THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. THE DEBTORS RESERVE THE RIGHT TO AMEND THIS DISCLOSURE STATEMENT AT ANY TIME PRIOR TO THE DISCLOSURE STATEMENT HEARING

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Chapter 11
GMG CAPITAL PARTNERS III, L.P.,[1]	Case No. 13-12937 (SMB)
Debtors.	Jointly Administered

DISCLOSURE STATEMENT FOR FIRST AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION[2]

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212.451.2300

Counsel to the Debtors and Debtors in Possession

Dated: December 5, 2014

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if applicable, are: (i) GMG Capital Partners III, L.P. (9146); (ii) GMG Capital Partners III Companion Fund, L.P. (0603); GMG Capital Investments, LLC (9144); and (iv) GMS Capital Partners II, L.P. (8938).

[2] Capitalized terms not defined herein shall have the meanings ascribed to them in the Joint Chapter 11 Plan of Reorganization Proposed by GMG Capital Partners III, L.P. and GMG Capital Partners III Companion Fund, L.P.

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS 4:00 P.M. [2014]. PREVAILING EASTERN TIME, UNLESS THE DEBTORS EXTEND THE VOTING DEADLINE. TO BE COUNTED, THE VOTING AND CLAIMS AGENT MUST ACTUALLY RECEIVE YOUR BALLOT ON OR BEFORE THE VOTING DEADLINE.

GMG CAPITAL PARTNERS III, L.P. AND ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION (COLLECTIVELY, THE "DEBTORS")[3] IN THE JOINTLY ADMINISTERED CASES CAPTIONED *IN RE GMG CAPITAL PARTNERS III, L.P. ET AL.*, NO. 13-12937 (SMB) (BANKR. S.D.N.Y.) ARE PROVIDING THE INFORMATION IN THE DISCLOSURE STATEMENT FOR THE FIRST AMENDED JOINT CHAPTER 11 PLAN OF THE DEBTORS TO HOLDERS OF CLAIMS AND INTERESTS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE PLAN. YOU SHOULD NOT RELY UPON OR USE THE INFORMATION IN THE DISCLOSURE STATEMENT FOR ANY OTHER PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN.

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS 4:00 P.M. (PREVAILING EASTERN TIME) ON [2015] UNLESS EXTENDED BY THE DEBTORS (THE "VOTING DEADLINE"). TO BE COUNTED, BALLOTS MUST BE RECEIVED BY THE DEBTORS ON OR BEFORE THE VOTING DEADLINE.

THE DISCLOSURE STATEMENT HAS BEEN PREPARED PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(B) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND IS NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS. THE DEBTORS BELIEVE THAT THE SOLICITATION OF VOTES ON THE PLAN MADE BY THE DISCLOSURE STATEMENT.

THE DEBTORS WILL BE FILING A PLAN SUPPLEMENT ON OR BEFORE FIVE (5) DAYS PRIOR TO THE VOTING DEADLINE, UNLESS OTHERWISE ORDERED BY THE BANKRUPTCY COURT.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS AGAINST, AND HOLDERS OF INTERESTS IN, THE DEBTORS (INCLUDING, WITHOUT LIMITATION, THOSE HOLDERS OF CLAIMS OR INTERESTS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE BOUND BY THE TERMS OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREBY.

THE DISCLOSURE STATEMENT MAY CONTAIN "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. SUCH STATEMENTS CONSIST OF ANY STATEMENT OTHER

[3] The two other jointly administered debtors, GMG Capital Investments, LLC and GMS Capital Partners II, L.P., are not subject to the Plan.

THAN A RECITATION OF HISTORICAL FACT AND CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY," "EXPECT," "ANTICIPATE," "ESTIMATE" OR "CONTINUE" OR THE NEGATIVE THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. THE READER IS CAUTIONED THAT ALL FORWARD-LOOKING STATEMENTS ARE NECESSARILY SPECULATIVE AND THERE ARE CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE REFERRED TO IN SUCH FORWARD-LOOKING STATEMENTS. THE DISTRIBUTION PROJECTIONS AND OTHER INFORMATION CONTAINED HEREIN AND ATTACHED HERETO ARE ESTIMATES ONLY, AND THE TIMING AND AMOUNT OF ACTUAL DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS MAY BE AFFECTED BY MANY FACTORS THAT CANNOT BE PREDICTED. THEREFORE, ANY ANALYSES, ESTIMATES OR RECOVERY PROJECTIONS MAY OR MAY NOT TURN OUT TO BE ACCURATE. DUE TO THESE UNCERTAINTIES, READERS CANNOT BE ASSURED THAT ANY FORWARD-LOOKING STATEMENTS WILL PROVE TO BE CORRECT. THE DEBTORS ARE UNDER NO OBLIGATION TO (AND EXPRESSLY DISCLAIM ANY OBLIGATION TO) UPDATE OR ALTER ANY FORWARD-LOOKING STATEMENTS WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE, UNLESS INSTRUCTED TO DO SO BY THE BANKRUPTCY COURT.

NO LEGAL OR TAX ADVICE IS PROVIDED TO YOU BY THE DISCLOSURE STATEMENT. EACH HOLDER OF A CLAIM OR AN INTEREST IS URGED TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ADVICE IN REVIEWING THE DISCLOSURE STATEMENT, THE PLAN AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF DISCLOSURE CONTAINED IN THE DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE MERITS OF THE PLAN.

IT IS THE DEBTORS' POSITION THAT THE DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION OR WAIVER. RATHER, HOLDERS OF CLAIMS AND INTERESTS AND OTHER ENTITIES SHOULD CONSTRUE THE DISCLOSURE STATEMENT AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS RELATED TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER PENDING OR THREATENED LITIGATION OR ACTIONS.

NO RELIANCE SHOULD BE PLACED ON THE FACT THAT A PARTICULAR CAUSE OF ACTION, CLAIM OR PROJECTED OBJECTION TO A PARTICULAR CLAIM IS, OR IS NOT, IDENTIFIED IN THE DISCLOSURE STATEMENT. THE DEBTORS OR THE REORGANIZED DEBTORS, AS APPLICABLE, MAY SEEK TO INVESTIGATE, FILE AND PROSECUTE CLAIMS AND MAY OBJECT TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THE DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS. THE PLAN RESERVES FOR THE DEBTORS THE RIGHT TO BRING

CAUSES OF ACTION (DEFINED IN THE PLAN) AGAINST ANY ENTITY OR PARTY IN INTEREST EXCEPT THOSE SPECIFICALLY RELEASED.

THE DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN EVENTS IN THE DEBTORS' CHAPTER 11 CASES AND CERTAIN DOCUMENTS RELATED TO THE PLAN THAT ARE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THE SUMMARIES DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THE DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN FOR ALL PURPOSES. FACTUAL INFORMATION CONTAINED IN THE DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED.

THE DEBTORS HAVE REVIEWED THE FINANCIAL INFORMATION PROVIDED IN THE DISCLOSURE STATEMENT. ALTHOUGH THE DEBTORS HAVE USED REASONABLE BUSINESS JUDGMENT TO ENSURE THE ACCURACY OF THIS FINANCIAL INFORMATION, NO ENTITY HAS AUDITED THE FINANCIAL INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THE DISCLOSURE STATEMENT.

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THE DISCLOSURE STATEMENT AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THE DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO. HOLDERS OF CLAIMS AND INTERESTS REVIEWING THE DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THE DEBTORS FILED THE DISCLOSURE STATEMENT. HOLDERS OF CLAIMS AND INTERESTS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN MUST RELY ON THEIR OWN EVALUATION OF THE DEBTORS AND THEIR OWN ANALYSIS OF THE TERMS OF THE PLAN, INCLUDING, WITHOUT LIMITATION, ANY RISK FACTORS CITED HEREIN, IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN.

PRIOR TO DECIDING WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER OF A CLAIM IN A VOTING CLASS SHOULD CONSIDER CAREFULLY ALL OF THE INFORMATION IN THE DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN GREATER DETAIL HEREIN.

ALL CAPITALIZED TERMS IN THE DISCLOSURE STATEMENT NOT OTHERWISE DEFINED HEREIN HAVE THE MEANINGS GIVEN TO THEM IN THE PLAN, ATTACHED TO THE DISCLOSURE STATEMENT AS EXHIBIT A.

ALL HOLDERS OF CLAIMS WHOSE VOTES ARE BEING SOLICITED ARE URGED TO ACCEPT THE PLAN. THE DEBTORS BELIEVE THAT THE PLAN PROVIDES THE HIGHEST AND BEST RECOVERY FOR THE DEBTORS' CREDITORS.

IRS CIRCULAR 230 NOTICE: TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, HOLDERS OF CLAIMS AND INTERESTS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THE DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY HOLDERS OF CLAIMS OR INTERESTS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING BY THE DEBTORS OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS OF CLAIMS AND INTERESTS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

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EXHIBITS

EXHIBIT A: Proposed Plan

EXHIBIT B: Liquidation Analysis

EXHIBIT C: Plan Support Agreement

EXHIBIT D: Corporate Structure

THE DEBTORS HEREBY ADOPTAND INCORPORATES EACH EXHIBIT ATTACHED TO THIS DISCLOSURE STATEMENT BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN.[4]

[4] Including all other agreements, documents and instruments at any time executed and/or delivered in connection with or related thereto, ancillary or otherwise, and all exhibits, attachments and schedules referred to therein, all of which are incorporated by reference into, and are an integral part of, this Disclosure Statement, as all of the same may be amended, restated, amended and restated, modified, replaced and/or supplemented from time to time prior to the Effective Date, including, without limitation, by the Plan Supplement, and following the Effective Date, in accordance with each Debtors' applicable constituent documents.

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ARTICLE I.

SUMMARY

A. General

The Debtors, as the Plan proponent, hereby transmit the Disclosure Statement (as may be amended, supplemented or otherwise modified from time to time, the "Disclosure Statement") pursuant to section 1125 of title 11 of the United States Code, 11 U.S.C. §§ 101- 1532, as amended (the "Bankruptcy Code"), in connection with the Debtors' solicitation of votes (the "Solicitation") to confirm the First Amended Joint Chapter 11 Plan of Reorganization Proposed by GMG Capital Partners III, L.P., GMG Capital Partners III Companion Fund, L.P. and GMG Capital Partners, LLC dated as of [ ], 2014, a copy of which is attached hereto as Exhibit A (as may be amended, the "Plan").

The purpose of the Disclosure Statement is to set forth information concerning: (i) the history of the Debtors and the Debtors' business; (ii) the Chapter 11 Cases; and (iii) the Plan and alternatives to the Plan. The Disclosure Statement also provides advice to Holders of Claims and Interests of their rights under the Plan, and assistance to Holders of Claims and Interests entitled to vote on the Plan, so they may make an informed judgment regarding whether they should vote to accept or reject the Plan.

The Debtors' plan is premised on the sale of certain of its interests in Lancope to Second Alpha Partners under the Asset Purchase Agreement. Proceeds of the sale will be used to make plan distributions to the claims of creditors, including reinstatement of the Debtors' largest creditor claims, when such claims become Allowed.

On [December [ ], 2014], after notice and a hearing, the Bankruptcy Court entered an order: (i) approving the Disclosure Statement (the "Disclosure Statement Order") as containing "adequate information" to enable a hypothetical, reasonable investor typical of Holders of Claims against or Interests in the Debtors to make an informed judgment as to whether to accept or reject the Plan; and (ii) authorizing the Debtors to use the Disclosure Statement in connection with the solicitation of votes to accept or reject the Plan. **The Disclosure Statement Order establishes January [ ], 2015 at 4:00 p.m. (prevailing Eastern Time) as the deadline for the return of Ballots accepting or rejecting the Plan (the "Voting Deadline"). APPROVAL OF THE DISCLOSURE STATEMENT DOES NOT, HOWEVER, CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLAN.**

The Disclosure Statement Order sets forth in detail the deadlines, procedures and instructions for voting to accept or reject the Plan, and for filing objections to confirmation of the Plan, the record date for voting purposes and the applicable standards for tabulating Ballots. In addition, detailed voting instructions accompany each Ballot. Each Holder of a Claim entitled to

vote on the Plan should read the Disclosure Statement and the Exhibits hereto, including the Plan and the Disclosure Statement Order, as well as the instructions accompanying the Ballot in their entirety before voting on the Plan. These documents contain important information concerning the classification of Claims and Interests for voting purposes and the tabulation of votes. No solicitation of votes may be made except pursuant to the Disclosure Statement and section 1125 of the Bankruptcy Code. In voting on the Plan, Holders of Claims entitled to vote should not rely on any information relating to the Debtor and its business other than the information contained in the Disclosure Statement, the Plan and all Exhibits hereto and thereto.

THE DISCLOSURE STATEMENT IS NOT INTENDED TO REPLACE A CAREFUL AND DETAILED REVIEW AND ANALYSIS OF THE PLAN. THE DISCLOSURE STATEMENT IS INTENDED TO AID AND SUPPLEMENT THAT REVIEW. THE DESCRIPTION OF THE PLAN HEREIN IS ONLY A SUMMARY. HOLDERS OF CLAIMS AND INTERESTS AND OTHER PARTIES-IN-INTEREST ARE CAUTIONED TO REVIEW THE PLAN AND ANY RELATED EXHIBITS AND ATTACHMENTS FOR A FULL UNDERSTANDING OF THE PLAN'S PROVISIONS. THE DISCLOSURE STATEMENT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN.

Additional copies of the Disclosure Statement (including the Exhibits hereto) are available upon written request made to the office of the Debtors' counsel, OLSHAN FROME WOLOSKY LLP, Attention: Michael S. Fox, Esq., and Jonathan T. Koevary, Esq., 65 E. 55th Street, New York, New York 10022, (212) 451-2300. In addition, a Ballot for voting to accept or reject the Plan is enclosed with the Disclosure Statement for the Holders of Claims that are entitled to vote to accept or reject the Plan. If you are a Holder of a Claim entitled to vote on the Plan and did not receive a Ballot, received a damaged Ballot or lost your Ballot, or if you have any questions concerning the procedures for voting on the Plan, you may contact the Debtors' counsel at the address and phone number listed above.

Each Holder of a Claim entitled to vote on the Plan should read the Disclosure Statement, the Plan, the other Exhibits attached hereto and the instructions accompanying the Ballots in their entirety before voting on the Plan. These documents contain important information concerning the classification of Claims and Interests for voting purposes and the tabulation of votes.

The Plan organizes the Debtors' creditor and equity constituencies into groups called "Classes." For each Class, the Plan describes (a) the underlying "Claim" or "Interest," (b) the recovery available to the Holders of Claims or Interests in that Class under the Plan, (c) whether the Class is "Impaired" under the Plan, meaning that each holder will receive less than the full value on account of its Claim or Interest or that the rights of Holders under law will be altered in some way (such as receiving stock instead of holding a Claim) and (d) the form of consideration (*e.g.*, cash, stock or a combination thereof), if any, that such Holders will receive on account of their respective Claims or Interests. Moreover, because the Debtors subject to the Plan consist of three separate entities, there are separate Classes for each Debtor entity.

The Debtors believe that the Plan provides the best recoveries possible for Holders of Allowed Claims and Interests and strongly recommend that, if such Holders are entitled to vote, they vote to accept the Plan.

B. Classification of Claims and Interests

Class	Treatment of Claims and Interests	Entitlement to Vote	Estimated Aggregate Amount of Allowed Claims[5]	Estimated Percentage Recovery of Allowed Claims
Unclassified Claims	Each Holder of an Allowed Administrative Expense Claim or Professional Fee Claim, shall receive, in full and final satisfaction of such Claim, the amount of such Allowed Claim, in Cash, on or as soon as practicable following the Effective Date, plus interest from the Petition Date until the date of repayment plus postpetition interest at the federal judgment rate. Each Holder of an Allowed Priority Tax Claim shall receive the full amount of such Claims, if any, (i) in Cash on the later of (x) the Effective Date, or as soon thereafter as is reasonably practicable, and (y) the date such claim becomes Allowed, or due and payable in the ordinary course of business; (ii) over a period ending not later than five (5) years after the Petition Date in accordance with section 1129 of the Bankruptcy Code with interest at the statutory rate; or (iii) on such other terms and conditions as may be mutually agreed upon between such holder and the applicable Reorganized		$850,000	100%

[5] The "Estimated Allowed Amount" of Claims listed in this chart do not take into account claim duplication. Thus, for the purposes of this chart, if a creditor has filed a $100,000 claim against both GMG III and GMG Companion on the same $100,00 transaction, that figure will appear for both debtors, even though ultimately one claim will likely be disallowed as duplicative. Moreover, all rights are reserved for the Debtors to object to any Claim, even if it is estimated as "Allowed" under this chart.

Class	Treatment of Claims and Interests	Entitlement to Vote	Estimated Aggregate Amount of Allowed Claims[5]	Estimated Percentage Recovery of Allowed Claims
	Debtor.			
Class 1A: Priority Non-Tax Claims Against GMG III	On the Effective Date, all Allowed Class 1A Claims shall be paid in full in Cash.	No - deemed to accept	None	100%
Class 1B: Athenian Claims Against GMG III	On the later of (i) the Effective Date or (ii) the date the Class 1B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 1B Athenian GMG III Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124, such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.	No – deemed to accept	$5,163,744.97 (liquidated as of petition date) or $2,800,000 plus $15,000 per month through April 2041 (reinstatement amount cure/go-forward obligation)	100% plus postpetition interest.
Class 1C: General Unsecured Claims Against GMG III	Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 1C Claim becomes an Allowed Claim, in full and final satisfaction of their Class 1C General Unsecured Claims, Holders of Allowed Class 1C Claims will, receive (a) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (b) *pro rata*, the proceeds of any liquidation of GMG Companion's Assets until such	Yes	$826,572	100% plus postpetition interest.

Class	Treatment of Claims and Interests	Entitlement to Vote	Estimated Aggregate Amount of Allowed Claims[5]	Estimated Percentage Recovery of Allowed Claims
	time as such claim is paid in full inclusive of interest at the federal judgment rate at a priority level senior to Class 1D and 1E Claims and to Class 1F Interests.			
Class 1D: Management Company Claims Against GMG III	Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 1D Claim becomes an Allowed Claim, in full and final satisfaction of its Class 1D Management Company Claims, after payment in full of Allowed Class 1A and 1C Claims Holders of the Allowed Class 1D Management Company Claims will receive *pro rata* the proceeds of any liquidation of GMG III's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate, provided further however, that, against Debtor GMG LLC, to the extent any Priority, Administrative, Class 3A or Class 3C Claim is Allowed, the Management Company shall fund the amount necessary to pay such that to the extent any such Priority, Administrative, Class 3A or Class 3C Claim in full from its recovery on account of its Class 1D and 2D Claims.	Yes	$1,950,000	100% plus postpetition interest.
Class 1E: Intercompany Claims	In full and final satisfaction of its Class 1E Intercompany Claims, after payment in full of	Yes	$0	n/a

Class	Treatment of Claims and Interests	Entitlement to Vote	Estimated Aggregate Amount of Allowed Claims[5]	Estimated Percentage Recovery of Allowed Claims
against GMG III	Allowed Class 1A, 1C and 1D Claims holders of Intercompany Claims, if any, will receive *pro rata* the proceeds of any liquidation of GMG III's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.			
Class 1F: Equity Interests in GMG III	On the Effective Date, the Holders of Class 1F Interests will retain their interests in GMG III.	No – deemed to accept	n/a	Undetermined
Class 2A: Priority Non-Tax Claims Against GMG Companion	On the Effective Date, all Allowed Class 2A Claims shall be paid in full in Cash.	No - deemed to accept	None	100%
Class 2B: Athenian Claims Against GMG Companion	On the later of (i) the Effective Date or (ii) the date the Class 2B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 2B Athenian GMG III Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124, such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.	No – deemed to accept	$5,163,744.97 (liquidated as of petition date) or $2,800,000 plus $15,000 per month through April 2041 (reinstatement amount cure/go-forward obligation)	100% plus postpetition interest.
Class 2C: General Unsecured	Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 2C	Yes	$589,169.68	100% plus postpetition interest.

Class	Treatment of Claims and Interests	Entitlement to Vote	Estimated Aggregate Amount of Allowed Claims[5]	Estimated Percentage Recovery of Allowed Claims
Claims Against GMG Companion	Claim becomes an Allowed Claim, in full and final satisfaction of their Class 2C General Unsecured Claims, Holders of Allowed Class 2C Claims will, receive (a) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (b) *pro rata*, the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in full inclusive of interest at the federal judgment rate at a priority level senior to Class 2D and 2E Claims and to Class 2F Interests.			
<u>Class 2D</u>: Management Company Claims Against GMG Companion	Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 2D Claim becomes an Allowed Claim, In full and final satisfaction of its Class 2D Management Company Claims, after payment in full of Allowed Class 2A and 2C Claims, Holders of the Allowed Class 2D Management Company Claims will receive *pro rata* the proceeds of any liquidation of GMG III's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate, provided further however, that, against Debtor GMG LLC, to the extent any Priority, Administrative, Class 3A or Class 3C Claim is Allowed, the	Yes	$315,000	100% plus postpetition interest.

Class	Treatment of Claims and Interests	Entitlement to Vote	Estimated Aggregate Amount of Allowed Claims[5]	Estimated Percentage Recovery of Allowed Claims
	Management Company shall fund the amount necessary to pay such that to the extent any such Priority, Administrative, Class 3A or Class 3C Claim in full from its recovery on account of its Class 1D and 2D Claims.			
Class 2E: Intercompany Claims Against GMG Companion	In full and final satisfaction of its Class 2E Intercompany Claims, after payment in full of Allowed Class 2A, 2C and 2D Claims holders of Intercompany Claims, if any, will receive *pro rata* the proceeds of any liquidation of GMG III's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.	Yes	$0	n/a
Class 2F: Equity Interests in GMG Companion	On the Effective Date, the Holders of Class 2F Interests will retain their interests in GMG Companion.	No – deemed to accept	n/a	Undetermined
Class 3A: Priority Non-Tax Claims Against GMG III	On the Effective Date, all Allowed Class 3A Claims shall be paid in full in Cash.	No - deemed to accept	None	100%
Class 3B: Athenian Claims Against GMG LLC	On the later of (i) the Effective Date or (ii) the date the Class 3B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 3B Athenian GMG III Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124,	No – deemed to accept	$5,163,744.97 (liquidated as of petition date) or $2,800,000 plus $15,000	100% plus postpetition interest.

Class	Treatment of Claims and Interests	Entitlement to Vote	Estimated Aggregate Amount of Allowed Claims[5]	Estimated Percentage Recovery of Allowed Claims
	such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.		per month through April 2041 (reinstatement amount cure/go-forward obligation)	
Class 3C: General Unsecured Claims Against GMG LLC	Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 1C Claim becomes an Allowed Claim, in full and final satisfaction of their Class 3C General Unsecured Claims, Holders of Allowed Class 3C Claims will, receive (a) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (b) *pro rata*, the proceeds of any liquidation of GMG LLC's Assets until such time as such claim is paid in full inclusive of interest at the federal judgment rate at a priority level senior to Class 3D and 3E Claims and to Class 3F Interests.	Yes	$0	100% plus postpetition interest.
Class 3D: Management Company Claims Against GMG LLC	Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 3D Claim becomes an Allowed Claim, In full and final satisfaction of its Class 3D Management Company Claims, after payment in full of Allowed Class 3A and 3C Claims Holders of the Allowed Class 3D Management	Yes	$0 assuming Class 1D and 2D claims are allowed in full.	100% plus postpetition interest.

