19 14.2 Withholding Taxes/Setoffs. The Liquidating Trustee shall be entitled to
20 deduct any Federal or State withholding taxes from any payments with respect to Allowed
21 Claims for wages of any kind. The Liquidating Trustee may, but shall not be required to,
22 set off or recoup against any Claim, and the payments to be made pursuant to the Plan in
23 respect of such Claim, any claims of any nature whatsoever the Debtors or the Estates may
24 have against the holder of such Claim, but neither the failure to do so nor the allowance of
25 any Claim hereunder shall constitute a waiver or release by the Liquidating Trustee of any
26 such claim the Debtors may have against such holder.

1 14.3 Committee. On the Effective Date, any Committee appointed in the Case
2 shall automatically dissolve and the members thereof and the Professional Persons retained
3 by the Committee in accordance with Section 1103 of the Bankruptcy Code shall be
4 released and discharged from their respective duties and obligations. The May Advisory
5 Committee shall be appointed on the Effective Date as set forth in the Confirmation Order,
6 and shall be governed by and have the rights set forth in the Plan, in the Confirmation Order
7 and in the May Liquidating Trust Agreement.

8 14.4 Headings. The headings used in this Plan are inserted for convenience only
9 and neither shall constitute a portion of this Plan nor in any manner affect the provisions of
10 this Plan.

11 14.5 Severability. In the event that the Bankruptcy Court determines, prior to the
12 Confirmation Date, that any provision of the Plan is invalid, void, or unenforceable, the
13 Bankruptcy Court shall, with the consent of CPF, but not otherwise, have the power to alter
14 and interpret such term or provision to make it valid or enforceable to the maximum extent
15 practicable, consistent with the original purpose of the term or provision held to be invalid,
16 void, or unenforceable, and such term or provision shall then be applicable as altered or
17 interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder
18 of the terms and provisions of the Plan shall remain in full force and effect and shall in no
19 way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The
20 Confirmation Order shall constitute a judicial determination and shall provide that each
21 term and provision of the Plan, as it may have been altered or interpreted in accordance with
22 the foregoing, is valid and enforceable pursuant to its terms.

23 14.6 Certain Terminations. On the Effective Date, all instruments evidencing
24 indebtedness of the Debtors discharged by the Plan shall be deemed canceled, except to the
25 extent that this Plan provides for the retention of Liens.

1 14.7 Governing Law. Except to the extent that the Bankruptcy Code is applicable,
2 the rights and obligations arising under this Plan shall be governed by, and construed and
3 enforced in accordance with, the internal laws of the State of Arizona without regard to its
4 conflicts of law principles.

5 14.8 Contingent or Unliquidated Claims. The Bankruptcy Court shall fix, liquidate
6 or estimate the amount of any contingent or unliquidated Claim pursuant to Section 502 of
7 the Bankruptcy Code. The amount so fixed shall be deemed the allowed amount of such
8 contingent or unliquidated Claim for purposes of this Plan. In lieu thereof, the Bankruptcy
9 Court may determine the amount to be reserved for such contingent or unliquidated Claim,
10 which amount shall be the maximum amount which the holder of such contingent or
11 unliquidated Claim shall be entitled to receive under this Plan if such contingent or
12 unliquidated Claim is allowed in whole or in part.

13 14.9 Revocation of Plan. CPF reserves and shall have the right to revoke and
14 withdraw this Plan at any time before Confirmation.

15 14.10 Modification of Plan. CPF reserves and shall have the right to propose
16 alterations, amendments, or modifications of or to the Plan in writing at any time prior to
17 the Confirmation Date, in accordance with Section 1127 of the Bankruptcy Code and
18 Bankruptcy Rule 3019. CPF may alter, amend, or modify the Plan at any time after the
19 Confirmation Date and before substantial consummation in accordance with Section 1127
20 of the Bankruptcy Code. A holder of a Claim that has accepted the Plan shall be deemed to
21 have accepted the Plan, as altered, amended or modified, to the extent, and subject to the
22 conditions, set forth in Bankruptcy Rule 3019. Without limiting the foregoing, after
23 Confirmation, CPF may, upon Order from the Bankruptcy Court, in accordance with
24 Section 1127(b) of the Bankruptcy Code, remedy any defect or omission or reconcile any
25 inconsistency in this Plan in such manner as may be necessary to carry out the purpose of
26 this Plan.

1 14.11 Reservation of Rights. Nothing contained herein shall prohibit CPF from
2 prosecuting or defending any of its rights as may exist on its own behalf before the Effective
3 Date. If CPF withdraws or revokes the Plan prior to the Confirmation Date, or if
4 Confirmation of the Plan does not otherwise occur, the Plan shall be deemed null and void.
5 In such event, nothing contained in the Plan shall be deemed to constitute a waiver or release
6 of any Claims by or against the Debtors, their Estates, or any other Person, or to prejudice
7 in any manner, the rights and remedies of the creditors, the Debtors, their Estates, or any
8 other Person in any further proceedings involving the Debtors or their Estates or any other
9 Person. The filing of the Plan and or any modifications hereto, and the Plan itself shall not
10 constitute a waiver by CPF of any rights, remedies, objections, or causes of action it may
11 have or may wish to raise with respect to any matter whatsoever, including, without
12 limitation, any other plan or plans filed or to be filed in any of the Cases, all of which rights
13 and objections are hereby reserved.

14 14.12 Exemption from Certain Transfer Taxes. Pursuant to Section 1146(a) of the
15 Bankruptcy Code, the issuance, transfer or exchange of a security, or the making or delivery
16 of an instrument of transfer hereunder will not be subject to any stamp, tax, or similar tax.

17 14.13 Injunction. Except as otherwise provided in the Plan or the Confirmation
18 Order, and except for any actions timely filed pursuant to Section 523 of the Bankruptcy
19 Code or any Claims declared by the Bankruptcy Court to be non-dischargeable pursuant to
20 Section 523 of the Bankruptcy Code, as of the Confirmation Date, but subject to the
21 occurrence of the Effective Date, all Persons who have held, hold or may hold Claims
22 against the Debtors or their Estates, or Equity Security Interests in the Debtors, are, with
23 respect to any such Claims or Equity Security Interests, permanently enjoined from and
24 after the Confirmation Date from: (i) commencing, conducting or continuing in any
25 manner, directly or indirectly, any suit, action or other proceeding of any kind (including,
26 without limitation, any proceeding in a judicial, arbitral, administrative or other forum) with

1 respect to any such Claim against or affecting the Debtors, their Estates or any of their
2 respective property, or any direct or indirect post-Effective Date transferee of any property
3 of, or post-Effective Date direct or indirect successor in interest to, any of the foregoing
4 Persons, solely in their capacity as such transferees or successors in interest, or any property
5 of any such transferee or successor, solely in such capacity; (ii) enforcing, levying, attaching
6 (including, without limitation, any pre-judgment attachment), collecting or otherwise
7 recovering by any manner or means, whether directly or indirectly, with respect to any
8 judgment, award, decree or order against the Debtors, their Estates or any of their respective
9 property, or any direct or indirect post-Effective Date transferee of any property of, or post-
10 Effective Date direct or indirect successor in interest to, any of the foregoing Persons, solely
11 in their capacity as such transferees or successors in interest, or any property of any such
12 transferee or successor, solely in such capacity; (iii) creating, perfecting or otherwise
13 enforcing in any manner, directly or indirectly, any encumbrance of any kind against the
14 Debtors, their Estates or any of their respective property, or any direct or indirect post-
15 Effective Date transferee of any property of, or post-Effective Date direct or indirect
16 successor in interest to, any of the foregoing Persons, solely in their capacity as such
17 transferees or successors in interest, or any property of any such transferee or successor,
18 solely in such capacity; (iv) asserting initially after the Effective Date any right of setoff,
19 subrogation, or recoupment of any kind, directly or indirectly, against any obligation due to
20 the Debtors, their Estates or any of their respective property, or any direct or indirect post-
21 Effective Date transferee of any property of, or post-Effective Date direct or indirect
22 successor in interest to, any of the foregoing Persons, solely in their capacity as such
23 transferees or successors in interest, or any property of any such transferee or successor,
24 solely in such capacity; and (v) acting or proceeding in any manner, in any place
25 whatsoever, that does not conform to or comply with the provisions of the Plan to the full
26 extent permitted by applicable law. By accepting a distribution pursuant to the Plan, each

1 holder of an Allowed Claim receiving distributions pursuant to the Plan will be deemed to
2 have specifically consented to the injunctions set forth in this section, and, except as set
3 forth in this Section, waives any and all claims, causes of action, remedies and objections
4 of every kind against the Debtors.

5 14.14 Term of Injunctions or Stays. Unless otherwise provided, all injunctions or
6 stays arising before the Confirmation Date in accordance with Sections 105 or 362 of the
7 Bankruptcy Code, and in existence on the Confirmation Date, shall remain in full force and
8 effect until the Effective Date, or such later date as provided under applicable law. For the
9 avoidance of doubt, this Section 14.14 does not apply to the permanent injunction set forth
10 in Section 14.13 of the Plan.

11 14.15 Injunction against Interference with Plan. Upon the entry of the Confirmation
12 Order, all holders of Claims and Equity Security Interests and other parties in interest,
13 including the Debtors, along with their respective present or former employees, agents,
14 officers, directors, or principals, shall be enjoined from taking any actions to interfere with
15 the implementation or consummation of the Plan.

16 14.16 Exculpation. Except with respect to obligations under the Plan, neither CPF,
17 nor any of its respective Representatives, (solely in their capacity as such) (each an
18 “Exculpated Party”), shall have or incur any liability to the Debtors or any of their
19 Representatives or any holder of a Claim or Equity Security Interest for any act or omission
20 in connection with, or arising out of: (i) the Case; (ii) the development, negotiation or
21 confirmation of the Plan; (iii) the consummation of the Plan; or (iv) the administration of
22 the Plan or property to be distributed pursuant to the Plan, except for fraud, willful
23 misconduct, recklessness or gross negligence; and, in all respects, each Exculpated Party
24 shall be entitled to rely upon the advice of counsel with respect to their duties and
25 responsibilities under the Plan.

14.17 Successors and Assigns. The rights and obligations of any Entity named or referred to in the Plan shall be binding upon and shall inure to the benefit of, the predecessors, successors, assigns and agents of such Entity.

14.18 Plan Documents. Final versions of the Liquidating Trust Agreements and such other documents needed in connection with confirmation of the Plan shall be filed with the Bankruptcy Court no later than three (3) Business Days before the Confirmation Hearing.

ARTICLE 15. CONDITIONS PRECEDENT TO EFFECTIVENESS OF PLAN.

15.1 Conditions to the Effective Date. The following shall be conditions to the occurrence of the Effective Date unless such conditions shall have been duly waived as provided below:

The Confirmation Order in form and substance acceptable to CPF shall have been entered and become a Final Order, except that CPF reserves the right to cause the Effective Date to occur notwithstanding the pendency of an appeal of the Confirmation Order.

DATED: August 22, 2017.

CPF VASEO ASSOCIATES, LLC

By: /s/Robert Flaxman
Name: Robert Flaxman
Its: Authorized Representative

1 PREPARED AND SUBMITTED ON BEHALF OF CPF VASEO ASSOCIATES, LLC
2 BY:

3 GALLAGHER & KENNEDY, P.A.

4 By: /s/Todd A. Burgess
5 John R. Clemency, Esq.
6 Todd A. Burgess, Esq.
7 Lindsi M. Weber, Esq.
8 2575 East Camelback Road
9 Phoenix, Arizona 85016-9225
Telephone: (602) 530-8000
Facsimile: (602) 530-8500
john.clemency@gknet.com
todd.burgess@gknet.com
lindsi.weber@gknet.com

10 Attorneys for CPF Vaseo Associates, LLC
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Schedule 9.1
(Executory Contracts and Unexpired Leases to be assumed)

- Property Development Agreement

**SUBJECT TO AMENDMENT BY THE PLAN PROPONENT PRIOR TO
CONFIRMATION AND AS OTHERWISE PROVIDED IN THE PLAN**

EXHIBIT A
FORM OF JULY DEBTORS' LIQUIDATING TRUST AGREEMENT

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EXHIBIT B
FORM OF MAY DEBTORS' LIQUIDATING TRUST AGREEMENT

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JULY LIQUIDATING TRUST AGREEMENT

This Agreement and Declaration of Trust (the “Agreement”) is executed as of September __, 2017, by Sonoran Desert Land Investors, LLC, East of Epicenter, LLC, and Gray Phoenix Desert Ridge II, LLC (together, the “July Debtors”) and _____, acting by and through _____ and other employees of _____, as Trustee (hereinafter called the “Trustee”) for the Beneficiaries of this Trust to act on their behalf.

RECITALS

A. The Third Amended Joint Plan of Reorganization with Non-Adverse Modifications (and Stipulated Modifications), dated August 4, 2017 [Dkt. 769] (as amended and confirmed, the “Plan”) filed by CPF Vaseo Associates, LLC (“CPF” or “Plan Proponent”) for the July Debtors, and Epicenter Partners, LLC and Gray Meyer Fannin, LLC (together, the “May Debtors”), debtors and debtors-in-possession in Chapter 11 Case Nos. 16-bk-05493-MCW, 16-bk-05494-MCW, 16-bk-07659-MCW, 16-bk-07660-MCW, and 16-bk-07661-MCW (the “Bankruptcy Cases”), which are being jointly administered under Case No. 16-bk-05493-MCW, in the United States Bankruptcy Court for the District of Arizona (the “Bankruptcy Court”), has been confirmed by the Bankruptcy Court. Under the Plan, all Remaining Assets of the July Debtors’ and their estates are transferred to the July Liquidating Trust, in the manner and at the time specified in the Plan (including Article 8 of the Plan) for the benefit of certain classes of Creditors of the July Debtors, and to the extent of any Residual, classes of Equity Security Interests in the July Debtors.