Class	Treatment of Claims and Interests	Entitlement to Vote	Estimated Aggregate Amount of Allowed Claims[5]	Estimated Percentage Recovery of Allowed Claims
	Company Claims will receive *pro rata* the proceeds of any liquidation of GMG LLC's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.			
Class 3E	RESERVED	N/A	N/A	N/A
Class 3F: Equity Interests in GMG LLC	On the Effective Date, the Holders of Class 3F Interests will retain their interests in GMG LLC.	No – deemed to accept	n/a	Undetermined

C. Voting; Holders of Claims Entitled to Vote

Pursuant to the provisions of the Bankruptcy Code, only holders of allowed claims or equity interests in classes of claims or equity interests that are impaired and that are not deemed to have rejected a plan of reorganization are entitled to vote to accept or reject such proposed plan. Generally, a claim or interest is impaired under a plan if the holder's legal, equitable or contractual rights are altered under such plan. Classes of claims or equity interests under a chapter 11 plan in which the holders of claims or equity interests are unimpaired are deemed to have accepted such plan and are not entitled to vote to accept or reject the proposed plan. In addition, classes of claims or equity interests in which the holders of claims or equity interests will not receive or retain any property on account of their claims or equity interests are deemed to have rejected the plan and are not entitled to vote to accept or reject the plan.

In connection with the Plan:

- Claims in Classes 1C, 1D, 1E, 2C, 2D, 2E, 3C and 3D are Impaired, and as a result, the Holders of such Claims are entitled to vote to accept or reject the Plan; and

- Claims and Interests in Classes 1A, 1B, 1F, 2A, 2B, 2F, 3A, 3B and 3F are Unimpaired. As a result, Holders of such Claims and Interests are deemed to have accepted the Plan and are not entitled to vote to accept or reject the Plan.

- The Debtors believe there are no intercompany claims against any Debtor. However, certain claims have been asserted by the Management Company against Debtors GMG III and GMG Companion and also against GMG LLC. The Management Company Claims asserted against GMG LLC are duplicative of the sum of the Management Company Claims asserted against GMG LLC. The

Debtors believe these claims are properly asserted directly against GMG III and GMG Companion. If a court of competent jurisdiction, however, held that the claims asserted Management Company were in fact claims properly brought against GMG LLC and not GMG III and GMG Companion, then it would follow that GMG LLC would in turn have intercompany claims against GMG III and GMG Companion on account of such Claims. At such point, the Debtors would amend their Schedules to provide for such Claims. Classes 1E and 2E are reserved for that unlikely eventuality.

The Bankruptcy Code defines "acceptance" of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds in dollar amount and more than one-half in number of the claims that cast ballots for acceptance or rejection of the plan. The Bankruptcy Code defines "acceptance" of a plan by a class of interests as acceptance by holders of such interests that hold at least two-thirds in amount of the allowed interests of such class held by holders of such interests. **Your vote on the Plan is important**. The Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each class that is impaired and entitled to vote under a plan vote to accept such plan, unless the provisions of section 1129(b) of the Bankruptcy Code are met.

The Debtors will be seeking confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code. Section 1129(b) of the Bankruptcy Code permits the confirmation of a plan of reorganization notwithstanding the non-acceptance of a plan by one or more impaired classes of claims or equity interests, so long as at least one non-insider impaired class of claims or interests votes to accept the plan. Under that section, a plan may be confirmed by a bankruptcy court if it does not "discriminate unfairly" and is "fair and equitable" with respect to each non-accepting class.

The Plan seeks acceptance of holders of claims in three separate Debtors. The Debtors reserve all rights to proceed to confirmation of the Plan for each Debtor who receives the requisite votes, even if the Plan does not receive the requisite votes for another Debtor.

If you are entitled to vote to accept or reject the Plan, a Ballot is enclosed for the purpose of voting on the Plan. The Disclosure Statement, the Exhibits attached hereto, the Plan and the related documents are the only materials the Debtors are providing to creditors for their use in determining whether to vote to accept or reject the Plan, and such materials may not be relied upon or used for any purpose other than to vote to accept or reject the Plan.

Please complete, execute and return your Ballot(s) to:

OLSHAN FROME WOLOSKY LLP
Attention: Jonathan T. Koevary, Esq.
65 E. 55th Street
New York, New York 10022
Tel. (212) 451-2265

TO BE COUNTED, YOUR ORIGINAL BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE PLAN MUST BE ACTUALLY RECEIVED BY THE DEBTORS' COUNSEL NO LATER THAN **4:00 P.M., PREVAILING EASTERN TIME**, **ON [ ], 2014,** UNLESS EXTENDED BY THE DEBTORS. YOUR BALLOT MAY BE SENT VIA MAIL, OVERNIGHT COURIER OR MESSENGER. ALL BALLOTS MUST BE SIGNED.

The Ballots have been specifically designed for the purpose of soliciting votes on the Plan from the Classes entitled to vote with respect thereto. Accordingly, in voting on the Plan, please use only the Ballots sent to you with the Disclosure Statement or provided by the Debtors.

The Debtors have fixed **4:00 p.m. (prevailing Eastern Time) on November 13, 2014** (the "Voting Record Date"), as the time and date for the determination of Persons who are entitled to receive a copy of the Disclosure Statement and all of the related materials and to vote whether to accept or reject the Plan. Accordingly, only Holders of record of Claims as of the Voting Record Date that are entitled to vote on the Plan, will receive a Ballot and may vote on the Plan.

All properly completed Ballots received prior to the Voting Deadline will be counted for purposes of determining whether a voting Class of impaired Claims has accepted the Plan. The Debtors will prepare and file with the Bankruptcy Court a certification of the results of the balloting with respect to the Class entitled to vote.

THE DEBTORS BELIEVE THAT CONFIRMATION OF THE PLAN IS IN THE BEST INTERESTS OF ALL HOLDERS OF CLAIMS AND INTERESTS AND RECOMMENDS THAT ALL HOLDERS OF CLAIMS AND INTERESTS ENTITLED TO VOTE ON THE PLAN VOTE TO ACCEPT THE PLAN.

The Debtors' legal advisors are:

Olshan Frome Wolosky LLP
65 East 55th Street
New York, NY 10022
Attention: Michael S. Fox, Esq. &
Jonathan T. Koevary, Esq.

D. Solicitation Process

The following documents and materials will constitute the Debtors' solicitation package (the "Solicitation Package"):

- Plan;
- Disclosure Statement;
- the Disclosure Statement Order;
- Notice of the hearing at which confirmation of the Plan will be considered ("Confirmation Hearing Notice");

- Appropriate ballot and voting instructions; and

- Pre-addressed, postage prepaid return envelope.

The Debtors intend to distribute the Solicitation Packages within five business days after approval of the Disclosure Statement Order, or on such other schedule as is approved by the Bankruptcy Court. The Debtors submit that distribution of the Solicitation Packages at least five business days prior to the Voting Deadline or on such other schedule as is approved by the Bankruptcy Court will provide the requisite materials to Holders of Claims entitled to vote on the Plan in compliance with Bankruptcy Rules 3017(d) and 2002(b).

The Solicitation Package will be distributed to Holders of Claims in Classes 1C, 1D, 1E, 2C, 2D, 2E, 3C and 3D as of the Voting Record Date and in accordance with the procedures described in the Disclosure Statement Order. The Solicitation Package (except the Ballots) may also be obtained by writing (sent via first class mail) to Jonathan T. Koevary at the above address.

Other parties entitled to receive the Solicitation Packages, including the IRS, will be served paper copies of the Disclosure Statement Order, the Disclosure Statement and all exhibits to the Disclosure Statement, including the Plan, and the Confirmation Hearing Notice.

E. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of the Plan. Section 1128(b) of the Bankruptcy Code provides that any party-in-interest may object to confirmation of the Plan.

The Confirmation Hearing will commence on January [ ] at 10:00 a.m. prevailing Eastern Time, before The Honorable Stuart M. Bernstein, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Southern District of New York. The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.

The Plan Objection Deadline is 4:00 p.m. prevailing Eastern Time on January [ ], 2015. All objections to the Plan must be filed with the Bankruptcy Court and served on the Debtor's special counsel and certain other parties in accordance with the Disclosure Statement Order on or before the Plan Objection Deadline. In accordance with the Confirmation Hearing Notice filed with the Bankruptcy Court, objections to the Plan or requests for modifications to the Plan, if any, must:

- Be in writing;

- Conform to the Bankruptcy Rules and the Local Bankruptcy Rules for the Southern District of New York;

- State the name and address of the objecting party and the amount and nature of the Claim or Interest of such party;

- State the name of the Debtor in which such objecting party asserts a Claim or Interest;

- State with particularity the basis and nature of the objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and

- Be filed, contemporaneously with proof of service, with the Bankruptcy Court and served so that it is **actually received** by the notice parties identified in the Confirmation Hearing Notice on or prior to the Plan Objection Deadline.

THE BANKRUPTCY COURT MAY NOT CONSIDER OBJECTIONS TO THE PLAN UNLESS THEY ARE TIMELY SERVED AND FILED IN COMPLIANCE WITH THE PROCEDURES SET FORTH IN THE DISCLOSURE STATEMENT ORDER.

F. Important Matters

The Disclosure Statement contains projected financial information and certain other forward-looking statements, all of which are based on various estimates and assumptions and will not be updated to reflect events occurring after the date hereof. Such information and statements are subject to inherent uncertainties and to a wide variety of significant business, economic and competitive risks, including, among others, those described herein. Consequently, actual events, circumstances, effects and results may vary significantly from those included in or contemplated by such projected financial information and such other forward-looking statements. The projected financial information contained herein and in the Exhibits annexed hereto is, therefore, not necessarily indicative of the future financial condition or results of operations of the Debtors, which in each case may vary significantly from those set forth in such projected financial information. Consequently, the projected financial information and other forward-looking statements contained herein should not be regarded as representations by any of the Debtors, the Debtors' advisors, or any other Person that the projected financial conditions or results of operations can or will be achieved.

ARTICLE II.

BACKGROUND TO THESE CHAPTER 11 CASES

A. The Debtors' Business

1. The Debtors' Operations

On September 10, 2013, two of the Debtors subject to the Plan, GMG III and GMG Companion, each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Debtor GMG LLC and another Debtor affiliate then filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code on November 14, 2013. The Debtors' four bankruptcy cases are jointly administered.

Debtor GMG III is a venture capital fund formed in August, 2001. GMG III was formed on the heels of two prior successful funds, and many investors from those prior funds then invested in GMG III. Several investments were already targeted prior to the establishment of the GMG III Eventually, four separate limited partnerships (the "III Class Partnerships") were formed bearing the GMG III title:

GMG Capital Partners III, LP (Debtor)

GMG Capital Partners III Companion Fund, LP (Debtor)

GMG Capital Partners IIIA, LP (Non-Debtor)

GMG Capital Partners IIIB, LP (Non-Debtor)

A copy of the III Class Partnerships' organizational structure is attached as Exhibit D hereto.

Approximately $180 million total was invested into these III Class Partnerships. Although each III Class Partnership has different limited partners, they are related in that they have the same general partner, and they invested in the same portfolio companies at the same pro rata allocation to allocate the dollars invested between those portfolio companies. Stated another way, a $1 million investment in Debtor GMG III would hold precisely the same investments at the same proportions as a $1 million investment in Debtor Companion Fund. In all, approximately $183 million of capital commitments from limited partners were obtained by GMG III, Companion Fund, IIIA, and IIIB, and investments were made in 13 different portfolio companies.

The collapse of the financial markets, and the advent of the terrorist attacks of September 11, 2001 – just one month following GMG III's formation – significantly affected GMG III and its sister funds, including unexpected difficulties in raising money for the funds, difficulties in raising money for the Debtors' portfolio companies, delays in growth and realizing revenues by the portfolio companies (necessitating the continuation of fund raising beyond targeted dates and targeted amounts), and the disappearance, for all intents and purposes, of the initial public offering market, a major avenue to obtain liquidity for these privately held investments. Several of GMG III's portfolio companies, despite creating what were considered excellent technologies, could not survive these challenges and went out of business and these investments were written off to zero. Nonetheless, the III Class Partnerships still hold active investments in Open Peak, Inc. ("Open Peak") (an approximate 3.8 percent interest) and Lancope, Inc. ("Lancope") (an approximate 15 percent interest). The Debtors have no operations beyond fostering these investments and addressing requests of the limited partners.

In accordance with ordinary business practices and the relevant partnership agreements, Debtor GMG Capital Investments, LLC ("GMG") has delegated and assigned certain of its rights and responsibilities as general partner to JDJ Management, LLC ("JDJ"). JDJ consists of the same three managing members as GMG LLC.

Although nothing is certain, the equity interests in technology companies Open Peak and Lancope, each privately traded, are projected to have significant value in the near to mid-term

future. Specifically, it is anticipated that these companies will in the near to mid-term enter into a transaction, such as an initial public offering or a merger and acquisition, each a "Transaction Event" that would distribute the proceeds to holders of their portfolio interests.

Specifically, the Debtors believe the following are estimated approximate conservative values of Open Peak and Lancope following a Transaction Event:

Lower Range Conservative Valuation, at Transaction Event

Portfolio Holding	**Low Conservative Company Value**	**III Class Partnership Share**	**Approximate Debtors' Portion**
Open Peak	$500,000,000	$19,000,000	$11,400,000
Lancope	$400,000,000	$60,000,000	$36,000,000

High Range of Conservative Values, at Transaction Event

Portfolio Holding	**High Conservative Company Value**	**III Class Partnership Share**	**Approximate Debtors' Portion**
Open Peak	$750,000,000	$28,500,000	$17,100,000
Lancope	$500,000,000	$75,000,000	$45,000,000

The Debtors believe that these values are only achievable through a Transaction Event. A sale of the privately held shares prior to a Transaction Event would likely result in a significant discount and the partial Sale discussed herein does contemplate a discount for the cost of capital necessary to implement the Plan.

B. <u>Open Peak</u>

Open Peak's main product is smartphone corporate-use software that is currently in deployment with ATT under the Toggle (TM) brand name. A variation of this software is also being deployed on Blackberry smartphones and networks. Several other major international telecoms carriers are testing and expect to deploy Open Peak's technology in the near future, most notably Deutsche Telecom. Open Peak is emerging as a leading player in the enterprise mobility space based upon the superiority of its patented technology and strength of its carrier-based, go-to-market strategy. The key product offering Open Peak has is the ability to provide secondary voice and data capability in proprietary containers, on a cloud-based, secure and manageable platform. Together these voice and data containers function as a virtual smart phone for business: the user has a second VOIP phone line for business calls and a secure enterprise

data plan in a container that can be filled with secure and manageable business apps. This virtual business smart phone can be independently placed and operated on any physical smart phone, be it an Apple or Android phone, and regardless of the carrier network the physical host device operates on.

Open Peak's response to these issues is unique: a cloud-based platform, called an enterprise container, that can be placed like an app on any smart, mobile device, with secondary voice and data containers. The voice container holds a separate VOIP business phone line. The data container holds an enterprise data plan which can hold business apps that are made secure and manageable by Open Peak's proprietary app wrapping technology. The result is that this technology creates a separate and secure virtual smart phone for business on any employee's personal smart phone.

Importantly, the provisioning and billing of these business services is done completely apart from whatever carrier provides services to the employee's physical phone. This means the employee's phone can host two carriers, for example, Verizon for personal voice and data services and ATT for business voice and data services. In effect, an employee using Open Peak's product will have two entirely separate smart phones on one physical device. The BYOD employee with this service would get the bill for his personal voice and data usage and his employer the bill for the employee's business voice and data services. No competitor has this product, nor is likely to have it soon due to Open Peak's substantial patented Intellectual property (IP) position.

Open Peak and ATT today provide this service in the form of ATT's Toggle(tm) product. Deutsche Telecom announced a very similar Open Peak-designed product called Samba!(tm). Blackberry uses Open Peak's enterprise container technology to allow its customers to locate their secure Blackberry email on any smart phone or device, such as the iPhone. Other, non-US carriers are expected to partner with Open Peak to offer versions of this product in the next few quarters.

Moreover, Open Peak's secondary voice, secondary data, and app-wrapping (for app-level security and control) technologies are designed to tightly integrate into the large carriers' billing and provisioning systems. This is very difficult to do; it took OP several years to develop this capability with ATT and Blackberry. Open Peak's management believes this creates a significant competitive advantage for Open Peak because only the large carriers have the capability to bill and provision for sophisticated voice and data services across very large networks of wireless, smart devices.

Competitive Landscape:

VMware's Purchase of Airwatch

On January 22, VMware ("VMW") agreed to buy AirWatch for $1.54 billion ($1.17 billion in cash). This transaction subsequently closed in February. VMW apparently acted because it felt it needed a mobile device management offering with scale to answer growing enterprise demand for enterprise mobility software. A key point of attraction behind this idea was AirWatch's large direct sales force.

Observers conjectured that both sides of the VMW deal were defensive. AirWatch itself may have felt pressure to sell: it was reportedly burning cash at the rate of about $10 million per month, on a revenue run-rate of $100 million and single-digit annual growth. Headcount, due to its large direct sales force, was about 1600 employees at the time of sale. AirWatch had raised $225 million at a $900 million valuation last year, for a post-money valuation of $1.125 billion, a valuation that may have constrained further capital raises. News reports indicate that VMW borrowed $1 billion from its parent EMC to finance the deal.

MobileIron's Initial Public Offering

On June 12th, MDM provider and Open Peak competitor MobileIron (Nasdaq: MOBL) offered shares to the public with the help of its principal bankers Morgan Stanley and Goldman Sachs. MOBL sold about 11.1 million shares to the public at $9 per share, raising $100 million in gross proceeds. The shares traded at $11.02 on its opening day and have since traded slightly below the offering price, valuing the company at approximately $670 million. Remarkably, MOBL went public on the strength of a performance in 2013 that saw it lose $32 million on revenues of $105 million. The company had been growing rapidly: revenues increased 100 percent last year but annual revenue growth has reportedly slowed somewhat this year to about 50 percent. MOBL's valuation seems to come from investor understanding that the enterprise mobility market is a significant one and its expectation that MOBL will either become a stand-alone player in the market or be sold to a large entity seeking to establish itself in the mobility market.

Good Technology's S-1 Filing

On May 14th Good Technology ("Good") filed an S-1 registration statement with the SEC for an IPO that the company hopes will allow it to raise $100 million. According to the filing, the lead bankers on an IPO would be Morgan Stanley and BofA Merrill Lynch. Good posted a net loss of $118 million on revenues of $160 million in 2013. Its current burn rate is several million per month. This is due to its strategy of maintaining a large direct sales force to sell its products, which reportedly generates a sales expense of more than 50 percent of revenues. In September of this year, Good raised $80 million in new private funding.

C. Lancope

Lancope provides cutting edge security software to companies whose employees use their own personal devices. It's product "StealthWatch" can detect and alarm on anomalous behavior originating from users' personal smartphones, tablets or laptops, and the inspection points can be close to the devices themselves rather than just at the perimeter of the network, providing more reliable protection. According to its website, Lancope's customers include AT&T and Cisco.

By collecting and analyzing a wide variety of on-line information and measuring and metering the flow of that information, Lancope's innovative technology helps organizations quickly detect a wide range of top attacks, from attacks known as APTs (Advanced Persistent Threats) and DDoS (Distributed Denial of Service) to malware and insider threats. Through pervasive insight across distributed networks, including mobile, identity and application awareness, Lancope accelerates the response of target companies or governments to such

incidents, improves forensic investigations to identify the nature of attacks and the specific attackers and thus reduces enterprise and government vulnerabilities and risk. Given the ongoing and dynamic nature of cyber-war threats, Lancope's security capabilities are continuously evolved and enhanced through threat intelligence research and product innovations that come from its internal research team. Its secure network analysis innovations have resulted in 7 granted US patents on its technology and more than 130 proprietary algorithms.

Through its Technology Alliance program, Lancope partners with fellow best-of-breed solution providers, including Cisco Systems, Brocade, Blue Coat, VMware, IBM Tivoli, Check Point, TippingPoint, ArcSight and A10 Networks.

D. Valuation

Based on comparable transactions, for Open Peak, a transaction value of $500 million might be reasonable in 2015. A comparable company such as MobileIron is today valued at approximately $675 million. Competitor Airwatch sold for $1.54 billion last January on estimated revenues of about $100 million. Good Technology's upcoming IPO might value the company at $1 billion. Turning to Lancope, Akamai Technologies' purchase of the comparable Prolexic security solution software company was for $370 million in cash, a 7.4 multiple on its $50 million last twelve months revenue. Cisco's July 2013 purchase of Sourcefire security software was for $2.7 billion in cash and retention incentives, valued at a 9.9 times its last twelve months' revenues and an astounding 136.3 times its last twelve months' EBITDA. In May 2013, privately held Blue Coat acquired Solera Networks, a maker of security analytics products that help businesses detect and resolve threats already on the network, for $225 million. The purchase price represented an 18.75 times multiple of Solera's 2012 $12 million in revenues. Meanwhile, in January, 2014 cybersecurity company FireEye acquired Mandiant Corp. for $1.05 billion at a 10x multiple over $100 million trailing twelve months revenue. These examples suggest the possibility that Lancope, given its growth, profitability, market reputation and clean balance sheet, might enjoy a price upon sale that equates to an 8-10 times multiple of revenues.

1. The Debtors' Members

Debtor GMG, LLC is the sole general partner of Debtors GMG III and GMG Companion and Debtor GMS Capital Partners II, L.P. ("GMS"). Debtor GMG, LLC has three managing members: Joachim Gfoeller, Jr., David Mock and Jeffrey Gilfix. The sole general partner of Debtor GMS is GMS Capital Investments, LLC a non-Debtor.

In addition, Gfoeller, Mock and Gilfix are equal members of an entity called GMG Special Purpose Entity, L.P. That entity has an approximate 39 percent interest in Debtor GMG III. The majority of that interest was obtained from JDJ through a litigation between certain of the Debtors (including GMG LLC) and its principals, and a group of GMG III investors (collectively, the "Defaulting CMS Parties") who had not paid in excess of $2 million in management fees that were ultimately due to JDJ LLC.

2. The CMS Action

In 2006, certain of the leading Defaulting CMS Parties (the "Defaulting CMS Plaintiffs") brought a complaint against Debtor GMG LLC and affiliated entities in a case captioned *CMS*

Tech Access Subpartnership et al. v. GMG Management L.L.C. et al, No. 06-584 (E.D. Pa. 2006) (the "CMS Action"). The Debtors' principals believe that the driving factor, if not sole purpose, of the CMS Action was meant to provide the Defaulting CMS Parties leverage for negotiation of the unpaid management fees. The Defaulting CMS Plaintiffs alleged certain direct and derivative claims, alleging violation of various federal and state laws, including 10b-5 violations, breach of contract and breach of fiduciary duty. Those allegations were never proved and in any event, the Debtors believe those allegations are entirely unfounded.

The management fees would have been payable to the III Class Partnerships, who in turn would owe the fees to JDJ LLC.

The CMS Action was never tried. On or about April 30, 2007, the parties to the CMS Action reached a settlement. In essence, through the settlement (the "CMS Settlement"), the Defaulting CMS Plaintiffs who brought the CMS Action exchanged their partnership interests in GMG III for mutual releases, including, with JDJ's permission, the III Class Partnership's release of the obligation to pay the unpaid management fees. The agreement also provided a window for the remaining Defaulting CMS Parties to join, which they did. In total, over 40 CMS Defaulting Parties joined the CMS Settlement. A copy of the CMS Settlement will be made available to any party in interest upon request.

In short, the crux of the settlement was the transfer of the Defaulting CMS Parties' partnership interests to the Debtors' principals in lieu of the management fees they were otherwise entitled.

At the request of the Defaulting CMS Plaintiffs, under a heading entitled "Abandonment of Partnership Interests," the Settlement Agreement referred to the transaction as "abandonment." Specifically, the Settlement Agreement provides that "the Defaulting CMS Plaintiffs (and by extension, the remainder of the Defaulting CMS Parties") "renounce[d] any rights, title and interest that they may have with respect to [GMG], as of [May 1, 2007 – the "Abandonment Date"]. Effective on the Abandonment Date, [the Defaulting CMS Plaintiffs] are no longer partners in [GMG] and the [Defaulting CMS Plaintiffs] shall be removed from the ownership records with respect to [various GMG entities], to the extent GMG's records reflect and [sic] ownership interest therein." Settlement Agreement ¶ 1.

Simultaneously with the Settlement Agreement, GMG LLC directed that the relinquished interests be used to satisfy management fees (that would have otherwise been directed to JDJ LLC) to GMG Special Purpose Entity, L.P. In short, following the recapitalization of Alloptic and long before there was any real expectation that the III Class Partnership's holding would carry significant value, JDJ LLC accepted payment of CMS' interests in lieu of its management fees.

The CMS Settlement benefited the Debtors' estates in that the waiver of the management fee effectively reduced JDJ LLC's claim by at least $2 million and perhaps much more if taking into account the interest that would have accrued since 2006 and any further defaults. JDJ LLC's claims against the Debtors would have been in excess of $6 million and JDJ LLC might not in that case have been in a position to consent to the subordination of its Claims as it is doing pursuant to the Plan.

Nonetheless, in connection with the Chapter 11 Cases, certain of the Debtors limited partners have called into question the transactions in relation to the CMS Settlement Agreement and have taken the position that the relinquished interests should have been abandoned to the Debtors' themselves and, rather than having been paid to JDJ LLC in lieu of fees, the limited partners should have received a windfall. It is the Debtors' position that the organizational documents do not by their terms require this sort of windfall at the expense of JDJ LLC's rights, that the transaction benefited the limited partners, and that in any event any action brought in connection with the CMS Settlement and related transactions would be barred by the Delaware statutes of limitations. Moreover, the Debtors have provided limited partners K-1 statements and have filed tax returns that accurately reflect or otherwise take into account GMG Special Purpose Entity, L.P. 's interest that dates to 2007, yet no limited partner has questioned this transaction until following the 2013 commencement of the Chapter 11 Cases.

E. Summary of Prepetition Indebtedness

The Debtors' primary prepetition debt arises on account of the Athenian Judgment – a June 21, 2013 judgment entered against the Debtors, jointly and severally, in favor of Athenian in the Delaware Superior Court. The terms of the Athenian Judgment provided that the Debtors make a payment to Athenian of (i) retroactively to January 1, 2008, $15,000 per month until the principal is paid down and (ii) certain interest fees and expenses. Because of the retroactive nature of the judgment, as of the date of the judgment approximately $960,000 of principal was due and payable and over $1.3 million was due on account of interest fees and expenses.

Athenian has filed proofs of claim against the Debtors that values the judgment at $5,163,744.97 as of the Petition Date. By Athenian's calculations, that includes:

(a) $2,438,231.67 accrued and owing as of the Petition Date;

(b) $301,158.30 postpetition attorneys fees as of the Petition Date through April 30, 2014; and

(c) $2,424,355 estimated net present value of the $15,000 monthly payments of amounts not yet due and owing.

In addition, against the Debtors subject to the Plan, approximately $800,000 of priority tax claims have been filed and approximately $800,000 of trade claims have been filed or scheduled (exclusive of claims against multiple Debtors that appear to be duplicative). The Debtors believe that the majority of priority tax claims will be subject to disallowance. In addition JDJ, the Debtors' management company, has filed claims against the Debtors that, on a duplicative basis, aggregate to $3,827,249. The Debtors anticipate that JDJ's claims will, prior to plan confirmation, be amended downward to approximately $2.3 million combined against GMG III and GMG Companion or, as a duplicative claim, approximately $3 million against GMG LLC.

Finally, many of the Debtors' limited partners have filed proofs of claim on account of their equity interests. The total amount of these claims are approximately $36 million. The Debtors believe these limited partner claims are meritless and the Debtors' objections to these claims are currently pending.

Nothing in this section constitutes an admission on the Debtors' part and the Debtors reserve rights to object to all proofs of claim.

ARTICLE III.

EVENTS LEADING TO THESE CHAPTER 11 CASES

A. Prepetition Events

The debt created on account of the Athenian Judgment is the primary cause of the Debtors' bankruptcy filings as was the impending foreclosure on shares of the Debtors' interests in Open Peak and Lancope on account of the Athenian Judgment.

ARTICLE IV.

ADMINISTRATION OF THE CHAPTER 11 CASES

A. Overview of Chapter 11

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under chapter 11, a debtor is authorized to reorganize its business, or plan a liquidation for the benefit of itself, its creditors and its equity interest holders. In addition to permitting the rehabilitation of a debtor, another goal of chapter 11 is to promote equality of treatment for similarly situated creditors and similarly situated equity interest holders with respect to the distribution of a debtor's assets.

The commencement of a chapter 11 case creates an estate that is comprised of all of the legal and equitable interests of the debtor as of the Petition Date. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a "debtor in possession."

The consummation of a plan of reorganization is the principal objective of a chapter 11 reorganization case. A plan of reorganization sets forth the means for satisfying claims against and interests in a debtor. Confirmation of a plan of reorganization by the bankruptcy court makes the plan binding upon the debtor, any issuer of securities under the plan, any person acquiring property under the plan and any creditor or equity interest holder of a debtor. Subject to certain limited exceptions, the order approving confirmation of a plan discharges a debtor from any debt that arose prior to the date of confirmation of the plan and substitutes the obligations specified under the confirmed plan.

In general, a chapter 11 plan of reorganization (a) divides claims and equity interests into separate classes, (b) specifies the property, if any, that each class is to receive under the plan, and (c) contains other provisions necessary to the reorganization of the debtor and that are required or permitted by the Bankruptcy Code.

Pursuant to section 1125 of the Bankruptcy Code, acceptance or rejection of a plan may not be solicited after the commencement of a chapter 11 case until such time as the court has approved the Disclosure Statement as containing adequate information. Pursuant to section

1125(a) of the Bankruptcy Code, "adequate information" is information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding the plan. To satisfy applicable disclosure requirements, the Debtors submit the Disclosure Statement to Holders of Claims and Interests that are Impaired and not deemed to have rejected the Plan.

B. Relevant Case Background

On September 10, 2013, Debtors GMG and GMG Companions filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Honorable Stuart M. Bernstein is presiding over the Chapter 11 Cases. The Debtors continue to operate as debtors and debtors in possession pursuant to section 1107 of the Bankruptcy Code.

Certain significant events that have occurred during the pendency of the Chapter 11 Cases.

1. Athenian 2004 Motion

On October 18, 2014, Athenian filed its *Motion for an Order Pursuant to Fed. R. Bankr. P. 2004 Authorizing the Examination of the Debtors and Certain Debtor-Related Parties and Granting Related Relief* [Dkt. No. 14]. The Debtors objected to the motion. The Bankruptcy Court granted the motion in part and since that time has conducted a number of hearings to discuss the scope of discovery. The Debtors have provided documents to Athenian in accordance with the Bankruptcy Court's orders.

2. Retention of Professionals

On October 20, 2013, the Bankruptcy Court entered an order authorizing the Debtors to retain Olshan Frome Wolosky LLP as its counsel, *nunc pro tunc* to the Petition Date pursuant to Bankruptcy Code section 327(a). [Dkt. No. 27].

3. Exclusivity

The Debtors' exclusivity period expired on January 28, 2014 after the Court denied the Debtors' first motion to extend the exclusivity period.

4. Limited Partner Group

On March 31, 2014, the certain limited partners (the "Limited Partner Group") filed a *Verified Statement Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure* indicating that they were acting as a group. [Dkt. No. 98]. This group, which has grown, has taken an active role in these cases, including by way of Rule 2004 motions the group has filed, discussed below.

5. Plan Support Agreement

In June 2014, Debtors GMG III and GMG Companion, and non-Debtor affiliate GMG IIIA entered into a letter of intent with Second Alpha, the Plan Supporter. That letter provided

that the parties would enter into the Plan Support Agreement (attached as Exhibit C hereto), which provided in pertinent part that, subject to court approval:

(i) GMG III, GMG Companion and GMG IIIA would sell, proportionately, between $4 million and $6 million[6] of their interests in Lancope (representing roughly 25 to 40 percent of their Lancope holdings) at price of $3 per share, subject to certain adjustments, including the right to a 50/50 sharing of the proceeds, to the extent a Lancope transaction yields a value in excess of $9 per share.

(ii) In case of seller termination, (a) reasonable expenses reimbursement and (ii) a six percent break fee.

The break fee is the result of heavy marketing on the part of the Debtors in search of a transaction that would provide consideration necessary to confirm a plan in these cases. The transaction with Second Alpha is embodied in the Plan Support Agreement.

The marketing became more intense when one of the Debtors' limited partners proposed in principle a transaction in which it would acquire all of the Debtors' interests in Open Peak and Lancope. The limited partner would have provided the capital necessary to pay all of the Debtors' claims, would have control over both Open Peak and Lancope, and would only relinquish the Debtors' portfolio holdings after it received five times (5x) the return on its investment (i.e., would receive $20 million on $4 million advanced). In the Debtors' view, such a plan was only a last resort. The Debtors, as fiduciaries to all stakeholders, believed that such a deal would unnecessarily dilute the interests of the limited partners. At approximately the same time, the Debtors reached out to several industry players in order to determine highest and best pricing for their portfolio holdings. Critical to any transaction involving Lancope was the fact that Lancope had a right of first refusal on any transaction – that is, Lancope, as a private company and through the authorization of a critical mass of its shareholders, would have ultimate authority to approve of any buyer proposed by the Debtors.

In the early part of 2014, the Debtors heavily focused on (i) marketing the portfolio assets and (ii) seeing to what extent the limited partner could improve on its 5x deal. As to the latter, the Debtors did not have any significant success. As to the former, the Debtors met with multiple investors and received multiple informal offers for the Debtors' Lancope interests, subject to due diligence and Lancope approval. Ultimately, there were three offers for Lancope shares, two of which were materially better than the third. Of those two better offers, one came with a slightly lower cost of capital, but with less sharing on the back end and was, regrettably, subject to substantial incomplete due diligence. Another, Second Alpha's, had slightly higher cost of capital but also more back-end sharing, with completed financial due diligence. Ultimately, the Debtors, in consultation with their advisors, chose Second Alpha as a ready willing and able buyer with the highest and best offer. Subsequently, Second Alpha obtained the approval from Lancope to purchase Lancope's shares.

[6] $4 million would consist of approximately 25% of the entire amount of Lancope stock owned by the III Class Partnerships.

The Debtors believe that the Second Alpha transaction is the most beneficial to the Debtors' stakeholders because it allows them to reinstate the Athenian Judgment at the lowest cost of capital available. Moreover, the Second Alpha transaction is beneficial in that it entirely independent of Open Peak's performance.

Taken together, the Debtors estimate that conservative range of net proceeds to the III Class Partnerships following (a) the Sale of $4 million in shares to Second Alpha; and (b) Transaction Events for Open Peak and Lancope, would yield approximately $65 million to $87 million, of which $39 million to $53 million would be allocable to the Debtors. Using the same conservative valuations, a more costly 5x transaction with the limited partner, however, would have resulted, following Transaction Events for Open Peak and Lancope, in a materially lesser distribution allocable to the Debtors of approximately $27.4 million at the conservative low range and $42.1 million at the conservative high range.

6. **Claims Bar Date Order**

On May 14, 2014, the Bankruptcy Court entered an order (the "Claims Bar Date Order") establishing June 27, 2014 as the deadline for persons and entities, including governmental entities, to file proofs of claim for claims which arose against the Debtors on or prior to the applicable petition date. [Dkt. No. 110]. On May 22, 2014, the Debtors served notice of the June 27, 2014 bar date in accordance with the Claims Bar Date Order [Dkt. No. 115].

7. **Claim Objections**

Approximately fifty percent of the Debtors' non-insider equity holders by dollar amount filed claims against the Debtors alleging, among other things, breach of contract. The claims as filed were unsupported and the Debtors believe they are without merit. The Debtors have objected to these claims and those objections are currently pending.

8. **Limited Partner 2004 Motions**

On July 16, 2014, the Limited Partner Group filed its (i) *Motion of The Limited Partner Group for An Order Pursuant to Fed. R. Bankr. P. 2004 Authorizing The Examination of Athenian Venture Partners I, L.P. And Athenian Venture Partners II, L.P., and Granting Related Relief [Dkt. No. 129] (the "LP/Athenian 2004 Motion")* and *(ii) Motion of The Limited Partner Group for An Order Pursuant to Fed. R. Bankr. P. 2004 Authorizing The Examination of The Debtors and The General Partner Principals, and Granting Related Relief* [Dkt. No. 130] (the "LP/Debtors 2004 Motion" and collectively with the L/P Athenian 2004 Motions, the "LP 2004 Motions")).

Through the LP 2004 Motions, the Limited Partner Group seeks to examine certain actions taken by the Debtors that go back as much as ten years and conduct of Athenian related to the Athenian Judgment. The Debtors have objected to the LP/Debtors 2004 Motion on multiple grounds. On September 24, 2014, the court entered an order granting the 2004 Motions in part.

ARTICLE V.

SUMMARY OF THE PLAN

THE FOLLOWING IS A SUMMARY OF SOME OF THE SIGNIFICANT ELEMENTS OF THE PLAN. THE DISCLOSURE STATEMENT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE MORE DETAILED INFORMATION SET FORTH IN THE PLAN AND THE EXHIBITS AND SCHEDULES THERETO.

A. Summary

The cornerstone of the Plan is the transfer of certain of the Debtors' assets in Lancope pursuant to the Asset Purchase Agreement to a third party in exchange for the consideration necessary to fund the plan.

As part of that transaction, non-Debtor GMG IIIA, a book entry holder of certain interests in Lancope, will also transfer certain of its interests in Lancope to fund the Plan. The Debtors believe such transfer is entirely consistent with the expectations of all III Class Partnerships to be treated equally on a pro rata basis. GMG LLC is in the process of contacting the limited partners of GMG IIIA, stating GMG LLC's intention for GMG IIIA to follow through with the Sale and otherwise contribute to the Plan expenses and distributions on a pro rata basis.

It is expected, but not guaranteed, that upon certain events, an eventual disposition of these interests will be sufficient to pay all creditors in full.

The Plan classifies Claims and Interests separately, and on a per-Debtor basis, in accordance with the Bankruptcy Code and provides different treatment for different Classes of Claims and Interests. Claims and Interests shall be included in a particular Class only to the extent such Claims or Interests qualify for inclusion within such Class. For each Debtor, the Plan separates the various Claims and Interests (other than those that do not need to be classified) into six (6) separate Classes. These Classes take into account the differing nature and priority of Claims against, and Interests in, the Debtors. Unless otherwise indicated, the characteristics and amounts of the Claims or Interests in the following Classes are based on the books and records of the Debtors. The Plan is intended to enable the Debtors to conduct transactions contemplated under the Asset Purchase Agreement without the likelihood of a subsequent liquidation or the need for further financial reorganization. The Debtors believe that the Plan permits fair and equitable recoveries, while expediting the closing of the Chapter 11 Cases.

The Confirmation Date will be the date that the Confirmation Order is entered by the Clerk of the Bankruptcy Court. The Effective Date will be the first Business Day on or after the Confirmation Date on which all of the conditions to the Effective Date specified in Article V of the Plan have been satisfied or waived and the parties have consummated the transactions contemplated by the Plan.

Other than as specifically provided in the Plan, the treatment under the Plan of each Claim and Interest will be in full satisfaction, settlement, release and discharge of all Claims or Interests. The Debtor will make all payments and other distributions to be made under the Plan unless otherwise specified.

All Claims and Interests, except Administrative Expense Claims, Fee Claims, United States Trustee Fees and Priority Tax Claims, are placed in the Classes set forth in Article III of the Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims, Fee Claims, U. S. Trustee Fees and Priority Tax Claims have not been classified, and the Holders thereof are not entitled to vote on the Plan. A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest falls within the description of such other Classes.

B. Classification and Reinstatement of Athenian Claims

The Plan separately classifies the Athenian Claims. The Plan will reinstate these Athenian Claims, if and when they become Allowed, pursuant to Bankruptcy Code section 1124. Unlike the remaining Claims against the Debtors, the principal portion of Athenian Judgment upon which such Athenian Claims are based, contain two components. These components track the underlying promissory note as it was understood by the jury who ruled in favor of Athenian, leading to the Athenian Judgment: one portion required the Debtors to pay all amounts then due and owing under the promissory note, while the other components required the Debtors to pay monthly installments of $15,000 until the promissory note becomes fully satisfied in 2041. By reinstating the Athenian Claims, subject to such Claims being Allowed, the Debtors will continue to pay the monthly installment of $15,000 until the promissory note is paid in full.

C. Management Claims Deferral

Holders of the Management Company Claims are insiders of the Debtors. In order to foster a resolution of these cases that the Debtors have determined, in their business judgment, is the best available resolution, JDJ (i.e., the Management Company) has agreed in principle, in the case of this Plan, to a separate classification and unequal, disfavorable, treatment when compared to general unsecured creditors. Specifically, the Plan will provide that holders of Allowed Class 1D, 2D and 3D claims shall receive as much as a 40 percent distribution from the proceeds of the Sale of Lancope stock contemplated by the Plan. The Management Company, by voting for the Plan, will consent, under the Plan only, that its Claims against each Debtor will be junior in priority to the Class 1C, 2C and 3C Claims. As such, their Claims for a given Debtor will not be payable until the Claims of Class 1C, 2C and 3C for each such Debtor are paid in full. Moreover, JDJ, by voting in favor of the Plan, will agree to fund from its recoveries an amount sufficient to pay, against Debtor GMG LLC, any Allowed Priority, Administrative, Class 3A and Class 3C Claim. The Debtors expect the allowed amount of claims against Debtor GMG LLC to be zero, except for its joint and several liability with other Debtors under the Athenian Judgment.

D. Non-Debtor III Class Partnership Participation

As discussed above, the III Class Partnerships, historically and consistent with their organizational documents, invest and share in expenses on a pro rata basis. This is so, even where only one entity would be the record holder or expense obligor. GMG III and GMG Companion were record holders of Alloptic (and defendants in the Athenian Action). Non-Debtors GMG IIIA and GMG IIIB were beneficial holders (pro rata) and not named in the Athenian Action. Based on these principals, GMG IIIA and GMG IIIB will share in all costs of

administration of these cases on a pro rata basis (although because GMG IIIB represents a fairly de minimus investment with a face amount of $100,000, it is excluded from certain mechanics).

For example, GMG IIIA is party to the Plan Support Agreement and its shares in Lancope will be sold on a pro rata basis to Second Alpha, but GMG IIIA will not receive the cash in return. Under Section 6.2 of the Plan, the entire consideration paid by Second Alpha will be used to fund distributions under the Plan as part of GMG IIIA's (and the Debtors') obligation to fund the expenses of the III Class Partnership's on a pro rata basis.

Likewise, Section 6.3 of the Plan contemplates that upon any liquidation event, prior to any distribution to the limited partners of GMG IIIA and GMG IIIB on account of their claims, the Debtors will offset from the distribution the pro rata contributions necessary to fund the Plan and the distributions thereunder.

The transactions in accordance with the Plan are in lockstep with the non-Debtor III Class Partnerships' underlying partnership agreements, moreover, GMG IIIA has committed to the Sale as it is a party to the Plan Support Agreement.

E. Cash Flow

The Debtors anticipate a closing of the Second Alpha sale in February 2015 and near-term realizations from Transaction Events of Open Peak and of Lancope. The following is illustrative and approximate, and is based on the above assumptions about, timing, valuation, the ultimate amount of shares that will be sold to Second Alpha and the claim allowance process.

SALE TO SECOND ALPHA

Proceeds from Second Alpha: $4,500,000.

Allocated outflow from Second Alpha sale:

Athenian current liability: $2,800,000
Reserve for Athenian: $15,000/month x 6 months: $90,000
Administrative claims and reserve: $1,200,000
Priority tax claims against GMG III and GMG Companion: $50,000
40% of general unsecured claims: $900,000 x 40% = $360,000
TOTAL = $4,500,000

SALE OF OPEN PEAK AND LANCOPE

Proceeds to Debtor entities (based on $26.6M from Lancope sale and $11.4M from Open Peak sale): $38,000,000.

Allocation outflow of distributions:

Athenian: $15,000 month x 316 months: $4,740,000 x 1/3 necessary to fund an annuity at discount rate of 4% = $1,580,000 (GMG Partners) x 60% (Debtors): $948,000
General unsecured creditors: $900,000 x 60% = $540,000

Management Company Claims: $2,300,000.
Audit fees $150,000
Remainder to Limited Partners: $34,062,000.
Total = $38,000,000

F. Management, Legal Reserves and Other Fees Due and Owing from Limited Partners

The Plan provides that the Debtors' limited partnership interests (i.e., Class 1F and 2F Interests), will not be cancelled. Nonetheless, under the Debtors' organizational documents, the limited partners are obligated to fund certain legal fees and expenses that the Debtors owe to JDJ on account of JDJ's prepetition claims and any administrative claim that JDJ may assert against them. Moreover, certain limited partners are delinquent in the payment of management fees due and owing. Without waiver of rights, any distribution on account of a limited partner interest will offset any amount due and owing on account of the limited partnership interests. The offsets will then be ultimately be distributed to the partnership.

The following is an illustration of how distributions to limited partners will flow taking into account the non-payment of certain fees due and owing by the partners.[7] Note that the figures are an over-simplification and are not meant to represent actual figures or distributions under the plan and exclude postpetition interest and other miscellaneous categories:

(a) **Assumptions Under Illustrative Example:**

1. $5 million for distribution for limited partnership GMG III (for illustrative purposes), following payment of all claims (including Management Company Claims) and reserves.