B. Upon the terms and subject to the conditions of this Agreement, the Trustee has agreed to accept the Liquidating Trust Estate (defined below) in trust and to hold and administer the Liquidating Trust Estate for the benefit of the Beneficiaries (defined below).

TERMS

1. Conveyance of Liquidating Trust Estate. Pursuant to the Plan, all Remaining Assets of the July Debtors and their Estates are transferred and vested in the July Liquidating Trust to be held and administered by the Trustee in trust hereunder. Definitions. For purposes of this Agreement, unless the context otherwise requires the following terms will have the definitions indicated. Unless otherwise indicated, capitalized terms used in this Agreement and Declaration of Trust will correspond to the defined terms used in the Plan.

a. Beneficiary means each of the Holders and their permitted transferees as the same shall appear in the records of the Trustee from time to time.

b. Holders means, collectively, the holders of Allowed Claims against and (only to the extent of any Residual) Equity Security Interests in the July Debtors.

c. Liquidating Trust Estate means, collectively: (i) the Assets transferred to the July Liquidating Trust pursuant to the Plan; and (ii) such additional or different corpus as the Trustee may from time to time acquire and hold in trust.

d. Plan means the plan of reorganization described above. A copy of the Plan, along with the Bankruptcy Court's order confirming the Plan, are attached hereto as Exhibit "1", and are by this reference incorporated herein. Unless otherwise stated, capitalized terms used herein shall have the meanings ascribed to such terms on the Plan.

e. July Liquidating Trust or Trust means the trust created pursuant to this Agreement and Declaration of Trust in accordance with the Plan.

f. Trustee means the Trustee named in this Agreement and its respective successors.

3. Nature and Purpose of Trust. The purpose of the Trust is to hold, administer and liquidate the Liquidating Trust Estate, and to collect and distribute to the Beneficiaries the income and the proceeds of the sale of the Liquidating Trust Estate, all in accordance with the provisions of the Plan. The Trust is a liquidating trust pursuant to which the Trustee is to hold the Liquidating Trust Estate and dispose of all or part of the same in accordance with this Agreement and Declaration of Trust and the Plan. This Agreement and Declaration of Trust is intended to create a trust and a trust relationship and to be governed and construed in all respects as a trust. The Trust is not intended to be, and shall not be deemed to be or treated as, a general partnership, limited partnership, joint venture, corporation, joint stock company or association, nor shall the Trustee or Beneficiaries, or any of them, for any purpose be, or be deemed to be or treated in any way whatsoever to be, liable or responsible hereunder as partners or joint venturers. The relationship of the Beneficiaries to the Trustee shall be solely that of beneficiaries of a trust and shall not be deemed a principal or agency relationship, and their rights shall be limited to those conferred upon them by this Agreement. This Trust is intended to qualify as a "grantor trust" for state and federal income tax purposes, and the Trustee will operate the Trust in compliance with laws and regulations governing grantor trusts under state and federal law.

4. Unknown Property and Liabilities. The Trustee shall be responsible for only the Assets delivered to her, and shall have no duty to make, nor incur any liability for failing to make, any search for unknown property or for any liabilities.

5. Limitation of Liability. Neither the Trustee nor any of the Beneficiaries shall be personally liable with respect to any liabilities or obligations of the Trust or any liabilities or obligations relating to the Liquidating Trust Estate, including, without limitation, those arising under this Agreement or with respect to the Trust or the Liquidating Trust Estate, and all persons dealing with the Trust must look solely to the Liquidating Trust Estate for the enforcement of any claims against the Trust or the Liquidating Trust Estate.

6. Rights of Beneficiaries. Each Beneficiary shall be entitled to participate in the rights due to a Beneficiary hereunder. Each Beneficiary shall take and hold his beneficial interest subject to all of the terms and provisions of this Agreement. The interest of a Beneficiary of the Trust is in all respects personal property, and upon the death, insolvency or incapacity of an individual Beneficiary, such Beneficiary's interest shall pass to the legal representative of such Beneficiary and such death, insolvency or incapacity shall not terminate or affect the validity of this Agreement. A Beneficiary shall have no title to, right to, possession of, management of, or control of, the Liquidating Trust Estate except as herein expressly provided.

No surviving spouse, heir or devisee of any deceased Beneficiary shall have any right of dower, homestead, or inheritance, or of partition, or any other right, statutory or otherwise, in the Liquidating Trust Estate, but the whole title to all the Liquidating Trust Estate shall be vested in the Trustee and the sole interest of the Beneficiaries shall be the rights and benefits given to such persons under this Agreement.

7. Limit on Transfer of Interests of Beneficiaries. The interest of a Beneficiary in the Trust may not be transferred in whole or in part except by will, intestate succession, or as otherwise approved by the Bankruptcy Court or the Trustee.

8. No Legal Title in Beneficiaries. No Beneficiary shall have legal title to any part of the Liquidating Trust Estate. No transfer by operation of law or otherwise, of the right, title and interest of any Beneficiary in and to the Liquidating Trust Estate or hereunder shall operate to terminate this Trust or entitle any successor or transferee of such Beneficiary to an accounting or to the transfer to it of legal title to any part of the Liquidating Trust Estate.

9. Duration of Trust. This Trust shall terminate on the later: of (i) the date that is five (5) years after the transfer of the Assets to the Trust; or (ii) the date upon which all of the Liquidating Trust Estate has been distributed to the Beneficiaries and there are no remaining assets expected to be received in the Liquidating Trust Estate.

a. Continuance of Trust for Winding Up. After the termination of the Trust and for the purpose of liquidating and winding up the affairs of the Trust, the Trustee shall continue to act as such until its duties have been fully performed. Upon distribution of the entire Liquidating Trust Estate, the Trustee shall retain for a period of one (1) year the books, records, Beneficiary lists, and certificates and other documents and files which shall have been delivered to or created by the Trustee. At the Trustee's discretion, all of such records and documents may, but need not, be destroyed at any time after two (2) years from the completion and winding up of the affairs of the Trust. Except as otherwise specifically provided herein, upon the discharge of all liabilities of the Trust and final distribution of the entire Liquidating Trust Estate, the Trustee shall have no further duties or obligations hereunder.