2. GMG III has (for illustrative purposes) three limited partners:

   Limited Partner I is a 40% holder, and owes $100,000 in legal fee and expense reimbursements.[8]

   Limited Partner II is a 40% holders, and owes $100,000 in legal fee and expense reimbursements and $50,000 in delinquent management fees

   Limited Partner III is a 20% holder and owes $50,000 in legal fee and expense reimbursements.

[7] The aggregate amount due by the Holders of Class 1F and 2F Interests on account of unpaid fees and reimbursements, include, but are not limited to amounts reflected in the Management Company Claims. Such amounts due are subject to increase based on the applicable organizational documents, including but not limited to reimbursement requirements incurred in advancing the payment of legal fees and expenses in connection with the Chapter 11 Cases.

[8] The legal fees and expenses in the illustration refer to the limited partners' reimbursement obligations incurred in the ordinary course of business in running the partnerships. It does not refer to the Debtors' estates' direct obligation to pay administrative expenses incurred in these Chapter 11 Cases.

3. Therefore under this example, a total of $300,000 is owed on account of legal fee and expense reimbursements and delinquent management fees. Based on the above assumptions, $300,000 will be initially held back for distribution purposes and then redistributed pro rata in accordance with the organizational agreements.

(b) **Distribution Under Illustrative Example:**

1. Out of the $5 million, there will be an initial distribution of $4.7 million as follows:[9]

Limited Partner I will receive $1.9 million, i.e., 40% of $5 million, minus $100,000 owed.

Limited Partner II will receive $1.85 million, i.e., 40% of $5 million minus $150,000 owed.

Limited Partner III will receive $950,000, i.e, 20% of $5 million, minus $50,000 owed.

2. The Reorganized Debtors will then "true-up" by distributing the $300,000 previously held back to the Limited Partners pro rata in accordance with the organizational agreements. Thus, for illustrative purposes, the $300,000 will be distributed as follows:

Limited Partner I and Limited Partner II will each receive $120,000, i.e., 40% each of the $300,000 held back, while Limited Partner III will receive the remaining $60,000, i.e., 20% of the $300,000 held back.

3. Thus, under this example, the *total* distribution to each Limited Partner is:

Limited Partner I: $2,020,000.

Limited Partner II: $1,970,000.

Limited Partner III: $1,010,000.

G. Subordination Under Bankruptcy Code Section 510

As further set forth below, Section 7.04 of the Plan provides a mechanism pursuant to which the Reorganized Debtors (or their assignee) may seek subordination of a Claim pursuant to Bankruptcy Code section 510. A Claim that is subordinated in accordance with this provision will receive its distribution from the liquidation of the Debtors' Assets at the priority level determined through the order or judgment subordinating such Claim. A Claim subordinated to Interests in accordance with this provision will not receive any distribution.

[9] There will be, in reality, two distributions to holders of interests, although they will likely occur contemporaneously.

H. Plan does not Include Debtor GMS

Debtor GMS has no assets. It's primary liability is its joint and several liability to Athenian that the other Debtors are reinstating under the Plan. The Debtors intend to seek dismissal of that Debtor's case at or near the time of confirmation of this Plan.

I. Provisions for Treatment of Unclassified Claims

1. Administrative Expenses

(a) Administrative Expense Bar Dates; Treatment of Administrative Expense Claims

All Allowed Administrative Expense Claims shall be paid in full in Cash, or as otherwise agreed by the holder of such Allowed Administrative Expense Claim, on the Effective Date. The Bar Date for Holders of Administrative Expense Claims other than those of professionals retained by the Debtors shall be thirty (30) days after the Confirmation Order becomes a Final Order.

Notwithstanding anything herein or in the Plan to the contrary, all Entities seeking awards by the Bankruptcy Court of Professional Fee Claims for compensation for services rendered or reimbursement of expenses incurred prior to the Effective Date will (a) file, on or before the date that is thirty (30) days after the Effective Date their respective applications for final allowances of compensation for services rendered and reimbursement of expenses incurred and (b) be paid in full by the Debtor, in Cash, in such amounts as are Allowed by the Bankruptcy Court, within five (5) Business Days of entry of such order. The Debtor is authorized to pay compensation for services rendered or reimbursement of expenses incurred after the Effective Date in the ordinary course of business and without the need for Bankruptcy Court approval.

(b) Professional Fee Applications; Treatment of Professional Fees

All applications for professional fees for services rendered and reimbursement of expenses in connection with the Case prior to the Effective Date are Administrative Expense Claims and shall be filed with the Bankruptcy Court within sixty (60) days after the Effective Date. Any such application not filed within sixty (60) days after the Effective Date shall be deemed waived and the Holder of such Claim shall be forever barred from receiving payment on account thereof. All retained professionals shall be paid the full amounts awarded by the Court, subject to any caps agreed to in the retention. All such awarded fees shall be paid upon Court award by the Debtors or the Reorganized Debtors from the Assets.

2. U.S. Trustee Fees.

All unpaid U.S. Trustee Fees incurred before the Effective Date shall be timely paid by the Debtor in the ordinary course as such U.S. Trustee Fees become due and payable. All unpaid U.S. Trustee Fees incurred after the Effective Date shall be timely paid from Post-Confirmation Assets by the Debtors or Reorganized Debtors in the ordinary course as such U.S. Trustee Fees become due and payable.

3. **Priority Tax Claims**

As soon as practicable after the Effective Date, the Reorganized Debtors, on a entity by entity basis without any substantive consolidation, shall pay to each Holder of an Allowed Priority Tax Claim from the Post-Confirmation Assets the full amount of such Claims, if any, (i) in Cash on the later of (x) the Effective Date, or as soon thereafter as is reasonably practicable, and (y) the date such claim becomes Allowed, or due and payable in the ordinary course of business; (ii) over a period ending not later than five (5) years after the Petition Date in accordance with section 1129 of the Bankruptcy Code; or (iii) on such other terms and conditions as may be mutually agreed upon between such holder and the applicable Reorganized Debtor.

J. Provisions for Treatment of Classified Claims

1. **Summary**

The categories listed below classify Claims against and Equity Interests in each of the Debtor for all purposes, including voting, confirmation and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(l) of the Bankruptcy Code. A Claim or Equity Interest shall be deemed classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that such Claim or Equity Interest is Allowed in that Class and has not been paid or otherwise satisfied prior to the Effective Date.

Summary of Classification and Treatment of Claims and Equity Interests

Class	Designation	Impaired	Entitled to Vote
Class 1A	Priority Non-Tax Claims Against GMG III	No	No
Class 1B	Athenian Claim Against GMG III	No	No (Deemed to Accept)
Class 1C	General Unsecured Claims Against GMG III	Yes	Yes
Class 1D	Management Company Claims Against GMG III	Yes	Yes
Class 1E	Intercompany Claims Against GMG III	Yes	Yes
Class 1F	Equity Interests in GMG III	No	No (Deemed to Accept)
Class 2A	Priority Non-Tax Claims Against GMG Companion	No	No
Class 2B	Athenian Claim Against GMG Companion	No	No (Deemed to Accept)
Class 2C	General Unsecured Claims Against GMG Companion	Yes	Yes
Class 2D	Management Company Claims Against GMG Companion	Yes	Yes

Class 2E	Intercompany Claims Against GMG Companion	Yes	Yes
Class 2F	Equity Interests in GMG Companion	No	No (Deemed to Accept)
Class 3A	Priority Non-Tax Claims Against GMG LLC	No	No
Class 3B	Athenian Claim Against GMG LLC	No	No (Deemed to Accept)
Class 3C	General Unsecured Claims Against GMG LLC	Yes	Yes
Class 3D	Management Company Claims Against GMG LLC	Yes	Yes
Class 3E	RESERVED	N/A	N/A
Class 3F	Equity Interests in GMG LLC	No	No (Deemed to Accept)

2. **Classification, Treatment and Voting**

(a) **Class 1A (Priority Non Tax Claims Against GMG III)**

Classification: Class 1A Priority Non Tax Claims consists of claims against GMG III entitled to priority under Section 507(a) of the Bankruptcy Code.

Treatment: On the Effective Date, all Allowed Class 1A Claims shall be paid in full in Cash.

Voting: Class 1A is an Unimpaired Class. Therefore, Class 1A claimholders are not entitled to vote to accept or reject the Plan

(b) **Class 1B (Athenian Claim Against GMG III)**

Classification: The Class 1B Athenian Claim consists of the Athenian Claim against GMG III.

Treatment: On the later of (i) the Effective Date or (ii) the date the Class 1B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 1B Athenian GMG III Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124, such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.

No Double Recovery: For the avoidance of doubt, as the Class 1B Athenian Claim arises as a joint and several claim under the Athenian Judgment for the same amounts with the Class 2B and Class 3B Claims, the Holders of each of these claims shall not be entitled to a recovery in excess of amounts owing under the reinstated Athenian Judgment.

Voting: Class 1B is an Unimpaired Class. Therefore, the Holders of the Class 1B Claims are not entitled to vote to accept or reject the Plan.

(c) **Class 1C (General Unsecured Claims Against GMG III)**

Classification: Class 1C consists of all General Unsecured Claims against GMG III.

Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 1C Claim becomes an Allowed Claim, in full and final satisfaction of their Class 1C General Unsecured Claims, Holders of Allowed Class 1C Claims will, receive (i) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (ii) *pro rata*, the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in full inclusive of interest at the federal judgment rate at a priority level senior to Class 1D and 1E Claims and to Class 1F Interests.

Voting: Class 1C is an Impaired Class. Therefore, the Holders of General Unsecured Claims in Class 1C are entitled to vote to accept or reject the Plan.

(d) **Class 1D (Management Company Claims Against GMG III)**

Classification: The Class 1D Management Company Claims consists of the Management Company Claims against GMG III.

Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 1D Claim becomes an Allowed Claim, in full and final satisfaction of its Class 1D Management Company Claims, after payment in full of Allowed Class 1A and 1C Claims of the Allowed Class 1D Management Company Claims will receive *pro rata* the proceeds of any liquidation of GMG III's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate, provided further however, that, against Debtor GMG LLC, to the extent any Priority, Administrative, Class 3A or Class 3C Claim is Allowed, the Management Company shall fund the amount necessary to pay such that to the extent any such Priority, Administrative, Class 3A or Class 3C Claim in full from its recovery on account of its Class 1D and 2D Claims.

Voting: Class 1D is an Impaired Class. Therefore, the Holders of Management Company Claims in Class 1D are entitled to vote to accept or reject the Plan

(e) **Class 1E (Intercompany Claims Against GMG III)**

Classification: The Class 1E Intercompany Claims consists of the Intercompany Claims against GMG III.

Treatment: In full and final satisfaction of its Class 1E Intercompany Claims, after payment in full of Allowed Class 1A, 1C and 1D Claims holders of Intercompany Claims will receive *pro rata* the proceeds of any liquidation of GMG III's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.

Voting: Class 1E is an Impaired Class. However, the Holders of Intercompany Claims in Class 1E will not be entitled to vote to accept or reject the Plan.

(f) **Class 1F (Interests in GMG III)**

Classification: Class 1F consists of Holders of Existing GMG III Interests.

Treatment: On the Effective Date, the Holders of Class 1F Interests will retain their interest in GMG III. Consistent with the foregoing, to the extent a Holder of a Class 1F Interest owes management fees, legal fees, reimbursements or any other amounts in connection with its Class 1F Interest, any distribution to such Holder of a Class 1F Interest shall be offset by any and all such amounts then due and owing from such Holder, plus postpetition interest at the federal judgment rate, which offset amount shall remain with the Debtors' estates for distribution to Holders of Claims.

Voting: Class 1F is an Unimpaired Class. Therefore, the Holders of Interests in Class 1F are not entitled to vote to accept or reject the Plan.

(a) **Class 2A (Priority Non Tax Claims Against GMG Companion).**

Classification: Class 2A Priority Non Tax Claims consists of claims against GMG Companion entitled to priority under Section 507(a) of the Bankruptcy Code.

Treatment: On the Effective Date, all Allowed Class 2A Claims shall be paid in full in Cash.

Voting: Class 2A is an Unimpaired Class. Therefore, Class 2A claimholders are not entitled to vote to accept or reject the Plan

(b) **Class 2B (Athenian Claim Against GMG Companion).**

Classification: The Class 2B Athenian Claim consists of the Athenian Claim against GMG Companion.

Treatment: On the later of (i) the Effective Date or (ii) the date the Class 2B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 2B Athenian GMG Companion Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124, such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.

No Double Recovery: For the avoidance of doubt, as the Class 1B Athenian Claim arises as a joint and several claim under the Athenian Judgment for the same amounts with the Class 1B and Class 3B Claims, the Holders of each of these claims shall not be entitled to a recovery in excess of amounts owing under the reinstated Athenian Judgment.

Voting: Class 2B is an Unimpaired Class. Therefore, the Holders of the Class 2B Claims are not entitled to vote to accept or reject the Plan.

(c) **Class 2C (General Unsecured Claims Against GMG Companion)**

Classification: Class 2C consists of all General Unsecured Claims against GMG Companion.

Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 2C Claim becomes an Allowed Claim, in full and final satisfaction of their Class 2C General Unsecured Claims, Holders of Allowed Class 2C Claims will, receive (i) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (ii) *pro rata*, the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in full inclusive of interest at the federal judgment rate at a priority level senior to Class 2D and 2E Claims and to Class 2F Interests.

Voting: Class 2C is an Impaired Class. Therefore, the Holders of General Unsecured Claims in Class 2C are entitled to vote to accept or reject the Plan.

(d) **Class 2D (Management Company Claims Against GMG Companion)**

Classification: The Class 1D Management Company Claims consists of the Management Company Claims against GMG Companion.

Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 2D Claim becomes an Allowed Claim, in full and final satisfaction of its Class 2D Management Company Claims, after payment in full of Allowed Class 2A and 2C Claims, Holders of the Allowed Class 2D Management Company Claims will receive *pro rata* the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate, provided further however, that, against Debtor GMG LLC, to the extent any Priority, Administrative, Class 3A or Class 3C Claim is Allowed, the Management Company shall fund the amount necessary to pay such that to the extent any such Priority, Administrative, Class 3A or Class 3C Claim in full from its recovery on account of its Class 1D and 2D Claims.

Voting: Class 2D is an Impaired Class. Therefore, the Holders of Management Company Claims in Class 2D are entitled to vote to accept or reject the Plan

(e) **Class 2E (Intercompany Claims Against GMG Companion)**

Classification: The Class 2E Intercompany Claims consists of the Intercompany Claims against GMG Companion.

Treatment: In full and final satisfaction of its Class 2E Intercompany Claims, after payment in full of Allowed Class 2A, 2C and 2D Claims holders of Intercompany Claims will receive *pro rata* the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.

Voting: Class 2E is an Impaired Class. However, the Holders of Intercompany Claims in Class 2E will not be entitled to vote to accept or reject the Plan.

(f) **Class 2F (Interests in GMG Companion).**

Classification: Class 2F consists of Holders of Existing GMG Companion Interests.

Treatment: Consistent with the foregoing, to the extent a Holder of a Class 2F Interest owes management fees, legal fees, reimbursements or any other amounts in connection with its Class 2F Interest, any distribution to such Holder of a Class 2F Interest shall be offset by any and all such amounts then due and owing from such Holder, plus postpetition interest at the federal judgment rate, which offset amount shall remain with the Debtors' estates for distribution to Holders of Claims.

Voting: Class 2F is an Unimpaired Class. Therefore, the Holders of Interests in Class 2F are not entitled to vote to accept or reject the Plan.

3. **Classification, Treatment and Voting**

(a) **Class 3A (Priority Non Tax Claims Against GMG LLC)**

Classification: Class 3A Priority Non Tax Claims consists of claims against GMG LLC entitled to priority under Section 507(a) of the Bankruptcy Code.

Treatment: On the Effective Date, all Allowed Class 3A Claims shall be paid in full in Cash.

Voting: Class 3A is an Unimpaired Class. Therefore, Class 3A claimholders are not entitled to vote to accept or reject the Plan

(b) **Class 3B (Athenian Claim Against GMG LLC)**

Classification: The Class 3B Athenian Claim consists of the Athenian Claim against GMG LLC.

Treatment: On the later of (i) the Effective Date or (ii) the date the Class 3B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 3B Athenian GMG LLC Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124, such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.

No Double Recovery: For the avoidance of doubt, as the Class 3B Athenian Claim arises as a joint and several claim under the Athenian Judgment for the same amounts with the Class 1B and Class 2B Claims, the Holders of each of these claims shall not be entitled to a recovery in excess of amounts owing under the reinstated Athenian Judgment.

Voting: Class 3B is an Unimpaired Class. Therefore, the Holders of the Class 3B Claims are not entitled to vote to accept or reject the Plan.

(c) **Class 3C (General Unsecured Claims Against GMG LLC)**

Classification: Class 3C consists of all General Unsecured Claims against GMG LLC.

Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 3C Claim becomes an Allowed Claim, in full and final satisfaction of their Class 3C General Unsecured Claims, Holders of Allowed Class 3C Claims will, receive (i) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (ii) *pro rata*, the proceeds of any liquidation of GMG LLC's Assets until such time as such claim is paid in full inclusive of interest at the federal judgment rate at a priority level senior to Class 3D and 3E Claims and to Class 3F Interests.

Voting: Class 3C is an Impaired Class. Therefore, the Holders of General Unsecured Claims in Class 3C are entitled to vote to accept or reject the Plan.

(d) **Class 3D (Management Company Claims Against GMG LLC)**

Classification: The Class 1D Management Company Claims consists of the Management Company Claims against GMG III.

Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 3D Claim becomes an Allowed Claim, in full and final satisfaction of its Class 3D Management Company Claims, after payment in full of Allowed Class 3A and 3C Claims Holders of the Allowed Class 3D Management Company Claims will receive *pro rata* the proceeds of any liquidation of GMG LLC's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.

Voting: Class 3D is an Impaired Class. Therefore, the Holders of Management Company Claims in Class 3D are entitled to vote to accept or reject the Plan.

(e) **Class 3E (RESERVED)**

(f) **Class 3F (Interests in GMG LLC)**

Classification: Class 1F consists of Holders of Existing GMG LLC Interests.

Treatment: On the Effective Date, the Holders of Class 3F Interests will retain their interest in GMG LLC.

Voting: Class 3F is an Unimpaired Class. Therefore, the Holders of Interests in Class 3F are not entitled to vote to accept or reject the Plan.

K. Acceptance or Rejection of the Plan

1. Each Impaired Class Entitled to Vote Separately

Each Impaired Class of Claims that is to receive a Distribution under the Plan will be entitled to vote separately to accept or reject the Plan. Except as provided herein, each Person that, as of the Voting Record Date, holds a Claim in an Impaired Class will receive a Ballot that will be used to cast its vote to accept or reject the Plan. In the event of a controversy as to whether any Class of Claims or Interests is Impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, determine such controversy.

2. Acceptance by a Class of Claims

An Impaired Class of Claims shall be deemed to have accepted the Plan if, not counting any Creditor designated pursuant to section 1126(e) of the Bankruptcy Code, (a) Creditors holding at least two-thirds in amount of the Allowed Claims held by Creditors actually voting in such Class have voted to accept the Plan and (b) Creditors holding more than one-half in number of the Allowed Claims held by Creditors actually voting in such Class have voted to accept the Plan.

An Impaired Class of Equity Interests shall be deemed to have accepted the Plan if Holders of such interests, other than any entity designated under Bankruptcy Code section 1126(e), that hold at least two-thirds in amount of the allowed interests of such Class held by Holders of such interests that have accepted or rejected the Plan.

3. Voting Classes; Presumed Acceptance and Rejection of Plan

Holders of Claims in Classes 1C, 1D, 1E, 2C, 2D, 2E, 3C and 3D, are entitled to vote as a Class to accept or reject the Plan. Classes 1A, 1B, 1F, 2A, 2B and 2F are Unimpaired and are deemed to accept the Plan and therefore, not entitled to vote on the Plan.

4. Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code or "Cramdown"

To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Debtors may request confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code. The Debtors reserves the right to alter, amend, modify, revoke or withdraw the Plan or any document in the Plan Supplement, including to amend or modify it to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

ARTICLE VI.

MEANS FOR IMPLEMENTATION OF PLAN

A. Vesting of Assets in Reorganized Debtors for Distribution

On the Effective Date, certain of the Debtors' interests in Lancope will be sold to the Plan Supporter, free and clear of any lien, claim interest or encumbrance as set forth in the Asset

Purchase Agreement, which any such lien, claim, interest or encumbrance to attach to the proceeds of the sale. Subject to any such lien, claim, interest or encumbrance, the proceeds of such sale and the remainder of the Debtors' Assets shall be vested in the Reorganized Debtors for Distribution in accordance with the terms of the Plan. Non-Debtor affiliate GMG IIIA shall also contribute to such Distribution with the proceeds of the sale of certain of its beneficial interests in Lancope to the Plan Supporter.

B. No Cancellation of Interests; Operation and Pro Rata Payment of Costs

Upon the Effective Date, the Debtors' organizational documents shall not be canceled and neither will the Existing Equity Interests. Consistent with the Debtors' organizational documents, books and records and courses of dealing, non-Debtors GMG IIIA and GMG IIIB will each share pro rata with the Debtors (who will share among each other pro rata) in all costs of administration of the Debtors' estates and satisfaction of Claims, with such necessary amounts to be offset for the benefit of the Debtors' estates prior to any distribution on account of such non-Debtor's limited partner's holdings.

C. Creation of Reserve for Expenses and Professional Fees

To the extent necessary to pay the anticipated awards of fees and expenses of the professionals retained by the Debtors in its Cases and to pay the post-Effective Date expenses of the Debtors and the Reorganized Debtors before making the Distributions, the Reorganized Debtors shall create a reserve sufficient to fund all such payments and such reserve shall have a designated line item for the estimated fees and expenses of the professionals retained by the Debtors in the Cases.

D. Creation of Reserve for Athenian Payment Stream

On the Effective Date, the Reorganized Debtors shall create a reserve containing the amount required to cure as of the Effective Date, plus $90,000, which shall be set aside for the purpose of paying the Athenian Claims, including the Athenian Payment Stream. Such reserve will be lowered on a dollar for dollar basis to the extent (i) of payment to Athenian on account of the Athenian Claims or (ii) the Athenian Claims become Allowed Claims in an amount less than what is contained in such reserve.

E. No Substantive Consolidation

Holders of Claims and Interests will solely be entitled to Distributions on account of Assets and proceeds of such Assets for the corresponding Debtor against which such Debtor has a Claim or Interest.

F. Settlement of Disputed Claims Prior to the Effective Date

At any time prior to the Effective Date, notwithstanding anything in the Plan to the contrary, the Debtors may settle some or all Disputed Claims subject to obtaining any necessary Bankruptcy Court approval.

G. Operating Reports

Prior to the Effective Date, the Debtors shall timely file all reports, including without limitation, monthly operating reports, required by the Bankruptcy Court, Bankruptcy Code, Bankruptcy Rules or Office of the United States Trustee. After the Effective Date, the Reorganized Debtors shall timely file all reports, including without limitation, quarterly operating reports, as required by the Bankruptcy Court, Bankruptcy Code, Bankruptcy Rules or Office of the United States Trustee until the Cases are closed.

ARTICLE VII.

BAR DATES, CLAIMS OBJECTIONS AND DISTRIBUTIONS

A. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the Plan, or as ordered by the Bankruptcy Court, Distributions to Creditors shall be made within 30 days of such Claim becoming an Allowed Claim, or, as applicable, to the extent such Distribution is dependent upon the occurrence of a liquidation event of the Debtors' assets, as soon as practicable after such event, subject to the priority scheme set forth in the Plan or as may be subordinated in accordance with Article 7.4 of the Plan.

B. Means of Cash Payment

Cash payments made pursuant to the Plan shall be in U.S. funds, by the means, including by check or wire transfer.

C. Delivery of Distribution

Distributions to holders of Allowed Claims shall be made (a) at the addresses set forth on the Proofs of Claim Filed by such holders (or at the last known addresses of such holders if no Proof of Claim is Filed or if the Debtor has been notified of a change of address); (b) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors; or (c) if no Proof of Claim has been Filed and the Reorganized Debtors have not received a written notice of a change of address, at the addresses reflected in the Bankruptcy Schedules, if any.

D. Objection Deadline; Prosecution of Objections; Subordination of Claim under Section 510 of the Bankruptcy Code

1. On or prior to the Claims Objection Deadline, the Reorganized Debtors shall file objections to Claims and serve such objections upon the holders of each of the Claims to which objections are made. The Reorganized Debtors shall be authorized to resolve all Disputed Claims by withdrawing or settling such objections thereto, or by litigating to judgment in the Bankruptcy Court or such other court having competent jurisdiction the validity, nature, and/or amount thereof. If the Reorganized Debtors and the holder of a Disputed Claim agree to compromise, settle, and/or resolve a Disputed Claim by granting such holder an Allowed Claim in the amount of $10,000 or less, then the Reorganized Debtors may compromise, settle, and/or resolve such

Disputed Claim without further Bankruptcy Court approval. Otherwise, the Reorganized Debtors may only compromise, settle, and/or resolve such Disputed Claim with Bankruptcy Court approval. Any objections to Claims shall be filed, in each instance, by the Claims Objection Deadline. The filing of a motion to extend the Claims Objection Deadline shall automatically extend such deadline until a Final Order is entered on such motion. In the event that such a motion to extend the Claims Objection Deadline is denied by the Bankruptcy Court, or approved by the Bankruptcy Court and reversed on appeal, such Claims Objection Deadline shall be the later of the current deadline (as previously extended, as applicable) or 30 days after entry of a Final Order denying the motion to extend the objection deadline.

2. Subject to the time limitations set forth in Section 7.4(i) of the Plan and the obligations set forth in Section 7.4(iv) of the Plan, and without limitation to the Reorganized Debtors' rights set forth in Section 7.4(i) of the Plan, Holders of Class 1F and 2F Interests shall have standing to object to Claims against the specific Debtor entity in which such Holder has an interest. Such Holders may only compromise, settle, and/or resolve such Disputed Claim with Bankruptcy Court approval, regardless of any dollar amount. Holders of such Class 1F and 2F interests may not object to any Claims in which objections made by the Reorganized Debtors are pending, but at all times have standing to be heard on such objections.

3. Notwithstanding anything to the contrary in the Plan, within 30 days after any Claim becomes an Allowed Claim, the Reorganized Debtors shall have authority to file an adversary proceeding to subordinate any such Claim pursuant to section 510 of the Bankruptcy Code. The filing of such adversary proceeding shall toll the timing of the distribution on account of such Claim until the adversary proceeding is resolved by Final Order. Subject to notice and a hearing, the Reorganized Debtors shall have the right, but not the obligation, to assign to any party in interest a right to bring an adversary proceeding to subordinate any Claim under this subsection, provided further however, that upon a motion (a "STN Motion") and a showing that a party in interest has met each and every standing requirement under applicable law to bring an adversary proceeding for subordination, such party in interest shall at that point have the entitlements to bring such claim to the extent forth in the order approving the STN Motion.

4. To the extent any party, other than the Debtors or the Reorganized Debtors, either: (i) objects to any Athenian Claim or (ii) seeks to subordinate any Athenian Claim, (each an "Athenian Action") such party shall (a) bear its own costs in connection with such Athenian Action; and (b) reimburse the Estates for any and all costs such Athenian Action may have on increasing the dollar amount necessary for the Estates to reinstate the Athenian Claims.

E. <u>No Distributions Pending Allowance</u>

Notwithstanding any other provision of the Plan, no payments or Distribution by the Reorganized Debtors shall be made with respect to all or any portion of a Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order, and the Disputed Claim, or some portion thereof, has become an Allowed Claim.

F. Withholding and Reporting Requirements

In connection with the Plan and all Distributions thereunder, the Reorganized Debtors shall, to the extent applicable, comply with all tax withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all Distributions hereunder shall be subject to any such withholding and reporting requirements. The Reorganized Debtor shall be authorized to take any and all actions that may be reasonably necessary or appropriate to comply with such withholding and reporting requirements.

G. Setoffs

The Reorganized Debtors may, but shall not be required to, setoff against any Claim, and the payments or other Distributions to be made pursuant to the Plan in respect of such Claim, claims of any nature whatsoever that the Debtors or the Reorganized Debtors, respectively, may have against the holder of such Claim; provided, however, neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any such Claim that the Reorganized Debtors may have against such holder, unless otherwise agreed to in writing by such holder and the Reorganized Debtors, as applicable.

ARTICLE VIII.

EXECUTORY CONTRACTS AND UNEXPIRED LEASES DEEMED REJECTED

All of the Debtors' executory contracts and unexpired leases shall be deemed rejected on the Effective Date except to the extent (a) the Debtors previously has assumed or rejected an executory contract or unexpired lease, or (b) prior to the Effective Date, the Debtors have Filed or do File a motion to assume an executory contract or unexpired lease on which the Bankruptcy Court has not ruled. Counterparties to any executory contracts and unexpired leases shall have until thirty (30) days following the Effective Date to file proofs of claim for rejection damages or be forever barred from seeking such damages from the Debtors, their estates or the Reorganized Debtors.

ARTICLE IX.

EFFECTS OF CONFIRMATION

The Plan provides that Confirmation shall have the following effects:

A. Discharge

Except as otherwise set forth in the Plan or the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan are in exchange for and in complete satisfaction, discharge, and release of, all Claims including any interest accrued on any Claims from the Petition Date. Confirmation shall discharge the Debtors and the from all Claims or other debts that arose before the Confirmation Date, and all debts of a kind specified in Bankruptcy Code §§ 502(g), (h), or (i), whether or not (i) a Proof of Claim based on such debt is Filed or deemed Filed under Bankruptcy Code § 501; (ii) a Claim based on such debt is Allowed;

or (iii) the holder of a Claim based on such debt has accepted the Plan. The Debtors' discharge shall be governed by Section 1141 of the Bankruptcy Code.

B. Injunction

Except as otherwise expressly provided in the Plan or in the Confirmation Order, all Persons or entities who have held, hold or may hold Claims against or Interests in the Debtors, and all other parties in interest, along with their respective present and former employees, agents, officers, directors, principals and affiliates, are permanently enjoined, from and after the Effective Date, from (a) commencing or continuing in any manner any action or other proceeding of any kind on any such Claim or Interest against the Debtors, (b) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or other against the Debtors, (c) creating, perfecting or enforcing any encumbrance of any kind against the Debtors, or against the property or interests in property of the Debtors, (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due to the Debtors or against the property or interests in property of the Debtors with respect to such Claim or Interest or (e) pursuing any claim released pursuant to this Article IX of the Plan. Such injunction shall extend to any successors of the Debtors and their respective properties and interests in properties.

C. Exculpation and Limitation of Liability

Pursuant to and to the extent permitted by section 1125(e) of the Code, and notwithstanding any other provision of the Plan, no holder of a Claim Interest or Lien shall have any right of action against the Debtors, the Debtors' Assets, or any of their respective managers, officers, directors, agents, attorneys, investment bankers, financial advisors, other professionals, or any of their respective property and assets for any act or omission in connection with, relating to or arising out of the pursuit of confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for acts or omissions which constitute willful misconduct or gross negligence.

D. Releases

(A) EACH CREDITOR WHO VOTES TO ACCEPT THE PLAN AND DID NOT MARK THEIR BALLOT TO INDICATE THEIR REFUSAL TO GRANT THE RELEASE PROVIDED FOR IN THIS PARAGRAPH FOR ITSELF AND EACH OF ITS RESPECTIVE TRUSTEES, AFFILIATES, PREDECESSORS, SUCCESSORS, ASSIGNS, EMPLOYEES, AGENTS, ATTORNEYS, LEGAL REPRESENTATIVES, PROFESSIONALS, PARENTS, SUBSIDIARIES, EQUITY HOLDERS, MEMBERS, OFFICERS, DIRECTORS, MANAGERS AND ANY OTHER PERSON ACTING FOR OR ON BEHALF OF IT (COLLECTIVELY, THE "RELEASING PARTIES"), RELEASES, ACQUITS AND FOREVER DISCHARGES EACH OF THE DEBTORS AND EACH OF THEIR RESPECTIVE PREDECESSORS, SUCCESSORS, ASSIGNS, EMPLOYEES, AGENTS, ATTORNEYS, LEGAL REPRESENTATIVES, PROFESSIONALS, AND ANY OTHER PERSON ACTING FOR OR ON BEHALF OF THEM (COLLECTIVELY, THE "RELEASED PARTIES") OF AND FROM ANY AND ALL CLAIMS, LIABILITIES, DEMANDS, DAMAGES, ACTIONS, CAUSES OF ACTION, RIGHTS, COSTS, LOSSES, EXPENSES, ADVERSE

CONSEQUENCES, DEBTS, DEFICIENCIES, DIMINUTION IN VALUE, LIENS, AMOUNTS PAID IN SETTLEMENT, DISBURSEMENTS, COMPENSATION AND SUITS AT LAW OR IN EQUITY, OF WHATSOEVER KIND OR NATURE, IN EACH CASE, THAT ANY OF THE RELEASING PARTIES EVER HAD, NOW HAS OR HEREAFTER CAN, SHALL OR MAY HAVE BECAUSE OF ANYTHING HERETOFORE DONE, OMITTED, SUFFERED, OR ALLOWED TO BE DONE BY ANY OF THE RELEASED PARTIES, WHETHER FORESEEN OR UNFORESEEN, FIXED OR CONTINGENT, DIRECT, INDIRECT OR DERIVATIVE, ASSERTED OR UNASSERTED, MATURED OR UNMATURED, LIQUIDATED OR UNLIQUIDATED, SUSPECTED OR UNSUSPECTED, OR WHETHER KNOWN OR UNKNOWN, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR BREACH OF CONTRACT OR ANY INTERFERENCE WITH CONTRACT, AND ANY DAMAGES AND THE CONSEQUENCES THEREOF RESULTING FOR ANY REASON WHATSOEVER, IN EACH CASE TO THE EXTENT ARISING PRIOR TO THE EFFECTIVE DATE IN CONNECTION WITH THE PLAN, OR THE CHAPTER 11 CASES (ALL OF THE FOREGOING, COLLECTIVELY, THE "RELEASED MATTERS").

(B) THE RELEASED PARTIES RELEASES, ACQUITS AND FOREVER DISCHARGES EACH OF THE RELEASED PARTIES OF AND FROM ANY AND ALL CLAIMS, LIABILITIES, DEMANDS, DAMAGES, ACTIONS, CAUSES OF ACTION, RIGHTS, COSTS, LOSSES, EXPENSES, ADVERSE CONSEQUENCES, DEBTS, DEFICIENCIES, DIMINUTION IN VALUE, LIENS, AMOUNTS PAID IN SETTLEMENT, DISBURSEMENTS, COMPENSATION AND SUITS AT LAW OR IN EQUITY, OF WHATSOEVER KIND OR NATURE, IN EACH CASE, THAT ANY OF THE RELEASED PARTIES EVER HAD, NOW HAS OR HEREAFTER CAN, SHALL OR MAY HAVE BECAUSE OF ANYTHING HERETOFORE DONE, OMITTED, SUFFERED, OR ALLOWED TO BE DONE BY ANY OF THE COMPANY RELEASED PARTIES, WHETHER FORESEEN OR UNFORESEEN, FIXED OR CONTINGENT, DIRECT, INDIRECT OR DERIVATIVE, ASSERTED OR UNASSERTED, MATURED OR UNMATURED, LIQUIDATED OR UNLIQUIDATED, SUSPECTED OR UNSUSPECTED, OR WHETHER KNOWN OR UNKNOWN, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR BREACH OF CONTRACT OR ANY INTERFERENCE WITH CONTRACT, AND ANY DAMAGES AND THE CONSEQUENCES THEREOF RESULTING FOR ANY REASON WHATSOEVER, IN EACH CASE TO THE EXTENT ARISING PRIOR TO THE EFFECTIVE DATE IN CONNECTION WITH THE OPERATIONS AND MANAGEMENT OF THE DEBTORS.

(C) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE PLAN: (I) EXCEPT TO THE EXTENT PERMISSIBLE UNDER APPLICABLE LAW, AS SUCH LAW MAY BE EXTENDED OR INTERPRETED SUBSEQUENT TO THE EFFECTIVE DATE, THE RELEASES PROVIDED FOR IN THE PLAN SHALL NOT RELEASE THE RELEASED PARTIES FROM ANY LIABILITY ARISING UNDER ANY CRIMINAL LAWS OF THE UNITED STATES OR ANY STATE, CITY OR MUNICIPALITY; (II) THE RELEASES SHALL NOT RELEASE CLAIMS AGAINST ANY RELEASED PARTY ARISING FROM OR RELATING TO SUCH RELEASED PARTY'S FRAUD, GROSS NEGLIGENCE, BREACH OF FIDUCIARY DUTY OR WILLFUL MISCONDUCT, EACH AS DETERMINED BY A FINAL ORDER OF THE BANKRUPTCY COURT; AND (III) THE RELEASES SHALL NOT LIMIT THE LIABILITY OF ANY

COUNSEL TO THEIR RESPECTIVE CLIENTS CONTRARY TO RULE 1.8(H)(1) OF THE NEW YORK RULES OF PROFESSIONAL CONDUCT.

E. Legal Binding Effect

The provisions of the Plan shall bind all holders of Claims and Interests and their respective successors and assigns, whether or not they accept the Plan.

F. Insurance

Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtor in which the Debtor is or was an insured party. Each insurance company is prohibited from, and the Confirmation Order shall include an injunction against, denying, refusing, altering or delaying coverage on any basis regarding or related to the Case, the Plan or any provision within the Plan, including any treatment or means of liquidation set out within the Plan for insured Claims.

ARTICLE X.
CAUSES OF ACTION

As of and subject to the occurrence of the Effective Date, the Reorganized Debtors, for and on its behalf and on behalf of the Debtors and their estates, will have the discretion to prosecute Causes of Action. Any proceeds from recovery of Causes of Action, after the payment of all reasonable attorneys' fees and costs incurred in connection with such recovery(s), shall be vested in the Reorganized Debtors.

Any professional fees and expenses in connection with the prosecution of any of the Avoidance Actions shall be paid solely from the proceeds of such recoveries, and the Reorganized Debtors and the Debtors' estates shall not be responsible for any such fees and expenses.

ARTICLE XI.

RETENTION OF JURISDICTION

Pursuant to Bankruptcy Code §§ 105(a) and 1142, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Cases and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim, including the resolution of any application or request for payment of any Administrative Claim, and the resolution of any objections to the allowance or priority of Claims;

2. hear and determine any and all adversary proceedings, motions, applications, and contested or litigated matters, including, but not limited to, all causes of action, and consider and act upon the compromise and settlement of any Claim, or cause of action;

3. enter such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection therewith;

4. hear and determine disputes arising in connection with the interpretation, implementation, consummation, or enforcement of the Plan;

5. consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

6. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person with the implementation, consummation, or enforcement of the Plan or the Confirmation Order;

7. hear and determine any matters arising in connection with or relating to the Plan, the Disclosure Statement, and the Confirmation Order;

8. enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Case;

9. hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code §§ 346, 505 and 1146;

10. hear and determine all matters related to the Post-Confirmation Assets, the Debtors, and the Reorganized Debtors from and after the Effective Date, including but not limited to all matters concerning the exemptions granted in accordance with Bankruptcy Code § 1145;

11. hear and determine such other matters as may be provided in the Confirmation Order and as may be authorized under the provisions of the Bankruptcy Code; and

12. enter a final decree closing the Cases.

ARTICLE XII.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF CONFIRMATION

Confirmation may have federal income tax consequences for the Debtors and Holders of Claims and Interests. The Debtors have not obtained and does not intend to request a ruling from the Internal Revenue Service (the "IRS"), nor have the Debtors obtained an opinion of counsel with respect to any tax matters. Any federal income tax matters raised by confirmation of the

Plan are governed by the Internal Revenue Code and the regulations promulgated thereunder. Creditors and Holders of Interests are urged to consult their own counsel and tax advisors as to the consequences to them, under federal and applicable state, local and foreign tax laws, of the Plan. The following is intended to be a summary only and not a substitute for careful tax planning with a tax professional. The federal, state and local tax consequences of the Plan may be complex in some circumstances and, in some cases, uncertain. Accordingly, each Holder of a Claim or Interest is strongly urged to consult with his or her own tax advisor regarding the federal, state and local tax consequences of the Plan, including but not limited to the receipt of cash under the Plan.

A. Tax Consequences to the Debtors

The Debtors may not recognize income as a result of the discharge of debt pursuant to the Plan because Section 108 of the Internal Revenue Code provides that taxpayers in bankruptcy proceedings do not recognize income from discharge of indebtedness. However, a taxpayer is required to reduce its "tax attributes" by the amount of the debt discharged. Tax attributes are reduced in the following order: (i) net operating losses; (ii) general business credits; (iii) capital loss carryovers; (iv) basis in assets; (v) passive activity loss and credit carryovers; and (vi) foreign tax credit carryovers.

B. Tax Consequences to Unsecured Creditors

An unsecured Creditor that receives Cash in satisfaction of its Claim may recognize gain or loss, with respect to the principal amount of its Claim, equal to the difference between (i) the Creditor's basis in the Claim (other than the portion of the Claim, if any, attributable to accrued interest), and (ii) the balance of the Cash received after any allocation to accrued interest. The character of the gain or loss as capital gain or loss, or ordinary income or loss, will generally be determined by whether the Claim is a capital asset in the Creditor's hands. A Creditor may also recognize income or loss in respect of consideration received for accrued interest on the Claim. The income or loss will generally be ordinary, regardless of whether the Creditor's Claim is a capital asset in its hands.

ARTICLE XIII.

SUMMARY OF VOTING PROCEDURES

The Disclosure Statement, including all Exhibits hereto and the related materials included herewith, is being furnished to the Holders of Claims in Classes 1C, 1D, 1E, 2C, 2D, 2E, 3C and 3D, which are the only Classes entitled to vote on the Plan.

All votes to accept or reject the Plan must be cast by using the ballot (the “Ballot”) enclosed with the Disclosure Statement. No other votes will be counted. Consistent with the provisions of Bankruptcy Rule 3018, the Debtors have fixed November 13, 2014 at 4:00 p.m. (prevailing Eastern Time) as the Voting Record Date. Ballots must be RECEIVED by the Debtors’ counsel Olshan Frome Wolosky LLP at the address set forth below (or as otherwise directed) no later than 5:00 p.m. (prevailing Eastern Time) on January [ ], 2015, unless the Debtors, at any time, in their sole discretion, extends such date by oral or written notice, in which

event the period during which Ballots will be accepted will terminate at 4:00 p.m. (prevailing Eastern Time) on such extended date.

If the Ballot is damaged or lost, you may contact the Debtors' counsel at the number set forth below.

Ballots received by facsimile, telecopy or other means of electronic transmission will not be accepted.

Ballots previously delivered may be withdrawn or revoked at any time prior to the Voting Deadline by the beneficial owner on the Voting Record Date who completed the original Ballot. Only the person or nominee who submits a Ballot can withdraw or revoke that Ballot. A Ballot may be revoked or withdrawn either by submitting a superseding Ballot or by providing written notice to the Debtors' counsel.

If you have any questions concerning voting procedures, you may contact:

OLSHAN FROME WOLOSKY LLP
Attention: Jonathan T. Koevary, Esq.
65 E. 55th Street
New York, New York 10022
Tel. (212) 451-2300

ARTICLE XIV.

CERTAIN FACTORS TO BE CONSIDERED REGARDING THE PLAN

Holders of Claims and Interests against the Debtors should read and consider carefully the factors set forth below, as well as the other information set forth in the Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference), prior to voting to accept or reject the Plan. These risk factors should not, however, be regarded as constituting the only risks involved in connection with the Plan and its implementation.

A. Certain Bankruptcy Considerations

1. General.

Although the Plan is designed to minimize the length of time remaining in the Chapter 11 Case, it is impossible to predict with certainty the amount of time that the Debtors may spend in bankruptcy or to assure parties-in-interest that the Plan will be confirmed.

If the Debtors are unable to obtain confirmation of the Plan on a timely basis because of a challenge to confirmation of the Plan or a failure to satisfy the conditions to consummation of the Plan, the Debtors may be forced to continue the cases for an extended period while the Debtors try to develop a different reorganization plan that can be confirmed. That would increase both the probability and the magnitude of the potentially adverse effects described herein.

2. **Failure to Receive Requisite Acceptances.**

Classes 1C, 1D, 1E, 2C, 2D, 2E, 3C and 3D are the only Classes that are entitled to vote to accept or reject the Plan. If the requisite acceptances are not received, the Debtors will not be able to seek confirmation of the Plan under section 1129(b) of the Bankruptcy Code, because at least one Impaired Class will not have voted in favor of the Plan as required by section 1129(a)(10) of the Bankruptcy Code. Further, if the requisite acceptances are not received, the Debtors may seek to accomplish an alternative restructuring of their capitalization and obligations to creditors and obtain acceptances to an alternative plan of reorganization for the Debtors, or otherwise, the Debtors may be required to liquidate its Estate under chapter 7 or 11 of the Bankruptcy Code. There can be no assurance that the terms of any such alternative restructuring arrangement or plan would be similar to or as favorable to the Debtors' Creditors and Interest Holders as those proposed in the Plan.

3. **Failure to Confirm the Plan.**

Even if the requisite acceptances are received, the Bankruptcy Court, which, as a court of equity may exercise substantial discretion, may decide not to confirm the Plan. Section 1129 of the Bankruptcy Code requires, among other things, a showing that confirmation of the Plan will not be followed by liquidation or the need for further financial reorganization of the Debtors, and that the value of distributions to dissenting Holders of Claims and Interests may not be less than the value such Holders would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. Although the Debtors believe that the Plan meets such test, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

Additionally, the contemplated solicitation must comply with the requirements of section 1125 of the Bankruptcy Code and the applicable Bankruptcy Rules with respect to the length of the solicitation period and the adequacy of the information contained in the Disclosure Statement.

4. **Failure to Consummate the Plan.**

As of the date of the Disclosure Statement, there can be no assurance that conditions to consummation will be satisfied or waived. Accordingly, even if the Plan is confirmed by the Bankruptcy Court, there can be no assurance that the Plan will be consummated and the restructuring completed.