10. Administration of Trust Estate. In accordance with the Bankruptcy Court's order approving the establishment of the Trust, the Plan Proponent will provide the Trustee with a list of creditors with alleged Claims against the July Debtors and a list of Equity Security Holders in the July Debtors. Within the time frames stated in the Plan, or as soon thereafter as practicable, the Trustee shall make the distributions from the Trust to Beneficiaries whose Claims are Allowed in accordance with the terms of the Plan. The Trustee shall retain appropriate reserves with respect to Disputed Claims until they are either Allowed Claims or disallowed by a final, non-appealable order of the Bankruptcy Court, and such other reserves as the Trustee deems necessary in his reasonable judgment.

a. Final Distribution. If the Trustee shall determine that the remaining assets of the Trust may be conveniently distributed, or if the existence of the Trust shall terminate, the Trustee shall, as expeditiously as is consistent with the conservation and protection of the Liquidating Trust Estate, distribute the Liquidating Trust Estate to the Beneficiaries.

b. De Minis Distributions. The Trustee shall not be required to make any distribution to the Holder of an Allowed Claim if the amount of such distribution is less than \$50.

c. Reports to Beneficiaries. As soon as practicable after the termination of the Trust, the Trustee shall submit a written report to the Beneficiaries (which report shall constitute the accounting of the Trust) showing the assets administered and the distributions made by the Trustee. The Trustee may submit a similar report for any interim period as he deems advisable. Any Beneficiary who fails to object in writing to any such report or account within sixty (60) days after such report or account is first furnished to the Beneficiaries shall be deemed to have assented thereto and approved the contents thereof.

11. Specific Powers of Trustee. Subject to the limitations stated below, the Trustee shall have the following specific powers in addition to any powers conferred upon her by the Plan, any other provision of this Agreement or by virtue of any present or future statute or rule of law in all instances without any action or consent required by the Beneficiaries. To the extent of any conflict between the terms of the Plan and this Agreement, the terms of the Plan shall control:

(a) to sell, transfer, assign or deal in any other manner with any of the Liquidating Trust Estate in such manner as the Trustee may deem advisable consistent with the terms of the Plan;

(b) to collect and receive any and all money and other property of whatsoever kind or nature due or owing or belonging to the Trust and to give full discharge and acquittance therefor;

(c) pending sale or other disposition or distribution, to retain all or any assets constituting part of the Liquidating Trust Estate regardless of whether or not such assets are, or may become, underproductive, unproductive or a wasting asset (the Trustee shall be permitted to keep any part of the Liquidating Trust Estate as may be in cash, or as may be converted into cash, uninvested for a reasonable period of time and the Trustee shall not be chargeable with interest thereon);

(d) to retain and set aside funds out of the Liquidating Trust Estate as the Trustee shall deem necessary or appropriate to pay, or provide for the payment of (i) the unpaid liabilities, debts or obligations of the Trust, (ii) contingencies, and (iii) the expenses of administering the Liquidating Trust Estate;

(e) to do and perform any acts or things necessary or appropriate for the conservation and protection of the Liquidating Trust Estate, including acts or things necessary or appropriate to maintain assets held by the Trustee pending sale or other disposition thereof or distribution thereof to the Beneficiaries, and in connection therewith to employ attorneys, accountants, brokers, or other agents and to confer upon them such authority as the Trustee may deem necessary or appropriate, and to pay reasonable compensation therefor;

(f) to engage in, intervene in, prosecute, join, defend, compound, settle, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, controversies, demands or other litigation relating to the Trust, the Liquidating Trust Estate or the Trust's affairs, to enter into agreements relating to the foregoing, whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding arbitration, adjudication or settlement thereof, all in the name of the Trust if necessary or appropriate;

(g) to file any and all documents and take any and all such other action as the Trustee, in his sole judgment, may deem necessary in order that the Trustee may lawfully carry out the purposes of the Trust in any jurisdiction; and

(h) to do all things necessary or appropriate to perform any obligations required to be performed by the Trust under the terms of any agreement for the sale of any of the Trust assets, including the execution and delivery of any deeds, assignments, bills of sale or other instruments of conveyance necessary or appropriate to transfer and convey such assets.

12. Limitations on Trustee. The Trustee shall not at any time, on behalf of the Trust or Beneficiaries, (i) enter into or engage in any trade or business, and no part of the Liquidating Trust Estate or the proceeds, revenue or income therefrom shall be used or disposed of by the Trust in furtherance of any trade or business, or (ii) except as provided below, reinvest any assets.

a. The Trustee may invest and reinvest funds held in the Liquidating Trust Estate only in certificates of deposit, other time deposits, or other bank accounts with a bank or trust company which is organized under the laws of the United States of America or any state thereof having surplus and undivided profits aggregating in excess of \$100,000,000.

b. The Trustee shall be restricted to the holding, collection, conservation, protection and administration of the Liquidating Trust Estate in accordance with the provisions of this Agreement and the Plan, and the payment and distribution of amounts as set forth herein for the purposes set forth in this Agreement. Any determination by the Trustee as to what actions are in the best interests of the Trust shall be determinative.

13. Liability of Trustee. The Trustee shall not be liable to the Trust or any Beneficiary for any act or omission of the Trustee, Beneficiary, or agent of the Trust, or be held to any personal liability whatsoever in tort, contract, or otherwise in connection with the affairs of the Trust, except for liabilities arising from the Trustee's fraud, willful misconduct, recklessness or gross negligence. The Trustee shall not be liable except for the performance of any duties and obligations as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Trustee. In addition to, and not in limitation of the foregoing, no successor Trustee shall in any way be liable for the acts or omissions of any Trustee or agent of the Trust occurring prior to the date on which it became a Trustee.

14. Express Exculpatory Clauses in Instruments. As far as practicable, the Trustee shall cause any written instrument creating an obligation of the Trust to include a reference to this Agreement and to provide that neither the Beneficiaries nor the Trustee shall be liable thereunder and that the other parties to such instrument shall look solely to the Liquidating Trust Estate for the payment of any claim thereunder or the performance thereof, provided, however, that the omission of such provision from any such instrument shall not render any Beneficiary or the Trustee liable nor shall the Trustee be liable to anyone for such omission.

15. Indemnification of Trustee. The Trustee shall be entitled to indemnification out of the Liquidating Trust Estate against any losses, liabilities, expenses (including attorneys' fees and disbursements), damages, taxes, suits or claims (collectively, "Expenses") which the Trustee may incur or sustain by reason of being or having been a Trustee of the Trust or for performing any functions incidental to such service; provided, however, that the foregoing shall not relieve the Trustee for liability for fraud, willful misconduct, recklessness or gross negligence. The indemnification provided in this paragraph shall not be deemed exclusive of any other rights to which the Trustee may be entitled pursuant to the Plan or any other agreement or otherwise, both as to action as Trustee and as to action in any other capacity while holding such office, and shall continue as to a person or entity that has ceased to be a Trustee and shall inure to the benefit of the successor and legal representatives of such entity.

16. Protection of Persons Dealing with the Trustee. Any transfer of the Liquidating Trust Estate, or part thereof, shall bind the Beneficiaries and shall be effective to transfer all right, title and interest of the Trustee and the Beneficiaries in and to the Liquidating Trust Estate or such part thereof. No purchaser of the Liquidating Trust Estate or any portion thereof shall be required to inquire as to the authorization, necessity, expediency or regularity of such transfer or as to the application of any proceeds thereof. Any person dealing with the Trustee shall be fully protected in relying upon a certificate signed by the Trustee that he has authority to take any action under this Agreement.