5. **Objections to Classification of Claims.**

Section 1122 of the Bankruptcy Code provides that a plan of reorganization may place a claim or an interest in a particular class only if such claim or interest is substantially similar to the other claims or interests in such class. The Debtors believe that the classification of Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code. However, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

ARTICLE XV.

MISCELLANEOUS PROVISIONS

A. Non-Consummation

If Confirmation or Effective Date does not occur, then (a) the Plan shall be null and void in all respects, (b) settlements or compromises embodied in the Plan, assumptions or rejections of executory contracts or unexpired leases affected by the Plan, and any documents or agreements executed pursuant to the Plan, shall be deemed null and void, and (c) nothing contained in the Plan or the Disclosure Statement shall (i) constitute a waiver or release of any Claims by or against, or any Interests in, the Debtor or any other Person, (ii) prejudice in any manner the rights of the Debtor or any other Person, or (iii) constitute an admission of any sort by the Debtor or any other Person.

B. Severability of Plan Provisions

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

C. Exemption from Transfer Taxes

In accordance with Bankruptcy Code § 1146(a), the Bankruptcy Court will be requested to make findings, in the Confirmation Order, that neither (i) the issuance, transfer or exchange of security under the Plan or the making or delivery of an instrument of transfer nor (ii) the transfers of the Debtor's assets shall be taxed under any law imposing stamp or similar tax. Consistent with the foregoing, each recorder of deeds or similar official for any county, city or governmental unit in which any instrument hereunder is to be recorded shall, pursuant to the Confirmation Order, be ordered and directed to accept such instrument, without requiring the payment of any stamp or similar tax.

D. Allocation of Plan Distributions between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under the Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall, for federal income tax purposes, be allocated to the principal amount of the Claim first, and then, to the extent the consideration exceeds the principal amount of the Claim, to accrued but unpaid interest.

E. Rules of Interpretation; Computation of Time

For purposes of the Plan, (a) any reference in the Plan to a contract, instrument, release, indenture, or other agreement or document as being in a particular form or containing particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions, (b) any reference in the Plan to an existing document or exhibit filed or to be filed means such document or exhibit as it may have been or may be amended, modified, or supplemented, (c) unless otherwise specified, all references in the Plan to Sections, Articles, and Exhibits, if any, are references to Sections, Articles, and Exhibits of or to the Plan, (d) the words "herein" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan, (e) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan, and (f) the rules of construction set forth in Bankruptcy Code § 102 and in the Bankruptcy Rules shall apply. In computing any period of time prescribed or allowed by the Plan, unless otherwise specifically designated herein, the provisions of Bankruptcy Rule 9006(a) shall apply.

F. Successors and Assigns

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

G. Governing Law

Unless a rule of law or procedure is supplied by federal law, including the Bankruptcy Code and Bankruptcy Rules, (a) the construction and implementation of the Plan and any agreements, documents, and instruments executed in connection with the Plan, and (b) governance matters shall be governed by the laws of the State of Delaware, without giving effect to the principles of conflict of law thereof.

H. Entire Agreement

The Plan sets forth the entire agreement and understanding among the parties in interest relating to the subject matter hereof and supersedes all prior discussions and documents.

I. Modification of the Plan

The Debtors may alter, amend, or modify the Plan, any Plan Documents under Bankruptcy Code § 1127(a) at any time prior to the Confirmation Date. After the Confirmation Date and prior to Effective Date of the Plan, the Plan Proponent may, under Bankruptcy Code § 1127(b), institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of the Plan so long as such proceedings do not materially or adversely affect the treatment of holders of Claims or Interests under the Plan; provided, however, prior notice of such proceedings shall be served in accordance with the Bankruptcy Rules or Order of the Bankruptcy Court.

ARTICLE XVI.
ALTERNATIVES TO CONFIRMATION UNDER THE PLAN

If the Plan is not consummated, the Debtors' capital structure will remain over-leveraged and the Debtors will remain unable to service their debt obligations. Accordingly, if the Plan is not confirmed and consummated, the alternatives include:

A. Liquidation Under the Bankruptcy Code

The Debtors could be liquidated under chapter 7 of the Bankruptcy Code. The Debtors believe that liquidation would result in lower aggregate distributions being made to Creditors than those provided for in the Plan. A liquidation analysis comparing the Plan with a chapter 7 liquidation is attached hereto as Exhibit "B"

B. Alternative Plan(s) of Reorganization

The Debtors believe that failure to confirm the Plan will lead inevitably to an expensive and protracted Chapter 11 Cases. In formulating and developing the Plan, the Debtors have explored numerous other alternatives.

The Debtors believe that not only does the Plan fairly adjust the rights of various Classes of Claims and Interests, but also that the Plan provides superior recoveries to each of the Classes over any alternative capable of rational consideration (such as a chapter 7 liquidation), thus enabling many stakeholders to maximize their returns. Rejection of the Plan in favor of some alternative method of reconciling the Claims and Interests will require, at the very least, an extensive and time consuming process (including the possibility of protracted and costly litigation) and will not result in a better recovery for any Class of Claims or Interests.

THE DEBTORS BELIEVE THAT CONFIRMATION OF THE PLAN IS PREFERABLE TO ANY ALTERNATIVE BECAUSE THE PLAN MAXIMIZES THE AMOUNT OF DISTRIBUTIONS TO ALL HOLDERS OF CLAIMS AND INTERESTS AND ANY ALTERNATIVE TO CONFIRMATION OF THE PLAN WILL RESULT IN SUBSTANTIAL DELAYS IN THE DISTRIBUTION OF ANY RECOVERIES. **THEREFORE, IT IS RECOMMENDED THAT ALL HOLDERS OF IMPAIRED CLAIMS ENTITLED TO VOTE ON THE PLAN VOTE TO ACCEPT THE PLAN.**

C. Dismissal of the Debtors' Chapter 11 Cases

Dismissal of the Debtor's Chapter 11 Cases would have the effect of restoring (or attempting to restore) all parties to the status quo ante. Upon dismissal of the Debtors' Chapter 11 Cases, the Debtors would lose the protection of the Bankruptcy Code, thereby requiring, at the very least, an extensive and time consuming process of negotiation with the creditors of the Debtor, and possibly resulting in costly and protracted litigation in various jurisdictions. The Debtors believe that these actions would seriously undermine its ability to obtain financing and could lead ultimately to the liquidation of the Debtors under chapter 7 of the Bankruptcy Code. Therefore, the Debtors believe that dismissal of the Debtors' Chapter 11 Cases is not a viable alternative to the Plan.

ARTICLE XVII.

CONCLUSION

DEBTORS' RECOMMENDATION

The Debtors believe that confirmation and implementation of the Plan is preferable because it will provide the greatest recovery to Holders of Claims and Interests. Other alternatives could involve significant delay, uncertainty and substantial administrative costs and are likely to reduce any return to Creditors who hold Claims and Interests. All Holders of Impaired Claims in Classes 1C, 1D, 1E, 2C, 2D, 2E, 3C and 3D are urged to vote to accept the Plan and to evidence such acceptance by returning their Ballots in accordance with the procedures set forth herein so that they will be received not later than 5:00 p.m. (prevailing Eastern Time) on January [ ], 2015.

Dated: New York New York
December 5, 2014

Respectfully submitted,

GMG Capital Partners III, L.P.

By: s/ Joachim Gfoeller, Jr.
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

GMG Capital Partners III Companion Fund, L.P.

By: s/ Joachim Gfoeller, Jr.
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

GMG Capital Investments, LLC

By: s/ Joachim Gfoeller, Jr.
Name: Joachim Gfoeller, Jr.
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Counsel for the Debtor and Debtors in Possession

EXHIBIT A

Proposed Plan

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Chapter 11
GMG CAPITAL PARTNERS III, L.P.,[1]	Case No. 13-12937 (SMB) Jointly Administered
Debtors.	

FIRST AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION

OLSHAN FROME WOLOSKY LLP
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65 East 55th Street
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212.451.2300

Counsel to the Debtors and Debtors in Possession

Dated: December 5, 2014

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if applicable, are: (i) GMG Capital Partners III, L.P. (9146); (ii) GMG Capital Partners III Companion Fund, L.P. (0603); GMG Capital Investments, LLC (9144); and (iv) GMS Capital Partners II, L.P. (8938).

The Debtors hereby propose this First Amended Joint Chapter 11 Plan of Reorganization.

ARTICLE I
CERTAIN DEFINITIONS

Unless otherwise provided in the Plan, all capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Bankruptcy Code. For the purposes of the Plan, the following terms (which are capitalized in the Plan) shall have the meanings set forth below.

"**Administrative Expense Claim**" means a Claim for costs and expenses of administration of the Chapter 11 cases allowed under §§ 503(b), 507(b) or, if applicable, 1114(e)(2) of the Bankruptcy Code, including: (a) any actual and necessary costs and expenses incurred after the Petition Date of preserving the Debtors' Estates and operating the businesses of the Debtors (such as wages, salaries, commissions for services and payments for inventories, leased equipment and premises) and Claims of governmental units for taxes (including Claims related to taxes which accrued after the Petition Date, but excluding Claims related to taxes which accrued on or before the Petition Date); (b) compensation for legal, financial, advisory, accounting and other services and reimbursement of expenses allowed by the Bankruptcy Court under §§ 330, 331 or 503(b) of the Bankruptcy Code to the extent incurred prior to the Effective Date; and (c) all fees and charges assessed against the Debtors' Estates under § 1930, chapter 123 of title 287 of the United States Code.

"**Allowed Claim**" means a Claim (a) as to which no objection or request for estimation has been filed on or before the Claims Objection Deadline or the expiration of such other applicable period fixed by the Bankruptcy Court; or (b) as to which any objection has been settled, waived, withdrawn or denied by a Final Order; or (c) that is Allowed (i) by a Final Order; (ii) by an agreement between the Holder of such Claim and the Debtor; or (iii) pursuant to the terms of the Plan. For purposes of computing distributions under the Plan, the term "Allowed Claim" shall not include interest on such Claim from and after the Petition Date, except as provided in Bankruptcy Code § 506(b) or as otherwise expressly set forth in the Plan.

"Assets" means collectively, the GMG III Assets, the GMG Companion Assets and the GMG LLC Assets.

"Asset Purchase Agreement" means the agreement that is a Plan Supplement, that provides for the sale of certain of the Debtors' interest in Lancope to the Plan Supporter, free and clear of all liens, claims interests and encumbrances.

"Athenian" means, collectively, Athenian Venture Partners I, L.P and Athenian Venture Partners II., L.P.

"Athenian Accrued Amount" means amounts arising under the Athenian Judgment which shall be due and payable under the terms of the Athenian Judgment as of the date the Athenian Claims become Allowed Claims.

"**Athenian Claims"** means the unsecured Claims of Athenian arising from the Athenian Judgment, which are each identical claims against each of the Debtors on a joint and several liability basis.

"Athenian Judgment" means the judgment dated on or about June 21, 2013 by the Superior Court of Delaware in the case captioned *Athenian Venture Partners I, L.P. v. GMG Capital Investments, LLC*, C.A. No. 08C-04-084 DCS in favor of Athenian against each of the Debtors on a joint and several basis, which provides for payment of (a) the Athenian Accrued Amount and (b) the Athenian Payment Stream.

"Athenian Payment Stream" means amounts arising under the Athenian Judgment which will not by their terms under the Athenian Judgment be due and payable as of the date such Athenian Claims become Allowed Claims. For the avoidance of doubt, this amount consists of each $15,000 "Mandatory Monthly Payment" due under the Athenian Judgment that becomes due subsequent to the date after which the Athenian Claims become Allowed Claims.

"**Avoidance Actions**" mean any cause of action assertable under Sections 510, 542, 543, 544, 545, 547, 548, 549, 550 or 553 of the Bankruptcy Code or state law if made applicable under such Bankruptcy Code sections.

"**Bankruptcy Code" or the "Code**" means title 11 of the United States Code, 11 U.S.C. §§101 et seq., as now in effect or hereafter amended.

"**Bankruptcy Court**" means the United States Bankruptcy Court for the Southern District of New York or any court having competent jurisdiction to enter the Confirmation Order.

"**Bankruptcy Rules**" means the Federal Rules of Bankruptcy Procedure, the Official Bankruptcy Forms, the Federal Rules of Civil Procedure, the Local Rules of the United States District Court for the Southern District of New York, and the Local Rules of the Bankruptcy Court, as applicable to the Cases or proceedings therein, as the case may be.

"**Bankruptcy Schedules**" means the schedules of assets and liabilities, lists of executory contracts and unexpired leases, statements of financial affairs, and related information filed by the applicable Debtor pursuant to Bankruptcy Rule 1007, as same may be amended or supplemented from time to time.

"**Business Day**" means any day, excluding Saturdays, Sundays or "legal holidays" (as referenced in Bankruptcy Rule 9006(a)), on which commercial banks are open for business in New York, New York.

"**Cases**" means the Chapter 11 cases of the Debtors, jointly administered under Case No. 13-12937 (SMB) in the Bankruptcy Court.

"**Cash**" means legal tender of the United States of America and equivalents thereof.

"Causes of Action" means any claim or cause of action belonging to the Debtor, including but not limited to Avoidance Actions.

"**Claim**" means a claim against the Debtor as defined in Bankruptcy Code § 101(5).

"**Claims Objection Deadline**" shall mean that date which is 120 days after the Effective Date or as otherwise extended by the Bankruptcy Court in accordance with Section 7.04 hereto.

"**Class**" means all of the Holders of Claims or Interests having characteristics substantially similar to the other Claims or Interests and which have been designated as a class in the Plan.

"**Confirmation**" means the entry of the Confirmation Order on the Bankruptcy Court's docket.

"**Confirmation Date**" means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

"**Confirmation Hearing**" means the hearing or hearings before the Bankruptcy Court at which the Bankruptcy Court will consider the Confirmation of the Plan pursuant to Bankruptcy Code § 1128.

"**Confirmation Order**" means the order of the Bankruptcy Court, in form and substance satisfactory to the Debtors, confirming the Plan pursuant to Bankruptcy Code § 1129.

"**Creditor**" means a Holder of a Claim.

"**Debtors**" mean, together, GMG III, GMG Companion and GMG LLC.

"**Disclosure Statement**" means the Disclosure Statement for the First Amended Plan of Reorganization proposed by the Debtors dated December 5, 2014, as amended from time to time, together with any supplements, amendments, or modifications thereto.

"**Disputed Claim**" means any Claim as to which a party specified in Section 7.4 hereto has interposed a timely objection or request for estimation in accordance with the Bankruptcy Code and the Bankruptcy Rules, or any Claim otherwise disputed by the Debtors or any party specified in Section 7.4 hereto in accordance with such Section and applicable law, which objection has not been withdrawn or determined by a Final Order.

"**Distribution**" means the distribution of cash to the Holders of Allowed Claims pursuant to the Plan.

"**Distribution Date**" means the date on which a Distribution is made under the Plan.

"**Effective Date**" means the first Business Day on which all conditions precedent to the effectiveness of the Plan have been satisfied or waived as provided in Article V of the Plan.

"**Estates**" means the Debtors' estates created by Bankruptcy Code § 541 upon the commencement of the Cases.

"Existing GMG LLC Interests" mean shares of GMG LLC's common stock issued as of the Petition Date.

"Existing Equity Interests" mean, together, the Existing GMG III Interests, the Existing GMG Companion Interests and the Existing GMG LLC Interests.

"Existing GMG III Interests" mean partnership interests of GMG III issued as of the Petition Date.

"Existing GMG Companion Interests" mean partnership interests of GMG Companion issued as of the Petition Date.

"Filed" means filed with the Bankruptcy Court in the Debtors' Cases.

"**Final Order**" means an order entered by the Bankruptcy Court or other court of competent jurisdiction on its docket as to which (a) the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for reargument or rehearing shall then be pending; or (b) in the event that an appeal, writ of certiorari, reargument, or rehearing thereof has been sought, such order of the Bankruptcy Court or any other court or adjudicative body shall have been affirmed by the highest court to which such order was appealed, or certiorari has been denied, or from which reargument or rehearing was sought, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, however, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or a similar rule under the Federal Rules of Bankruptcy Procedure may be filed with respect to such order.

"**General Unsecured Claim"** shall mean any unsecured Claim which is not an Administrative Claim, Priority Claim, Athenian Claim, Intercompany Claim or Management Company Claim that arose prior to the filing of the Debtors' Chapter 11 Cases and includes, without limitation, Claims based upon pre-petition trade accounts payable and the rejection of an executory contract during pendency of the Chapter 11 Cases.

"**General Unsecured Claims Distribution**" means as set forth in Article 2 hereto.

"GMG III" means GMG Capital Partners III, L.P.

"GMG IIIA" means GMG Capital Partners IIIA, L.P.

"GMG III Assets" means all assets of GMG III constituting property of the estate pursuant to Bankruptcy Code Section 541.

"GMG IIIB" means GMG Capital Partners IIIB, L.P.

"GMG Companion" means GMG Capital Partners III Companion Fund, L.P.

"GMG Companion Assets" means all assets of GMG Companion constituting property of the estate pursuant to Bankruptcy Code Section 541.

"GMG LLC" means GMG Capital Investments, LLC.

"GMG LLC Assets" means all assets of GMG LLC constituting property of the estate pursuant to Bankruptcy Code Section 541.

"**Holder**" means any Person holding a Claim or Interest against the Debtors' Estates.

"**Impaired"** means any Claim or Interest that is "impaired" within the meaning of section 1124 of the Bankruptcy Code.

"**Interest**" means the legal, equitable, contractual and other rights of the Holders of any equity interest in the Debtors, including the rights of any Person to purchase or demand the issuance of any interest, including (a) conversion, exchange, voting, participation and dividend rights; (b) liquidations preferences; (c) stock options, warrants and put rights; and (d) share-appreciation rights; or (e) any other stock right pertaining or in any way relating to the Debtors.

"Intercompany Claims" means any Claim, arising on or prior to the Petition Date of any affiliate of a Debtor, that has chapter 11 case pending before the Court as of the date the Confirmation Order is entered.

"Lancope" means Lancope, Inc., a Delaware corporation.

"**Lien**" means any charge against, or interest in, property to secure payment of a debt or performance of a Claim.

"Management Company" means JDJ Management, LLC.

"**Management Company Claim"** means claims of the Management Company against any Debtor existing as of the Petition Date.

"Management Company Consent" means the written consent of the Management Company, which shall be filed as a Plan Supplement, to have, under this Plan, the Management Company Claims treated at a priority level junior to General Unsecured Claims.

"**Person**" means any person or entity of any nature whatsoever, specifically including, but not limited to, an individual, firm, company, corporation, partnership, trust, governmental unit, joint venture, association, joint stock company, limited liability company, estate, unincorporated organization or other entity.

"**Petition Date**" means for: (i) GMG III and GMG Companion, September 10, 2013, and (ii) GMG LLC, November 14, 2013.

"**Plan**" means this First Amended Plan of Reorganization, as it may be amended, modified, or supplemented from time to time as permitted herein.

"**Plan Documents**" means all documents, forms, lists, and agreements contemplated under the Plan to effectuate the terms and conditions hereof.

"**Plan Proponent**" means the Debtors.

"**Plan Supplement**" means the compilation of Plan Documents and other documents, forms, lists, and schedules as specified in the Plan and Disclosure Statement which will be filed with the Bankruptcy Court not later than five (5) days prior to the Voting Deadline, as such documents may be altered, restated, modified, or supplemented from time to time.

"Plan Supporter" means Second Alpha Partners, LLC, a Delaware limited liability company.

"Post-Confirmation Assets" means all of the assets of the Debtor, on the Effective Date.

"**Priority Claim**" means all Claims that are entitled to priority pursuant to Bankruptcy Code § 507(a) and that are not Administrative Expense Claims or Priority Tax Claims.

"**Priority Tax Claim**" means a Claim of a governmental unit of the kind specified in Bankruptcy Code §§ 502(i) and 507(a)(8).

"**Proof of Claim**" means a written statement setting forth a Creditor's Claim and conforming substantially to the appropriate official form.

"**Pro Rata**" means the proportion that the amount of an Allowed Claim bears, respectively, to the aggregate amount of all Claims in its Class, including Disputed Claims but excluding Disallowed Claims. For purposes of this calculation, the amount of a Disputed Claim will equal the lesser of (a) its Face Amount, and (b) the amount estimated as allowable by the Bankruptcy Court.

"Reorganized Debtors" means the Debtors as of the Effective Date.

"**Scheduled**" means included in or listed in the Debtors' Bankruptcy Schedules, as initially filed or as amended.

"**Securities Act**" means the Securities Act of 1933, 15 U.S.C. § 77c-77aa, in effect from time to time.

"**U.S. Trustee Fees**" means fees payable pursuant to 28 U.S.C. § 1930.

"**Voting Deadline"** means "the deadline fixed by the Bankruptcy Court for Holders of Claims entitled to vote to submit their votes on the Plan.

ARTICLE II
CLASSIFICATION OF CLAIMS AND INTERESTS

2.1. **Class 1A** consists of Priority Non-Tax Claims against GMG III. (**Unimpaired)**.

2.2. **Class 1B** consists of the Athenian Claim against GMG III **(Unimpaired).**

2.3. **Class 1C** consists of the General Unsecured Claims against GMG III **(Impaired).**

2.4. **Class 1D** consists of the Management Company Claims against GMG III (**Impaired**).

2.5. **Class 1E** consists of any Intercompany Claim against GMG III (**Impaired**).

2.6. **Class 1F** consists of the Holders of Interests in GMG III **(Unimpaired).**

2.7. **Class 2A** consists of Priority Non-Tax Claims against GMG Companion. (**Unimpaired)**.

2.8. **Class 2B** consists of the Athenian Claim against GMG Companion **(Unimpaired).**

2.9. **Class 2C** consists of the General Unsecured Claims against GMG Companion **(Impaired).**

2.10. **Class 2D** consists of the Management Company Claims against GMG Companion (**Impaired).**

2.11. **Class 2E** consists of any Intercompany Claim against GMG Companion (**Impaired**).

2.12. **Class 2F** consists of the Holders of Interests in GMG Companion **(Unimpaired).**

2.13. **Class 3A** consists of Priority Non-Tax Claims against GMG LLC. (**Unimpaired)**.

2.14. **Class 3B** consists of the Athenian Claim against GMG LLC **(Unimpaired).**

2.15. **Class 3C** consists of the General Unsecured Claims against GMG LLC **(Impaired).**

2.16. **Class 3D** consists of the Management Company Claims against GMG LLC (**Impaired**).

2.17. **Class 3E** is RESERVED.

2.18. **Class 3F** consists of the Holders of Interests in GMG LLC **(Unimpaired).**

ARTICLE III
TREATMENT OF UNCLASSIFIED CLAIMS

3.1. **Administrative Expense Claims**. All Allowed Administrative Expense Claims shall be paid the Allowed amount of such claim as follows: either (i) in Cash on the later of (x) the Effective Date, or as soon thereafter as is reasonably practicable, and (y) the date such claim becomes Allowed, or due and payable in the ordinary course of business; or (ii) on such other terms and conditions as may be mutually agreed upon between such holder and the applicable Reorganized Debtor.

3.2. **Bar Dates for Non-Professional Administrative Expense Claims**. The Bar Date for Holders of Administrative Expense Claims other than those of professionals retained by the Debtor shall be thirty (30) days after the Confirmation Order becomes a Final Order.

3.3. **Professional Fees**. All applications for professional fees for services rendered and reimbursement of expenses in connection with the Case prior to the Effective Date are Administrative Expense Claims and shall be filed with the Bankruptcy Court within sixty (60) days after the Effective Date. Any such application not filed within sixty (60) days after the Effective Date shall be deemed waived and the Holder of such Claim shall be forever barred from receiving payment on account thereof. All retained professionals shall be paid the full amounts awarded by the Court, subject to any caps agreed to in the retention. All such awarded fees shall be paid upon Court award by the Debtors or the Reorganized Debtors from the Assets.

3.4. **U.S. Trustee Fees**. All unpaid U.S. Trustee Fees incurred before the Effective Date shall be timely paid by the Debtor in the ordinary course as such U.S. Trustee Fees become due and payable. All unpaid U.S. Trustee Fees incurred after the Effective Date shall be timely paid from Post-Confirmation Assets by the Debtors or Reorganized Debtors in the ordinary course as such U.S. Trustee Fees become due and payable.

3.5. **Priority Tax Claims.** As soon as practicable after the Effective Date, the Reorganized Debtors, on a entity by entity basis without any substantive consolidation, shall pay to each Holder of an Allowed Priority Tax Claim from the Post-Confirmation Assets the full amount of such Claims, if any, (i) in Cash on the later of (x) the Effective Date, or as soon thereafter as is reasonably practicable, and (y) the date such claim becomes Allowed, or due and payable in the ordinary course of business; (ii) over a period ending not later than five (5) years after the Petition Date in accordance with section 1129 of the Bankruptcy Code; or (iii) on such other terms and conditions as may be mutually agreed upon between such holder and the applicable Reorganized Debtor.

ARTICLE IV
TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS

4.1. **Class 1A (Priority Non Tax Claims Against GMG III).**

(i) Classification: Class 1A Priority Non Tax Claims consists of claims against GMG III entitled to priority under Section 507(a) of the Bankruptcy Code.

(ii) Treatment. On the Effective Date, all Allowed Class 1A Claims shall be paid in full in Cash.

(iii) Voting. Class 1A is an Unimpaired Class. Therefore, Class 1A claimholders are not entitled to vote to accept or reject the Plan.

4.2. **Class 1B (Athenian Claim Against GMG III)**.

(i) Classification: The Class 1B Athenian Claim consists of the Athenian Claim against GMG III.

(ii) Treatment. On the later of (i) the Effective Date or (ii) the date the Class 1B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 1B Athenian GMG III Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124, such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.

No Double Recovery: For the avoidance of doubt, as the Class 1B Athenian Claim arises as a joint and several claim under the Athenian Judgment for the same amounts with the Class 2B and Class 3B Claims, the Holders of each of these claims shall not be entitled to a recovery in excess of amounts owing under the reinstated Athenian Judgment.

(iii) Voting. Class 1B is an Unimpaired Class. Therefore, the Holders of the Class 1B Claims are not entitled to vote to accept or reject the Plan.

4.3. **Class 1C (General Unsecured Claims Against GMG III)**

(i) Classification: Class 1C consists of all General Unsecured Claims against GMG III.

(ii) Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 1C Claim becomes an Allowed Claim, in full and final satisfaction of their Class 1C General Unsecured Claims, Holders of Allowed Class 1C Claims will, receive (i) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (ii) *pro rata*, the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in

full inclusive of interest at the federal judgment rate at a priority level senior to Class 1D and 1E Claims and to Class 1F Interests.

(iii) Voting: Class 1C is an Impaired Class. Therefore, the Holders of General Unsecured Claims in Class 1C are entitled to vote to accept or reject the Plan.

4.4. **Class 1D (Management Company Claims Against GMG III)**

(i) Classification: The Class 1D Management Company Claims consists of the Management Company Claims against GMG III.

(ii) Treatment. Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 1D Claim becomes an Allowed Claim, in full and final satisfaction of its Class 1D Management Company Claims, after payment in full of Allowed Class 1A and 1C Claims of the Allowed Class 1D Management Company Claims will receive *pro rata* the proceeds of any liquidation of GMG III's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate, provided further however, that, against Debtor GMG LLC, to the extent any Priority, Administrative, Class 3A or Class 3C Claim is Allowed, the Management Company shall fund the amount necessary to pay such that to the extent any such Priority, Administrative, Class 3A or Class 3C Claim in full from its recovery on account of its Class 1D and 2D Claims.

(iii) Voting. Class 1D is an Impaired Class. Therefore, the Holders of Management Company Claims in Class 1D are entitled to vote to accept or reject the Plan.

4.5. **Class 1E (Intercompany Claims Against GMG III)**

(i) Classification: The Class 1E Intercompany Claims consists of any Intercompany Claims against GMG III.

(ii) Treatment. In full and final satisfaction of its Class 1E Intercompany Claims, after payment in full of Allowed Class 1A, 1C and 1D Claims holders of Intercompany Claims will receive *pro rata* the proceeds of any liquidation of GMG III's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.

(iii) Voting. Class 1E is an Impaired Class. However, the Holders of Intercompany Claims in Class 1E will not be entitled to vote to accept or reject the Plan.

4.6. **Class 1F (Interests in GMG III).**

(i) Classification: Class 1F consists of Holders of Existing GMG III Interests.

(ii) Treatment: On the Effective Date, the Holders of Class 1F Interests will retain their interest in GMG III. Consistent with the foregoing, to the extent a Holder of a Class 1F Interest owes management fees, legal fees, reimbursements or any other amounts in connection with its Class 1F Interest, any distribution to such

Holder of a Class 1F Interest shall be offset by any and all such amounts then due and owing from such Holder, plus postpetition interest at the federal judgment rate, which offset amount shall remain with the Debtors' estates for distribution to Holders of Claims.

(iii) Voting: Class 1F is an Unimpaired Class. Therefore, the Holders of Interests in Class 1F are not entitled to vote to accept or reject the Plan.

4.7. **Class 2A (Priority Non Tax Claims Against GMG Companion).**

(i) Classification: Class 2A Priority Non Tax Claims consists of claims against GMG Companion entitled to priority under Section 507(a) of the Bankruptcy Code.

(ii) Treatment. On the Effective Date, all Allowed Class 2A Claims shall be paid in full in Cash.

(iii) Voting. Class 2A is an Unimpaired Class. Therefore, Class 2A claimholders are not entitled to vote to accept or reject the Plan

4.8. **Class 2B (Athenian Claim Against GMG Companion)**.

(i) Classification: The Class 2B Athenian Claim consists of the Athenian Claim against GMG Companion.

(ii) Treatment. On the later of (i) the Effective Date or (ii) the date the Class 2B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 2B Athenian GMG Companion Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124, such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.

No Double Recovery: For the avoidance of doubt, as the Class 1B Athenian Claim arises as a joint and several claim under the Athenian Judgment for the same amounts with the Class 1B and Class 3B Claims, the Holders of each of these claims shall not be entitled to a recovery in excess of amounts owing under the reinstated Athenian Judgment.

(iii) Voting. Class 2B is an Unimpaired Class. Therefore, the Holders of the Class 2B Claims are not entitled to vote to accept or reject the Plan.

4.9. **Class 2C (General Unsecured Claims Against GMG Companion)**

(i) Classification: Class 2C consists of all General Unsecured Claims against GMG Companion.

(ii) Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 2C Claim becomes an Allowed Claim, in full and final

satisfaction of their Class 2C General Unsecured Claims, Holders of Allowed Class 2C Claims will, receive (i) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (ii) *pro rata*, the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in full inclusive of interest at the federal judgment rate at a priority level senior to Class 2D and 2E Claims and to Class 2F Interests.

(iii) Voting: Class 2C is an Impaired Class. Therefore, the Holders of General Unsecured Claims in Class 2C are entitled to vote to accept or reject the Plan.

(iv) Voting. Class 2C is an Unimpaired Class. Therefore, the Holders of the Class 2B Claims are not entitled to vote to accept or reject the Plan.

4.10. **Class 2D (Management Company Claims Against GMG Companion)**

(i) Classification: The Class 2D Management Company Claims consists of the Management Company Claims against GMG Companion.

(ii) Treatment. Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 2D Claim becomes an Allowed Claim, in full and final satisfaction of its Class 2D Management Company Claims, after payment in full of Allowed Class 2A and 2C Claims, Holders of the Allowed Class 2D Management Company Claims will receive *pro rata* the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate, provided further however, that, against Debtor GMG LLC, to the extent any Priority, Administrative, Class 3A or Class 3C Claim is Allowed, the Management Company shall fund the amount necessary to pay such that to the extent any such Priority, Administrative, Class 3A or Class 3C Claim in full from its recovery on account of its Class 1D and 2D Claims.

(iii) Voting. Class 2D is an Impaired Class. Therefore, the Holders of Management Company Claims in Class 2D are entitled to vote to accept or reject the Plan.

4.11. **Class 2E (Intercompany Claims Against GMG Companion)**

(i) Classification: The Class 2E Intercompany Claims consists of any Intercompany Claims against GMG Companion.

(ii) Treatment. In full and final satisfaction of its Class 2E Intercompany Claims, after payment in full of Allowed Class 2A, 2C and 2D Claims holders of Intercompany Claims will receive *pro rata* the proceeds of any liquidation of GMG Companion's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.

(iii) Voting. Class 2E is an Impaired Class. However, the Holders of Intercompany Claims in Class 2E will not be entitled to vote to accept or reject the Plan.

4.12. **Class 2F (Interests in GMG Companion).**

(i) Classification: Class 2F consists of Holders of Existing GMG Companion Interests.

(ii) Treatment: On the Effective Date, the Holders of Class 2F Interests will retain their interest in GMG Companion. Consistent with the foregoing, to the extent a Holder of a Class 2F Interest owes management fees, legal fees, reimbursements or any other amounts in connection with its Class 2F Interest, any distribution to such Holder of a Class 2F Interest shall be offset by any and all such amounts then due and owing from such Holder, plus postpetition interest at the federal judgment rate, which offset amount shall remain with the Debtors' estates for distribution to Holders of Claims.

(iii) Voting: Class 2F is an Unimpaired Class. Therefore, the Holders of Interests in Class 2F are not entitled to vote to accept or reject the Plan.

4.13. **Class 3A (Priority Non Tax Claims Against GMG LLC).**

(i) Classification: Class 3A Priority Non Tax Claims consists of claims against GMG LLC entitled to priority under Section 507(a) of the Bankruptcy Code.

(ii) Treatment. On the Effective Date, all Allowed Class 3A Claims shall be paid in full in Cash.

(iii) Voting. Class 3A is an Unimpaired Class. Therefore, Class 2A claimholders are not entitled to vote to accept or reject the Plan

4.14. **Class 3B (Athenian Claim Against GMG LLC)**.

(i) Classification: The Class 3B Athenian Claim consists of the Athenian Claim against GMG Companion.

(ii) Treatment. On the later of (i) the Effective Date or (ii) the date the Class 3B Athenian Claim becomes an Allowed Claim, in full and final satisfaction of its Class 3B Athenian GMG Companion Claim, the Athenian Judgment shall be reinstated in accordance with Bankruptcy Code section 1124, such that the Athenian Accrued Amount will be paid in full on the date such Claim becomes Allowed and the Athenian Payment Stream will be paid in accordance with the terms of the Athenian Judgment.

No Double Recovery: For the avoidance of doubt, as the Class 3B Athenian Claim arises as a joint and several claim under the Athenian Judgment for the same amounts with the Class 1B and Class 2B Claims, the Holders of each of these claims shall not be entitled to a recovery in excess of amounts owing under the reinstated Athenian Judgment.

(iii) Voting. Class 3B is an Unimpaired Class. Therefore, the Holders of the Class 3B Claims are not entitled to vote to accept or reject the Plan.

4.15. **Class 3C (General Unsecured Claims Against GMG LLC)**

(i) Classification: Class 3C consists of all General Unsecured Claims against GMG Companion.

(ii) Treatment: Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 3C Claim becomes an Allowed Claim, in full and final satisfaction of their Class 3C General Unsecured Claims, Holders of Allowed Class 3C Claims will, receive (i) cash equal to as much as forty (40) percent of such Allowed General Unsecured Claim and (ii) *pro rata*, the proceeds of any liquidation of GMG LLC's Assets until such time as such claim is paid in full inclusive of interest at the federal judgment rate at a priority level senior to Class 3D and 3E Claims and to Class 3F Interests.

(iii) Voting: Class 3C is an Impaired Class. Therefore, the Holders of General Unsecured Claims in Class 3C are entitled to vote to accept or reject the Plan.

(iv) Voting. Class 3C is an Unimpaired Class. Therefore, the Holders of the Class 3C Claims are not entitled to vote to accept or reject the Plan.

4.16. **Class 3D (Management Company Claims Against GMG LLC)**

(i) Classification: The Class 3D Management Company Claims consists of the Management Company Claims against GMG Companion.

(ii) Treatment. Upon 30 days following the later of: (i) the Effective Date and (ii) the date such Class 3D Claim becomes an Allowed Claim, in full and final satisfaction of its Class 3D Management Company Claims, after payment in full of Allowed Class 3A and 3C Claims Holders of the Allowed Class 3D Management Company Claims will receive *pro rata* the proceeds of any liquidation of GMG LLC's Assets until such time as such claim is paid in full inclusive of postpetition interest at the federal judgment rate.

(iii) Voting. Class 3D is an Impaired Class. Therefore, the Holders of Management Company Claims in Class 3D are entitled to vote to accept or reject the Plan.

4.17. **Class 3E (RESERVED)**

4.18. **Class 3F (Interests in GMG LLC).**

(i) Classification: Class 3F consists of Holders of Existing GMG Companion Interests.

(ii) Treatment: On the Effective Date, the Holders of Class 3F Interests will retain their interest in GMG Companion.

(iii) Voting: Class 3F is an Unimpaired Class. Therefore, the Holders of Interests in Class 3F are not entitled to vote to accept or reject the Plan.

4.19. **Reservation of Rights.** Except as otherwise provided in the Plan or the Confirmation Order, the Debtors' or Reorganized Debtors' rights and defenses, both legal and equitable, with respect to any Claims, Interests or Administrative Expense Claims, including, but not limited to, all rights with respect to legal and equitable defenses to setoffs or recoupments, shall be unaffected and unaltered. From and after the Effective Date, the Reorganized Debtors shall be deemed to be the successor in interest to the Debtors with respect to all such rights and defenses.

ARTICLE V
CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

5.1. **Conditions Precedent.**

Each of the following events shall occur on or before the Effective Date:

(i) The order confirming the Plan shall have been entered, in a form and substance reasonably acceptable to each of the Debtors, and such order shall be a Final Order and the Plan satisfied the applicable provisions of the Bankruptcy Code as set forth in Bankruptcy Code § 1125(e).

(ii) The Bankruptcy Court shall have determined that the Reorganized Debtors is duly authorized to take the actions contemplated in the Plan which approval and authorization may be set forth in the Confirmation Order.

(iii) All documents, instruments, and agreements provided under, or necessary to implement the Plan shall have been executed and delivered by the applicable parties.

5.2. **Waiver of Conditions Precedent to the Effective Date.** The Debtors may waive in writing any or all of the conditions precedent to the Effective Date set forth above, whereupon the Effective Date shall occur without further action by any Person.

ARTICLE VI
IMPLEMENTATION OF THE PLAN

6.1. **Introduction.** The Plan will be implemented through the Debtors' sale of certain of its equity interests in Lancope pursuant to the Asset Purchase Agreement. Proceeds of such sale will be used to pay distributions set forth in the Plan.

6.2. **Vesting of Assets, including Sale Proceeds, in Reorganized Debtors for Distribution.** On the Effective Date, certain of the Debtors' interests in Lancope will be sold to the Plan Supporter, free and clear of any lien, claim interest or encumbrance as set forth in the Asset Purchase Agreement, which any such lien, claim, interest or

encumbrance to attach to the proceeds of the sale. Subject to any such lien, claim, interest or encumbrance, the proceeds of such sale and the remainder of the Debtors' Assets shall be vested in the Reorganized Debtors for Distribution in accordance with the terms of the Plan. Non-Debtor affiliate GMG IIIA shall also contribute to such Distribution with the proceeds of the sale of certain of its beneficial interests in Lancope to the Plan Supporter.

6.3. **No Cancellation of Interests; Operation and Pro Rata Payment of Costs**. Upon the Effective Date, the Debtors' organizational documents shall not be canceled and neither will the Existing Equity Interests. Consistent with the Debtors' organizational documents, books and records and courses of dealing, non-Debtors GMG IIIA and GMG IIIB will each share *pro rata* with the Debtors (who will share among each other pro rata) in all costs of administration of the Debtors' estates and satisfaction of Claims, with such necessary amounts to be offset for the benefit of the Debtors' estates prior to any distribution on account of such non-Debtor's limited partner's holdings.

6.4. **Creation of Reserve for Expenses and Professional Fees**. To the extent necessary to pay the anticipated awards of fees and expenses of the professionals retained by the Debtors in its Cases and to pay the post-Effective Date expenses of the Debtors and the Reorganized Debtors before making the Distributions, the Reorganized Debtors shall create a reserve sufficient to fund all such payments and such reserve shall have a designated line item for the estimated fees and expenses of the professionals retained by the Debtors in the Cases.

6.5. **Creation of Reserve for Athenian Payment Stream.** On the Effective Date, the Reorganized Debtors shall create a reserve containing the amount required to cure as of the Effective Date, plus $90,000, which shall be set aside for the purpose of paying the Athenian Claims, including the Athenian Payment Stream. Such reserve will be lowered on a dollar for dollar basis to the extent (i) of payment to Athenian on account of the Athenian Claims or (ii) the Athenian Claims become Allowed Claims in an amount less than what is contained in such reserve.

6.6. **No Substantive Consolidation.** Holders of Claims and Interests will solely be entitled to Distributions on account of Assets and proceeds of such Assets for the corresponding Debtor against which such Debtor has a Claim or Interest.

6.7. **Settlement of Disputed Claims Prior to the Effective Date.** At any time prior to the Effective Date, notwithstanding anything in the Plan to the contrary, the Debtors may settle some or all Disputed Claims subject to obtaining any necessary Bankruptcy Court approval.

6.8. **Operating Reports.** Prior to the Effective Date, the Debtors shall timely file all reports, including without limitation, monthly operating reports, required by the Bankruptcy Court, Bankruptcy Code, Bankruptcy Rules or Office of the United States Trustee. After the Effective Date, the Reorganized Debtors shall timely file all reports, including without limitation, quarterly operating reports, as required by the Bankruptcy

Court, Bankruptcy Code, Bankruptcy Rules or Office of the United States Trustee until the Cases are closed.

ARTICLE VII
BAR DATES, CLAIMS OBJECTIONS AND DISTRIBUTIONS

7.1. **Distributions for Claims Allowed as of the Effective Date.** Except as otherwise provided in the Plan, or as ordered by the Bankruptcy Court, Distributions to Creditors shall be made within 30 days of such Claim becoming an Allowed Claim, or, as applicable, to the extent such Distribution is dependent upon the occurrence of a liquidation event of the Debtors' assets, as soon as practicable after such event, subject to the priority scheme set forth in this Plan or as may be subordinated in accordance with Article 7.4 hereto.

7.2. **Means of Cash Payment.** Cash payments made pursuant to the Plan shall be in U.S. funds, by the means, including by check or wire transfer.

7.3. **Delivery of Distribution.** Distributions to holders of Allowed Claims shall be made (a) at the addresses set forth on the Proofs of Claim Filed by such holders (or at the last known addresses of such holders if no Proof of Claim is Filed or if the Debtor has been notified of a change of address); (b) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors; or (c) if no Proof of Claim has been Filed and the Reorganized Debtors have not received a written notice of a change of address, at the addresses reflected in the Bankruptcy Schedules, if any.

7.4. **Objection Deadline; Prosecution of Objections; Subordination of Claim under Section 510 of the Bankruptcy Code.**

(i) On or prior to the Claims Objection Deadline, the Reorganized Debtors shall file objections to Claims and serve such objections upon the holders of each of the Claims to which objections are made. The Reorganized Debtors shall be authorized to resolve all Disputed Claims by withdrawing or settling such objections thereto, or by litigating to judgment in the Bankruptcy Court or such other court having competent jurisdiction the validity, nature, and/or amount thereof. If the Reorganized Debtors and the holder of a Disputed Claim agree to compromise, settle, and/or resolve a Disputed Claim by granting such holder an Allowed Claim in the amount of $10,000 or less, then the Reorganized Debtors may compromise, settle, and/or resolve such Disputed Claim without further Bankruptcy Court approval. Otherwise, the Reorganized Debtors may only compromise, settle, and/or resolve such Disputed Claim with Bankruptcy Court approval. Any objections to Claims shall be filed, in each instance, by the Claims Objection Deadline. The filing of a motion to extend the Claims Objection Deadline shall automatically extend such deadline until a Final Order is entered on such motion. In the event that such a motion to extend the Claims Objection Deadline is denied by the Bankruptcy Court, or approved by the Bankruptcy Court and reversed on appeal, such Claims Objection Deadline shall be the later

of the current deadline (as previously extended, as applicable) or 30 days after entry of a Final Order denying the motion to extend the objection deadline.

(ii) Subject to the time limitations set forth in Section 7.4(i) and the obligations set forth in Section 7.4(iv), and without limitation to the Reorganized Debtors' rights set forth in Section 7.4(i), Holders of Class 1F and 2F Interests shall have standing to object to Claims against the specific Debtor entity in which such Holder has an interest. Such Holders may only compromise, settle, and/or resolve such Disputed Claim with Bankruptcy Court approval, regardless of any dollar amount. Holders of such Class 1F and 2F interests may not object to any Claims in which objections made by the Reorganized Debtors are pending, but at all times have standing to be heard on such objections.

(iii) Notwithstanding anything to the contrary in the Plan, within 30 days after any Claim becomes an Allowed Claim, the Reorganized Debtors shall have authority to file an adversary proceeding to subordinate any such Claim pursuant to section 510 of the Bankruptcy Code. The filing of such adversary proceeding shall toll the timing of the distribution on account of such Claim until the adversary proceeding is resolved by Final Order. Subject to notice and a hearing, the Reorganized Debtors shall have the right, but not the obligation, to assign to any party in interest a right to bring an adversary proceeding to subordinate any Claim under this subsection, provided further however, that upon a motion (a "STN Motion") and a showing that a party in interest has met each and every standing requirement under applicable law to bring an adversary proceeding for subordination, such party in interest shall at that point have the entitlements to bring such claim to the extent forth in the order approving the STN Motion.

(iv) To the extent any party, other than the Debtors or the Reorganized Debtors, either: (i) objects to any Athenian Claim or (ii) seeks to subordinate any Athenian Claim, (each an "Athenian Action") such party shall (a) bear its own costs in connection with such Athenian Action; and (b) reimburse the Estates for any and all costs such Athenian Action may have on increasing the dollar amount necessary for the Estates to reinstate the Athenian Claims.