17. Compensation of Trustee. As compensation for his services as Trustee under this Agreement, the Trustee shall be entitled to receive from the Liquidating Trust Estate hourly fees in accordance with the rates set forth on Exhibit 2, attached hereto. In addition, the Trustee shall be reimbursed out of the Liquidating Trust Estate for all expenses (including fees and expenses of legal counsel and other advisors) reasonably incurred in accordance with this Agreement. The Trustee shall have the right to deduct from the Liquidating Trust Estate any funds deemed necessary by the Trustee to pay for any unpaid compensation for his services and to pay any loss, cost, damage, fee or expense (including counsel fees) incurred by the Trustee as a result of his acting as Trustee hereunder or in connection with the performance of his duties under this Agreement. The Liquidating Trustee shall be required to keep accurate records of all time and expenses incurred, and include in the Liquidating Trustee's regular reports the fees and expenses incurred in that period.

18. Resignation of Trustee. The resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment in accordance with the provisions of this Agreement. The Trustee may resign from the Trust by mailing notice thereof to each of the Beneficiaries which notice shall constitute notice for a meeting of Beneficiaries (excluding Insiders of the July Debtors) to

elect a successor Trustee in accordance with this Agreement. If the Trustee resigns, a successor Trustee shall be elected to replace the resigning Trustee by the remaining Beneficiaries judged by a simple majority of those Beneficiaries (excluding Insiders of the July Debtors) that vote. If the Trustee is removed or if a vacancy exists in the office of Trustee for any reason other than the resignation of the Trustee, a successor Trustee shall be elected to replace the Trustee by the remaining Beneficiaries judged by a simple majority of those Beneficiaries (excluding Insiders of the May Debtors) that vote. Notwithstanding the foregoing, the Trustee or any Beneficiary may petition the Bankruptcy Court for the appointment of a successor Trustee if a vacancy exists and a successor Trustee has not been appointed, or if good cause exists to remove the Trustee.

a. Acceptance of Appointment by Successor Trustee. Any successor Trustee appointed hereunder shall execute an instrument accepting such appointment and assuming all of the obligations of the retiring Trustee hereunder and thereupon the successor Trustee shall, without any further act, become vested with all the estates, properties, rights, powers, trusts, and duties of its predecessor in the Trust hereunder with like effect as if originally named herein; but the retiring Trustee nevertheless shall, when requested in writing by the successor Trustee, execute and deliver an instrument or instruments conveying and transferring to such successor Trustee upon the trust herein expressed, all the estates, properties, rights, powers and trusts of such retiring Trustee, and shall duly assign, transfer, and deliver to such successor Trustee all property and money held hereunder.

19. GOVERNING LAW, CONSENT TO JURISDICTION. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA APPLICABLE TO AGREEMENTS MADE AND TO BE WHOLLY PERFORMED IN SUCH STATE. THE TRUSTEE HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENTS TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF ARIZONA AND OF THE UNITED STATES OF AMERICA LOCATED IN ARIZONA FOR ANY ACTIONS, SUITS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY.

20. Severability of Provisions. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

[The remainder of this page is blank. The next page is the signature page].

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first above written.

SONORAN DESERT LAND INVESTORS,
LLC, Debtor and Debtor-in-Possession

EAST OF EPICENTER, LLC
Debtor and Debtor-in-Possession

By: _____
Name:
Its:

By: _____
Name:
Its:

GRAY PHOENIX DESERT RIDGE II, LLC
Debtor and Debtor-in-Possession

TRUSTEE

By: _____
Name:
Its:

By: _____
Name:
Its: Authorized Representative

EXHIBIT 1
(Confirmation Order and Plan)

EXHIBIT 2
(Hourly Rates)

MAY LIQUIDATING TRUST AGREEMENT

This Agreement and Declaration of Trust (the “Agreement”) is executed as of September __, 2017, by Epicenter Partners, LLC and Gray Meyer Fannin, LLC (the “May Debtors”) and _____ acting by and through _____ and other employees of _____, as Trustee (hereinafter called the “Trustee”) for the Beneficiaries of this Trust to act on their behalf.

RECITALS

A. The Third Amended Joint Plan of Reorganization with Non-Adverse Modifications (and Stipulated Modifications), dated August 4, 2017 [Dkt. 769] (as amended and confirmed, the “Plan”) filed by CPF Vaseo Associates, LLC (“CPF” or “Plan Proponent”) for the May Debtors, and Sonoran Desert Land Investors, LLC, East of Epicenter, LLC, and Gray Phoenix Desert Ridge II, LLC (together, the “July Debtors”), debtors and debtors-in-possession in Chapter 11 Case Nos. 16-bk-05493-MCW, 16-bk-05494-MCW, 16-bk-07659-MCW, 16-bk-07660-MCW, and 16-bk-07661-MCW (the “Bankruptcy Cases”), which are being jointly administered under Case No. 16-bk-05493-MCW in the United States Bankruptcy Court for the District of Arizona (the “Bankruptcy Court”), has been confirmed by the Bankruptcy Court. Under the Plan, all Remaining Assets of the May Debtors’ and their estates are transferred to the May Liquidating Trust, in the manner and at the time specified in the Plan (including Article 8 of the Plan) for the benefit of certain classes of Creditors of the May Debtors, and to the extent of any Residual, classes of Equity Security Interests in the May Debtors.

B. Upon the terms and subject to the conditions of this Agreement, the Trustee has agreed to accept the Liquidating Trust Estate (defined below) in trust and to hold and administer the Liquidating Trust Estate for the benefit of the Beneficiaries (defined below).

TERMS

1. Conveyance of Liquidating Trust Estate. Pursuant to the Plan, all Remaining Assets of the May Debtors and their Estates are transferred and vested in the May Liquidating Trust to be held and administered by the Trustee in trust hereunder. Definitions. For purposes of this Agreement, unless the context otherwise requires the following terms will have the definitions indicated. Unless otherwise indicated, capitalized terms used in this Agreement and Declaration of Trust will correspond to the defined terms used in the Plan.

a. Beneficiary means each of the Holders and their permitted transferees as the same shall appear in the records of the Trustee from time to time.

b. Holders means, collectively, the holders of Allowed Claims against and (only to the extent of any Residual) Equity Security Interests in the May Debtors.

c. Liquidating Trust Estate means, collectively: (i) the Assets transferred to the May Liquidating Trust pursuant to the Plan; and (ii) such additional or different corpus as the Trustee may from time to time acquire and hold in trust.

d. Plan means the plan of reorganization described above. A copy of the Plan, along with the Bankruptcy Court's order confirming the Plan, are attached hereto as Exhibit "1", and is by this reference incorporated herein. Unless otherwise stated, capitalized terms used herein shall have the meanings ascribed to such terms on the Plan.

e. May Liquidating Trust or Trust means the trust created pursuant to this Agreement and Declaration of Trust in accordance with the Plan.

f. Trustee means the Trustee named in this Agreement and his respective successors.

3. Nature and Purpose of Trust. The purpose of the Trust is to hold, administer and liquidate the Liquidating Trust Estate, and to collect and distribute to the Beneficiaries the income and the proceeds of the sale of the Liquidating Trust Estate, all in accordance with the provisions of the Plan. The Trust is a liquidating trust pursuant to which the Trustee is to hold the Liquidating Trust Estate and dispose of all or part of the same in accordance with this Agreement and Declaration of Trust and the Plan. This Agreement and Declaration of Trust is intended to create a trust and a trust relationship and to be governed and construed in all respects as a trust. The Trust is not intended to be, and shall not be deemed to be or treated as, a general partnership, limited partnership, joint venture, corporation, joint stock company or association, nor shall the Trustee or Beneficiaries, or any of them, for any purpose be, or be deemed to be or treated in any way whatsoever to be, liable or responsible hereunder as partners or joint venturers. The relationship of the Beneficiaries to the Trustee shall be solely that of beneficiaries of a trust and shall not be deemed a principal or agency relationship, and their rights shall be limited to those conferred upon them by this Agreement. This Trust is intended to qualify as a "grantor trust" for state and federal income tax purposes, and the Trustee will operate the Trust in compliance with laws and regulations governing grantor trusts under state and federal law.

4. Unknown Property and Liabilities. The Trustee shall be responsible for only the Assets delivered to her, and shall have no duty to make, nor incur any liability for failing to make, any search for unknown property or for any liabilities.

5. Limitation of Liability. Neither the Trustee nor any of the Beneficiaries or members of the May Advisory Committee (defined below) shall be personally liable with respect to any liabilities or obligations of the Trust or any liabilities or obligations relating to the Liquidating Trust Estate, including, without limitation, those arising under this Agreement or with respect to the Trust or the Liquidating Trust Estate, and all persons dealing with the Trust must look solely to the Liquidating Trust Estate for the enforcement of any claims against the Trust or the Liquidating Trust Estate.

6. Rights of Beneficiaries. Each Beneficiary shall be entitled to participate in the rights due to a Beneficiary hereunder. Each Beneficiary shall take and hold his beneficial interest subject to all of the terms and provisions of this Agreement. The interest of a Beneficiary of the Trust is in all respects personal property, and upon the death, insolvency or incapacity of an individual Beneficiary, such Beneficiary's interest shall pass to the legal representative of such Beneficiary and such death, insolvency or incapacity shall not terminate or affect the validity of this Agreement. A Beneficiary shall have no title to, right to, possession of,

management of, or control of, the Liquidating Trust Estate except as herein expressly provided. No surviving spouse, heir or devisee of any deceased Beneficiary shall have any right of dower, homestead, or inheritance, or of partition, or any other right, statutory or otherwise, in the Liquidating Trust Estate, but the whole title to all the Liquidating Trust Estate shall be vested in the Trustee and the sole interest of the Beneficiaries shall be the rights and benefits given to such persons under this Agreement.

7. Limit on Transfer of Interests of Beneficiaries. The interest of a Beneficiary in the Trust may not be transferred in whole or in part except by will, intestate succession, or as otherwise approved by the Bankruptcy Court or the Trustee.

8. No Legal Title in Beneficiaries. No Beneficiary shall have legal title to any part of the Liquidating Trust Estate. No transfer by operation of law or otherwise, of the right, title and interest of any Beneficiary in and to the Liquidating Trust Estate or hereunder shall operate to terminate this Trust or entitle any successor or transferee of such Beneficiary to an accounting or to the transfer to it of legal title to any part of the Liquidating Trust Estate.

9. Duration of Trust. This Trust shall terminate on the later: of (i) the date that is five (5) years after the transfer of the Assets to the Trust; or (ii) the date upon which all of the Liquidating Trust Estate has been distributed to the Beneficiaries and there are no remaining assets expected to be received in the Liquidating Trust Estate.

a. Continuance of Trust for Winding Up. After the termination of the Trust and for the purpose of liquidating and winding up the affairs of the Trust, the Trustee shall continue to act as such until its duties have been fully performed. Upon distribution of the entire Liquidating Trust Estate, the Trustee shall retain for a period of one (1) year the books, records, Beneficiary lists, and certificates and other documents and files which shall have been delivered to or created by the Trustee. At the Trustee's discretion, all of such records and documents may, but need not, be destroyed at any time after two (2) years from the completion and winding up of the affairs of the Trust. Except as otherwise specifically provided herein, upon the discharge of all liabilities of the Trust and final distribution of the entire Liquidating Trust Estate, the Trustee shall have no further duties or obligations hereunder.

10. Administration of Trust Estate. In accordance with the Bankruptcy Court's order approving the establishment of the Trust, the Plan Proponent will provide the Trustee with a list of creditors with alleged Administrative Claims, Priority Tax Claims, Priority Non-Tax Claims, Secured Tax Claims, Unsecured Claims, and CPF Subordinated Claims against the May Debtors, and a list of Equity Security Holders in the May Debtors. Within the time frames stated in the Plan, or as soon thereafter as practicable, the Trustee shall make the distributions from the Trust to Beneficiaries whose Claims are Allowed in accordance with the terms of the Plan. The Trustee shall retain appropriate reserves with respect to Disputed Claims until they are either Allowed Claims or disallowed by a final, non-appealable order of the Bankruptcy Court, and such other reserves as the Trustee deems necessary in his reasonable judgment.

a. Final Distribution. If the Trustee shall determine that the remaining assets of the Trust may be conveniently distributed, or if the existence of the Trust shall terminate, the

Trustee shall, as expeditiously as is consistent with the conservation and protection of the Liquidating Trust Estate, distribute the Liquidating Trust Estate to the Beneficiaries.

b. De Minis Distributions. The Trustee shall not be required to make any distribution to the Holder of an Allowed Claim if the amount of such distribution is less than \$50.

c. Reports to Beneficiaries. As soon as practicable after the termination of the Trust, the Trustee shall submit a written report to the Beneficiaries (which report shall constitute the accounting of the Trust) showing the assets administered and the distributions made by the Trustee. The Trustee may submit a similar report for any interim period as he deems advisable. Any Beneficiary who fails to object in writing to any such report or account within sixty (60) days after such report or account is first furnished to the Beneficiaries shall be deemed to have assented thereto and approved the contents thereof.

11. Specific Powers of Trustee. Subject to the limitations stated below, the Trustee shall have the following specific powers in addition to any powers conferred upon her by the Plan, any other provision of this Agreement or by virtue of any present or future statute or rule of law in all instances without any action or consent required by the Beneficiaries. To the extent of any conflict between the terms of the Plan and this Agreement, the terms of the Plan shall control:

(a) to sell, transfer, assign or deal in any other manner with any of the Liquidating Trust Estate in such manner as the Trustee may deem advisable consistent with the terms of the Plan;

(b) to collect and receive any and all money and other property of whatsoever kind or nature due or owing or belonging to the Trust and to give full discharge and acquittance therefor;

(c) pending sale or other disposition or distribution, to retain all or any assets constituting part of the Liquidating Trust Estate regardless of whether or not such assets are, or may become, underproductive, unproductive or a wasting asset (the Trustee shall be permitted to keep any part of the Liquidating Trust Estate as may be in cash, or as may be converted into cash, uninvested for a reasonable period of time and the Trustee shall not be chargeable with interest thereon);

(d) to retain and set aside funds out of the Liquidating Trust Estate as the Trustee shall deem necessary or appropriate to pay, or provide for the payment of (i) the unpaid liabilities, debts or obligations of the Trust, (ii) contingencies, and (iii) the expenses of administering the Liquidating Trust Estate;

(e) to do and perform any acts or things necessary or appropriate for the conservation and protection of the Liquidating Trust Estate, including acts or things necessary or appropriate to maintain assets held by the Trustee pending sale or other disposition thereof or distribution thereof to the Beneficiaries, and in connection therewith to employ attorneys, accountants, brokers, or other agents and to confer upon

them such authority as the Trustee may deem necessary or appropriate, and to pay reasonable compensation therefor;

(f) to engage in, intervene in, prosecute, join, defend, compound, settle, compromise, abandon or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, controversies, demands or other litigation relating to the Trust, the Liquidating Trust Estate or the Trust's affairs, to enter into agreements relating to the foregoing, whether or not any suit is commenced or claim accrued or asserted and, in advance of any controversy, to enter into agreements regarding arbitration, adjudication or settlement thereof, all in the name of the Trust if necessary or appropriate;

(g) to file any and all documents and take any and all such other action as the Trustee, in his sole judgment, may deem necessary in order that the Trustee may lawfully carry out the purposes of the Trust in any jurisdiction; and

(h) to do all things necessary or appropriate to perform any obligations required to be performed by the Trust under the terms of any agreement for the sale of any of the Trust assets, including the execution and delivery of any deeds, assignments, bills of sale or other instruments of conveyance necessary or appropriate to transfer and convey such assets.

12. Limitations on Trustee. The Trustee shall not at any time, on behalf of the Trust or Beneficiaries, (i) enter into or engage in any trade or business, and no part of the Liquidating Trust Estate or the proceeds, revenue or income therefrom shall be used or disposed of by the Trust in furtherance of any trade or business, or (ii) except as provided below, reinvest any assets.

a. The Trustee may invest and reinvest funds held in the Liquidating Trust Estate only in certificates of deposit, other time deposits, or other bank accounts with a bank or trust company which is organized under the laws of the United States of America or any state thereof having surplus and undivided profits aggregating in excess of \$100,000,000.

b. The Trustee shall be restricted to the holding, collection, conservation, protection and administration of the Liquidating Trust Estate in accordance with the provisions of this Agreement and the Plan, and the payment and distribution of amounts as set forth herein for the purposes set forth in this Agreement. Any determination by the Trustee as to what actions are in the best interests of the Trust shall be determinative.

13. Special Limitations for Major Decisions.

a. Pursuant to the Plan, the May Advisory Committee shall be appointed and have the duties described herein. The Trustee has all authority for managing the affairs of the Trust as set forth in this Agreement, except as to Major Decisions (defined herein), but shall consult with the May Advisory Committee regarding Major Decisions and such other matters as the Trustee chooses or a May Advisory Committee member requests. The Trustee and the May Advisory Committee shall meet within twenty (20) days following the Effective Date and not less than annually thereafter, to discuss the financial condition of the Trust, appropriate reserves and establish a budget for the upcoming twelve-month period. Each Major Decision proposed by

the Trustee requires the majority consent of the May Advisory Committee members. Absent majority consent, the May Advisory Committee or the Trustee shall be entitled to seek court intervention, after notice to the Trustee and the May Advisory Committee, and a hearing, to obtain approval of a Major Decision. Except as set forth in this Section 13, no May Advisory Committee member shall have any express or implied authority, obligation or benefit under this Agreement or pertaining to the Trust or the Trust Assets (except with respect to benefits as a Beneficiary). Except for reimbursement of actual out of pocket expenses incurred, under no circumstances shall a May Advisory Committee member or its agents or professionals be compensated from the Trust Assets for services relating to the Plan, the Trust or this Agreement. Notwithstanding the foregoing, in the event of a dispute between the Trustee and the May Advisory Committee regarding a Major Decision, the May Advisory Committee shall be entitled to retain counsel, and obtain reimbursement of its reasonable attorneys' fees and costs from the Liquidating Trust in relation to such dispute.

b. Court Approval. Notwithstanding anything contained in this Agreement, the Plan, or the Confirmation Order, the Trustee must seek Court approval of any compromise of a Claim or cause of action involving an amount in controversy that exceeds \$100,000 on its face.

c. Major Decisions. "Major Decisions" that require the majority consent of the May Advisory Committee members and the Trustee comprise the following: (1) buying, selling, leasing, borrowing money, and/or granting liens or other encumbrances on trust estate property, (2) pursuing, compromising, or settling causes of action in favor of the trust estate in excess of \$100,000 on its face, and (3) compromising or settling claims against the trust estate in excess of \$100,000 including, proofs of claim. Nothing contained in the Plan, the Confirmation Order, or this Agreement prohibits any member of the May Advisory Committee or the Trustee from bringing an issue or dispute to the attention of the Court, including any dispute regarding the decisions of the Trustee and/or the May Advisory Committee. Furthermore, notwithstanding anything herein to the contrary, at the initial meeting of the May Advisory Committee and the Trustee, the Trustee shall identify all potential claim objections he intends to file and shall obtain approval of same. If any May Advisory Committee member wishes to file and prosecute a claim objection that the Trustee does not intend to pursue, it may do so at its own cost and expense. Any settlement of such an objection shall still be subject to bankruptcy court approval and an opportunity for notice and hearing.

d. Substitute Committee Member. In the event that a May Advisory Committee member is no longer willing or able to serve as such, the Trustee and the remaining members of the May Advisory Committee shall appoint a new member to serve on the May Advisory Committee, but any such potential replacement member of the May Advisory Committee must be a representative of a non-Insider Unsecured Creditor of the May Debtors. If the Trustee and the remaining members of the May Advisory Committee are unable to find a representative of a non-Insider Unsecured Creditor of the May Debtors willing to serve on the May Advisory Committee, the May Advisory Committee will continue with the remaining members until termination of the May Advisory Committee in accordance with this Agreement.

e. Termination of May Advisory Committee. The May Advisory Committee shall terminate upon the earliest of occur of the following: (1) a vote by the members of the May Advisory Committee to dissolve the May Advisory Committee; (ii) payment in full of all

Allowed Unsecured Claims against the May Debtors, or (iii) the existence of more than two vacancies on the May Advisory Committee that are not filled within 30 days.

14. Liability of Trustee and May Advisory Committee. The Trustee and the May Advisory Committee members shall not be liable to the Trust or any Beneficiary for any act or omission of the Trustee, May Advisory Committee, Beneficiary, or agent of the Trust, or be held to any personal liability whatsoever in tort, contract, or otherwise in connection with the affairs of the Trust or May Advisory Committee, except for liabilities arising from the Trustee's or May Advisory Committee's fraud, willful misconduct, recklessness or gross negligence. The Trustee or May Advisory Committee members shall not be liable except for the performance of any duties and obligations as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Trustee or the May Advisory Committee. In addition to, and not in limitation of the foregoing, no successor Trustee or May Advisory Committee member shall in any way be liable for the acts or omissions of any Trustee, May Advisory Committee member or agent of the Trust occurring prior to the date on which it became a Trustee or member of the May Advisory Committee, as applicable.

15. Express Exculpatory Clauses in Instruments. As far as practicable, the Trustee shall cause any written instrument creating an obligation of the Trust to include a reference to this Agreement and to provide that neither the Trustee nor the Beneficiaries or members of the May Advisory Committee shall be liable thereunder and that the other parties to such instrument shall look solely to the Liquidating Trust Estate for the payment of any claim thereunder or the performance thereof, provided, however, that the omission of such provision from any such instrument shall not render any member of the May Advisory Committee, Beneficiary, or the Trustee liable nor shall the Trustee be liable to anyone for such omission.

16. Indemnification of Trustee. The Trustee and each May Advisory Committee member shall be entitled to indemnification out of the Liquidating Trust Estate against any losses, liabilities, expenses (including attorneys' fees and disbursements), damages, taxes, suits or claims (collectively, "Expenses") which the Trustee or a May Advisory Committee member may incur or sustain by reason of being or having been a Trustee of the Trust or a May Advisory Committee member, or for performing any functions incidental to such service; provided, however, that the foregoing shall not relieve the Trustee or any May Advisory Committee member from liability for fraud, willful misconduct, recklessness or gross negligence. The indemnification provided in this paragraph shall not be deemed exclusive of any other rights to which the Trustee or a May Advisory Committee member may be entitled pursuant to the Plan or any other agreement or otherwise, both as to action as Trustee or May Advisory Committee member and as to action in any other capacity while holding such office, and shall continue as to a person or entity that has ceased to be a Trustee or May Advisory Committee member and shall inure to the benefit of the successor and legal representatives of such entity.

17. Protection of Persons Dealing with the Trustee. Any transfer of the Liquidating Trust Estate, or part thereof, shall bind the Beneficiaries and shall be effective to transfer all right, title and interest of the Trustee and the Beneficiaries in and to the Liquidating Trust Estate or such part thereof. No purchaser of the Liquidating Trust Estate or any portion thereof shall be required to inquire as to the authorization, necessity, expediency or regularity of such transfer or as to the application of any proceeds thereof. Any person dealing with the Trustee shall be fully

protected in relying upon a certificate signed by the Trustee that he has authority to take any action under this Agreement.

18. Compensation of Trustee. As compensation for his services as Trustee under this Agreement, the Trustee shall be entitled to receive from the Liquidating Trust Estate hourly fees in accordance with the rates set forth on Exhibit 2, attached hereto. In addition, the Trustee shall be reimbursed out of the Liquidating Trust Estate for all expenses (including fees and expenses of legal counsel and other advisors) reasonably incurred in accordance with this Agreement. The Trustee shall have the right to deduct from the Liquidating Trust Estate any funds deemed necessary by the Trustee to pay for any unpaid compensation for his services and to pay any loss, cost, damage, fee or expense (including counsel fees) incurred by the Trustee as a result of his acting as Trustee hereunder or in connection with the performance of his duties under this Agreement. The Liquidating Trustee shall be required to keep accurate records of all time and expenses incurred, and include in the Liquidating Trustee's regular reports the fees and expenses incurred in that period.

19. Resignation of Trustee. The resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment in accordance with the provisions of this Agreement. The Trustee may resign from the Trust by mailing notice thereof to each of the Beneficiaries which notice shall constitute notice for a meeting of Beneficiaries (excluding Insiders of the May Debtors) to elect a successor Trustee in accordance with this Agreement. If the Trustee resigns, a successor Trustee shall be elected to replace the resigning Trustee by the remaining Beneficiaries judged by a simple majority of those Beneficiaries (excluding Insiders of the May Debtors) that vote. If the Trustee is removed or if a vacancy exists in the office of Trustee for any reason other than the resignation of the Trustee, a successor Trustee shall be elected to replace the Trustee by the remaining Beneficiaries judged by a simple majority of those Beneficiaries (excluding Insiders of the May Debtors) that vote. Notwithstanding the foregoing, the Trustee or any Beneficiary may petition the Bankruptcy Court for the appointment of a successor Trustee if a vacancy exists and a successor Trustee has not been appointed, or if good cause exists to remove the Trustee.

a. Acceptance of Appointment by Successor Trustee. Any successor Trustee appointed hereunder shall execute an instrument accepting such appointment and assuming all of the obligations of the retiring Trustee hereunder and thereupon the successor Trustee shall, without any further act, become vested with all the estates, properties, rights, powers, trusts, and duties of its predecessor in the Trust hereunder with like effect as if originally named herein; but the retiring Trustee nevertheless shall, when requested in writing by the successor Trustee, execute and deliver an instrument or instruments conveying and transferring to such successor Trustee upon the trust herein expressed, all the estates, properties, rights, powers and trusts of such retiring Trustee, and shall duly assign, transfer, and deliver to such successor Trustee all property and money held hereunder.

20. GOVERNING LAW, CONSENT TO JURISDICTION. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA APPLICABLE TO AGREEMENTS MADE AND TO BE WHOLLY PERFORMED IN SUCH STATE. THE TRUSTEE HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENTS TO SUBMIT TO THE EXCLUSIVE

JURISDICTION OF THE COURTS OF THE STATE OF ARIZONA AND OF THE UNITED STATES OF AMERICA LOCATED IN ARIZONA FOR ANY ACTIONS, SUITS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY.

21. Severability of Provisions. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first above written.

EPICENTER PARTNERS, LLC
Debtor and Debtor-in-Possession

GRAY MEYER FANNIN, LLC
Debtor and Debtor-in-Possession

By: _____
Name:
Its:

By: _____
Name:
Its:

TRUSTEE

By: _____
Name:
Its: Authorized Representative

EXHIBIT 1
(Confirmation Order and Plan)

EXHIBIT 2
(Hourly Rates)