7.5. **No Distributions Pending Allowance.** Notwithstanding any other provision of the Plan, no payments or Distribution by the Reorganized Debtors shall be made with respect to all or any portion of a Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order, and the Disputed Claim, or some portion thereof, has become an Allowed Claim.

7.6. **Withholding and Reporting Requirements.** In connection with the Plan and all Distributions hereunder, the Reorganized Debtors shall, to the extent applicable, comply with all tax withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all Distributions hereunder shall be subject to any such withholding and reporting requirements. The Reorganized Debtor shall be authorized to take any and all actions that may be reasonably necessary or appropriate to comply with such withholding and reporting requirements.

7.7. **Setoffs.** The Reorganized Debtors may, but shall not be required to, setoff against any Claim, and the payments or other Distributions to be made pursuant to the Plan in respect of such Claim, claims of any nature whatsoever that the Debtors or the Reorganized Debtors, respectively, may have against the holder of such Claim; provided, however, neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any such Claim that the Reorganized Debtors may have against such holder, unless otherwise agreed to in writing by such holder and the Reorganized Debtors, as applicable.

ARTICLE VIII
EXECUTORY CONTRACTS AND UNEXPIRED LEASES DEEMED REJECTED

8.1. All of the Debtors' executory contracts and unexpired leases shall be deemed rejected on the Effective Date except to the extent (a) the Debtors previously has assumed or rejected an executory contract or unexpired lease, or (b) prior to the Effective Date, the Debtors have Filed or do File a motion to assume an executory contract or unexpired lease on which the Bankruptcy Court has not ruled. Counterparties to any executor contracts and unexpired leases shall have until thirty (30) days following the Effective Date to file proofs of claim for rejection damages or be forever barred from seeking such damages from the Debtors, their estates or the Reorganized Debtors.

ARTICLE IX
EFFECTS OF CONFIRMATION

The Plan provides that Confirmation shall have the following effects:

9.1. **Discharge.** Except as otherwise set forth in the Plan or the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan are in exchange for and in complete satisfaction, discharge, and release of, all Claims including any interest accrued on any Claims from the Petition Date. Confirmation shall discharge the Debtors and the from all Claims or other debts that arose before the Confirmation Date, and all debts of a kind specified in Bankruptcy Code §§ 502(g), (h), or (i), whether or not (i) a Proof of Claim based on such debt is Filed or deemed Filed under Bankruptcy Code § 501; (ii) a Claim based on such debt is Allowed; or (iii) the holder of a Claim based on such debt has accepted the Plan. The Debtors' discharge shall be governed by Section 1141 of the Bankruptcy Code.

9.2. **Injunction.** Except as otherwise expressly provided herein or in the Confirmation Order, all Persons or entities who have held, hold or may hold Claims against or Interests in the Debtors, and all other parties in interest, along with their respective present and former employees, agents, officers, directors, principals and affiliates, are permanently enjoined, from and after the Effective Date, from (a) commencing or continuing in any manner any action or other proceeding of any kind on any such Claim or Interest against the Debtors, (b) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or other against the Debtors, (c) creating, perfecting or enforcing any encumbrance of any kind against the Debtors, or against the property or interests in property of the Debtors, (d) asserting any right of

setoff, subrogation or recoupment of any kind against any obligation due to the Debtors or against the property or interests in property of the Debtors with respect to such Claim or Interest or (e) pursuing any claim released pursuant to this Article IX of the Plan. Such injunction shall extend to any successors of the Debtors and their respective properties and interests in properties.

9.3. **Exculpation and Limitation of Liability.** Pursuant to and to the extent permitted by section 1125(e) of the Code, and notwithstanding any other provision of the Plan, no holder of a Claim Interest or Lien shall have any right of action against the Debtors, the Debtors' Assets, or any of their respective managers, officers, directors, agents, attorneys, investment bankers, financial advisors, other professionals, or any of their respective property and assets for any act or omission in connection with, relating to or arising out of the pursuit of confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for acts or omissions which constitute willful misconduct or gross negligence.

9.4. **Releases.**

(A) EACH CREDITOR WHO VOTES TO ACCEPT THE PLAN AND DID NOT MARK THEIR BALLOT TO INDICATE THEIR REFUSAL TO GRANT THE RELEASE PROVIDED FOR IN THIS PARAGRAPH FOR ITSELF AND EACH OF ITS RESPECTIVE TRUSTEES, AFFILIATES, PREDECESSORS, SUCCESSORS, ASSIGNS, EMPLOYEES, AGENTS, ATTORNEYS, LEGAL REPRESENTATIVES, PROFESSIONALS, PARENTS, SUBSIDIARIES, EQUITY HOLDERS, MEMBERS, OFFICERS, DIRECTORS, MANAGERS AND ANY OTHER PERSON ACTING FOR OR ON BEHALF OF IT (COLLECTIVELY, THE "RELEASING PARTIES"), RELEASES, ACQUITS AND FOREVER DISCHARGES EACH OF THE DEBTORS AND EACH OF THEIR RESPECTIVE PREDECESSORS, SUCCESSORS, ASSIGNS, EMPLOYEES, AGENTS, ATTORNEYS, LEGAL REPRESENTATIVES, PROFESSIONALS, AND ANY OTHER PERSON ACTING FOR OR ON BEHALF OF THEM (COLLECTIVELY, THE "RELEASED PARTIES") OF AND FROM ANY AND ALL CLAIMS, LIABILITIES, DEMANDS, DAMAGES, ACTIONS, CAUSES OF ACTION, RIGHTS, COSTS, LOSSES, EXPENSES, ADVERSE CONSEQUENCES, DEBTS, DEFICIENCIES, DIMINUTION IN VALUE, LIENS, AMOUNTS PAID IN SETTLEMENT, DISBURSEMENTS, COMPENSATION AND SUITS AT LAW OR IN EQUITY, OF WHATSOEVER KIND OR NATURE, IN EACH CASE, THAT ANY OF THE RELEASING PARTIES EVER HAD, NOW HAS OR HEREAFTER CAN, SHALL OR MAY HAVE BECAUSE OF ANYTHING HERETOFORE DONE, OMITTED, SUFFERED, OR ALLOWED TO BE DONE BY ANY OF THE RELEASED PARTIES, WHETHER FORESEEN OR UNFORESEEN, FIXED OR CONTINGENT, DIRECT, INDIRECT OR DERIVATIVE, ASSERTED OR UNASSERTED, MATURED OR UNMATURED, LIQUIDATED OR UNLIQUIDATED, SUSPECTED OR UNSUSPECTED, OR WHETHER KNOWN OR UNKNOWN, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR BREACH OF CONTRACT OR ANY INTERFERENCE WITH CONTRACT, AND ANY DAMAGES AND THE CONSEQUENCES THEREOF RESULTING FOR ANY REASON WHATSOEVER, IN EACH CASE TO THE EXTENT ARISING PRIOR TO THE EFFECTIVE DATE IN CONNECTION WITH THE PLAN, OR THE CHAPTER 11 CASES (ALL OF THE FOREGOING, COLLECTIVELY, THE "RELEASED MATTERS").

(B) THE RELEASED PARTIES RELEASES, ACQUITS AND FOREVER DISCHARGES EACH OF THE RELEASED PARTIES OF AND FROM ANY AND ALL CLAIMS, LIABILITIES, DEMANDS, DAMAGES, ACTIONS, CAUSES OF ACTION, RIGHTS, COSTS, LOSSES, EXPENSES, ADVERSE CONSEQUENCES, DEBTS, DEFICIENCIES, DIMINUTION IN VALUE, LIENS, AMOUNTS PAID IN SETTLEMENT, DISBURSEMENTS, COMPENSATION AND SUITS AT LAW OR IN EQUITY, OF WHATSOEVER KIND OR NATURE, IN EACH CASE, THAT ANY OF THE RELEASED PARTIES EVER HAD, NOW HAS OR HEREAFTER CAN, SHALL OR MAY HAVE BECAUSE OF ANYTHING HERETOFORE DONE, OMITTED, SUFFERED, OR ALLOWED TO BE DONE BY ANY OF THE COMPANY RELEASED PARTIES, WHETHER FORESEEN OR UNFORESEEN, FIXED OR CONTINGENT, DIRECT, INDIRECT OR DERIVATIVE, ASSERTED OR UNASSERTED, MATURED OR UNMATURED, LIQUIDATED OR UNLIQUIDATED, SUSPECTED OR UNSUSPECTED, OR WHETHER KNOWN OR UNKNOWN, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR BREACH OF CONTRACT OR ANY INTERFERENCE WITH CONTRACT, AND ANY DAMAGES AND THE CONSEQUENCES THEREOF RESULTING FOR ANY REASON WHATSOEVER, IN EACH CASE TO THE EXTENT ARISING PRIOR TO THE EFFECTIVE DATE IN CONNECTION WITH THE OPERATIONS AND MANAGEMENT OF THE DEBTORS.

(C) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE PLAN: (I) EXCEPT TO THE EXTENT PERMISSIBLE UNDER APPLICABLE LAW, AS SUCH LAW MAY BE EXTENDED OR INTERPRETED SUBSEQUENT TO THE EFFECTIVE DATE, THE RELEASES PROVIDED FOR IN THE PLAN SHALL NOT RELEASE THE RELEASED PARTIES FROM ANY LIABILITY ARISING UNDER ANY CRIMINAL LAWS OF THE UNITED STATES OR ANY STATE, CITY OR MUNICIPALITY; (II) THE RELEASES SHALL NOT RELEASE CLAIMS AGAINST ANY RELEASED PARTY ARISING FROM OR RELATING TO SUCH RELEASED PARTY'S FRAUD, GROSS NEGLIGENCE, BREACH OF FIDUCIARY DUTY OR WILLFUL MISCONDUCT, EACH AS DETERMINED BY A FINAL ORDER OF THE BANKRUPTCY COURT; AND (III) THE RELEASES SHALL NOT LIMIT THE LIABILITY OF ANY COUNSEL TO THEIR RESPECTIVE CLIENTS CONTRARY TO RULE 1.8(H)(1) OF THE NEW YORK RULES OF PROFESSIONAL CONDUCT.

9.5. **Legal Binding Effect.** The provisions of the Plan shall bind all holders of Claims and Interests and their respective successors and assigns, whether or not they accept the Plan.

9.6. **Insurance.** Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtor in which the Debtor is or was an insured party. Each insurance company is prohibited from, and the Confirmation Order shall include an injunction against, denying, refusing, altering or delaying coverage on any basis regarding or related to the Case, the Plan or any provision within the Plan, including any treatment or means of liquidation set out within the Plan for insured Claims.

ARTICLE X

CAUSES OF ACTION

10.1. As of and subject to the occurrence of the Effective Date, the Reorganized Debtors, for and on its behalf and on behalf of the Debtors and their estates, will have the discretion to prosecute Causes of Action. Any proceeds from recovery of Causes of Action, after the payment of all reasonable attorneys' fees and costs incurred in connection with such recovery(s), shall be vested in the Reorganized Debtors.

10.2. Any professional fees and expenses in connection with the prosecution of any of the Avoidance Actions shall be paid solely from the proceeds of such recoveries, and the Reorganized Debtors and the Debtors' estates shall not be responsible for any such fees and expenses.

ARTICLE XI
RETENTION OF JURISDICTION

11.1. Pursuant to Bankruptcy Code §§ 105(a) and 1142, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Cases and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

(i) allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim, including the resolution of any application or request for payment of any Administrative Claim, and the resolution of any objections to the allowance or priority of Claims;

(ii) hear and determine any and all adversary proceedings, motions, applications, and contested or litigated matters, including, but not limited to, all causes of action, and consider and act upon the compromise and settlement of any Claim, or cause of action;

(iii) enter such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection therewith;

(iv) hear and determine disputes arising in connection with the interpretation, implementation, consummation, or enforcement of the Plan;

(v) consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

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

(vii) hear and determine any matters arising in connection with or relating to the Plan, the Disclosure Statement, and the Confirmation Order;

(viii) enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Case;

(ix) hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code §§ 346, 505 and 1146;

(x) hear and determine all matters related to the Post-Confirmation Assets, the Debtors, and the Reorganized Debtors from and after the Effective Date, including but not limited to all matters concerning the exemptions granted in accordance with Bankruptcy Code § 1145;

(xi) hear and determine such other matters as may be provided in the Confirmation Order and as may be authorized under the provisions of the Bankruptcy Code; and

(xii) enter a final decree closing the Cases.

ARTICLE XII
MISCELLANEOUS PROVISIONS.

13.1 **Non-Consummation.** If Confirmation or Effective Date does not occur, then (a) the Plan shall be null and void in all respects, (b) settlements or compromises embodied in the Plan, assumptions or rejections of executory contracts or unexpired leases affected by the Plan, and any documents or agreements executed pursuant to the Plan, shall be deemed null and void, and (c) nothing contained in the Plan or the Disclosure Statement shall (i) constitute a waiver or release of any Claims by or against, or any Interests in, the Debtor or any other Person, (ii) prejudice in any manner the rights of the Debtor or any other Person, or (iii) constitute an admission of any sort by the Debtor or any other Person.

13.2 **Severability of Plan Provisions.** If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court, at the request of the Debtors shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial

determination and shall provide that each term and provision of the Plan, as it may be altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

13.3 **Exemption from Transfer Taxes.** In accordance with Bankruptcy Code § 1146(a), the Bankruptcy Court will be requested to make findings, in the Confirmation Order, that neither (i) the issuance, transfer or exchange of security under the Plan or the making or delivery of an instrument of transfer nor (ii) the transfers of the Debtors' Assets under the Asset Purchase Agreement or otherwise shall be taxed under any law imposing stamp or similar tax. Consistent with the foregoing, each recorder of deeds or similar official for any county, city or governmental unit in which any instrument hereunder is to be recorded shall, pursuant to the Confirmation Order, be ordered and directed to accept such instrument, without requiring the payment of any stamp or similar tax.

13.5 **Allocation of Plan Distributions between Principal and Interest.** To the extent that any Allowed Claim entitled to a distribution under the Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall, for federal income tax purposes, be allocated to the principal amount of the Claim first, and then, to the extent the consideration exceeds the principal amount of the Claim, to accrued but unpaid interest.

13.6 **Rules of Interpretation; Computation of Time.** For purposes of the Plan, (a) any reference in the Plan to a contract, instrument, release, indenture, or other agreement or document as being in a particular form or containing particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions, (b) any reference in the Plan to an existing document or exhibit filed or to be filed means such document or exhibit as it may have been or may be amended, modified, or supplemented, (c) unless otherwise specified, all references in the Plan to Sections, Articles, and Exhibits, if any, are references to Sections, Articles, and Exhibits of or to the Plan, (d) the words "herein" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan, (e) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan, and (f) the rules of construction set forth in Bankruptcy Code § 102 and in the Bankruptcy Rules shall apply. In computing any period of time prescribed or allowed by the Plan, unless otherwise specifically designated herein, the provisions of Bankruptcy Rule 9006(a) shall apply.

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

13.8 **Governing Law.** Unless a rule of law or procedure is supplied by federal law, including the Bankruptcy Code and Bankruptcy Rules, the construction and implementation of the Plan and any agreements, documents, and instruments executed

in connection with the Plan shall be governed by the State of New York, without giving effect to the principles of conflicts of law thereof.

13.9 **Entire Agreement.** The Plan sets forth the entire agreement and understanding among the parties in interest relating to the subject matter hereof and supersedes all prior discussions and documents.

13.10 **Modification of the Plan.** The Debtors may alter, amend, or modify the Plan, any Plan Documents under Bankruptcy Code § 1127(a) at any time prior to the Confirmation Date. After the Confirmation Date and prior to Effective Date of the Plan, the Plan Proponent may, under Bankruptcy Code § 1127(b), institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of the Plan so long as such proceedings do not materially or adversely affect the treatment of holders of Claims or Interests under the Plan; provided, however, prior notice of such proceedings shall be served in accordance with the Bankruptcy Rules or Order of the Bankruptcy Court.

Dated: December 5, 2014

GMG Capital Partners III, L.P.

By: s/Joachim Gfoeller, Jr.
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

GMG Capital Partners III Companion Fund, L.P.

By: s/Joachim Gfoeller, Jr.
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

GMG Capital Investments, LLC

By: s/Joachim Gfoeller, Jr.
Name: Joachim Gfoeller, Jr.
Title: Manager

Debtors and Debtors-in-Possession

EXHIBIT B

Liquidation Analysis

NOTES TO LIQUIDATION ANALYSIS

Note A – General Notes

The Liquidation Analysis assumes that the liquidation is performed by a chapter 7 trustee. Except as described herein, the valuations do not take into account the holdings of non-Debtor affiliates. Moreover, the liabilities as illustrated do not take into account the non-Debtor affiliates' obligations to contribute, pro rata, the liabilities of the Debtors – as is provided for in the Plan. The following analysis is performed as though a liquidation were to occur as of January 30, 2015.

Note B – Portfolio Holdings

This analysis assumes conservative valuations of Open Peak and Lancope. However, the value for Open Peak and for Lancope would be drastically different in a forced sale process than what the Plan provides. Further, the hypothetical assumes a trustee would be able sell the Debtors' entire interest in Lancope on the same terms as is available to the Debtors for a smaller portion pursuant to the Plan. That assumption cannot be guaranteed.

Note C– Cash and Cash Equivalents

The Liquidation Analysis assumes that operations during the liquidation period would not generate additional cash available for distribution except for net proceeds from the disposition of non-cash assets. All outstanding cash balances are assumed to be 100% recoverable.

Note D – Accounts receivable

The receivables consist of unpaid management fees from limited partners. However, they do not include amounts due from limited partners on account of their legal reserve.

Note E – Professional Fees

The Professional Fees consist of the estimated cost of the professional fees required to complete the Chapter 7 liquidation process or plan process, as applicable.

Note F Other Administrative Claims

The Other Administrative claims consist of all post-petition accounts payable and accrued expenses including the estimated costs of Professional Fees required to complete the Chapter 7 liquidation process or plan process, as applicable. This estimation assumes the only Other Administrative claim would be the Break-Up Fee payable to Second Alpha.

Note G – Priority Claims

The Priority Claims consist of the estimated allowed priority claims.

Note H – Unsecured Claims

For purposes of the Liquidation Analysis, the estimated general unsecured claims include all estimated allowable claims by the Debtors that are not administrative or priority claims. Because the Plan, on account of reinstatement and other factors, those claims are treated differently, the claims are itemized in accordance with the treatment under the Plan.

Note I – Chapter 7 Trustee Fees

For purposes of the Liquidation Analysis, this amount considers estimated chapter 7 trustee fees payable pursuant to 11 U.S.C. § 326 and estimated fees of professionals retained by the chapter 7 trustee.

GMG

Liquidation Analysis

The tables below summarizes the recovery estimates for proceeds that would be available for distribution in the Debtors' hypothetical chapter 7 bankruptcy case.

		ASSETS - January 30, 2015	
	Notes	Ch 7 Liquidation	Plan Value
ASSETS			
Lancope Interests	B	$ 14,100,000.00	$ 39,000,000.00
Open Peak Interests	B	$ 1,000,000.00	$ 11,400,000.00
Cash & cash equivalents	C	$ -	$ 4,000,000
Accounts Receivable from LPs	D	$ 1,130,000.00	$ 1,130,000
Total Assets		$ 16,230,000.00	$ 55,530,000

		CLAIMS - January 30, 2015		
		Ch 7 Liquidation		Plan Value
Professional Fees	E	$ 1,000,000.00		$ 750,000.00
Other Administrative	F	$ 240,000.00		
Priority Claims	G	$ 50,000.00		$ 50,000.00
All Unsecured (Under Hypothetical)	H	$ 10,000,000.00		
Class 2 Athenian Claims (Reinstated under Plan)	H			$ 2,500,000.00
Class 3 Claims (General Unsecured under Plan)	H			$ 3,800,000.00
Class 4 Claims (General Unsecured under Plan)	H			$ 1,200,000.00
PV Future Obligation for Reinstated Class 2 Claim	H			$ 2,500,000.00
		$ 11,290,000	$ -	$ 10,800,000
Chapter 7 Trustee Costs	I	$ 350,000		$ -
Total Liabilities		$ 11,640,000		$ 10,800,000

	POTENTIAL RECOVERY	
	Ch 7 Liquidation	Plan
Net Estimate Liquidation Proceeds of Unsecured Claims		$ -
Estimated Unsecured Creditor Recovery	$ 10,000,000	$ 10,000,000
	100%	100%
Net Equity	**$ 4,590,000**	**$ 44,730,000**

EXHIBIT C

Plan Support Agreement

Execution Version

PLAN SUPPORT AGREEMENT

This PLAN SUPPORT AGREEMENT is made and entered into as of September 17, 2014 (this "*Agreement*") by and among (i) GMG Capital Partners III, LP, a Delaware limited partnership ("*GMG*") and its debtor and non-debtor affiliates that are signatories hereto (together with GMG, the "*GMG Group*"), and (ii) Second Alpha Partners, LLC, a Delaware limited liability company (the "*Plan Supporter*") (each of the foregoing, a "*Party,*" and collectively, the "*Parties*").

RECITALS

WHEREAS, each entity comprising the GMG Group, except for GMG Capital Partners IIIA, LP, is a debtor and debtor in possession in the jointly administered chapter 11 cases (the "*Bankruptcy Cases*") captioned *In re GMG Capital Partners III, L.P., et al.* No. 13-12937 (SMB) pending in the United States Bankruptcy Court for the Southern District of New York (the "*Bankruptcy Court*").

WHEREAS, subject to the terms and conditions set forth in this Agreement and the term sheet **Exhibit A** (the "*Term Sheet*") attached hereto, the Plan Supporter has agreed to provide the financial support as set forth in the Term Sheet, subject to the terms and conditions set forth therein (including, but not limited to, the negotiation and execution of a definitive asset purchase agreement related to the Sale (as defined below) and Plan Supporter's receipt of a written order of the Bankruptcy Court confirming its approval of the Plan (as defined below)), which the GMG Group believes will be sufficient for the GMG Group to confirm a plan of reorganization (the "*Plan*") in its Bankruptcy Cases that provide for restructuring of the GMG Group's balance sheet and related transactions (collectively, the "*Transactions*");

WHEREAS, it is anticipated that the Transactions will be implemented through the Plan, which provides for a distribution to the GMG Group's constituents that are dependent upon the proceeds of the sale of certain of the GMG Group's equity interests in a non-affiliate of the GMG Group to the Plan Supporter (the "*Sale*") and that the GMG Group shall solicit votes on the Plan pursuant to applicable law, including sections 1125, 1126 and 1145 of the Bankruptcy Code; and

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, intending to be legally bound hereby, agrees as follows:

AGREEMENT

Section 1. ***Agreement Effective Date.*** This Agreement shall become effective and binding upon each of the Parties at 12:01 a.m. prevailing Eastern Time on the date on which the following conditions have been satisfied: (a) the GMG Group shall have executed and delivered counterpart signature pages of this Agreement to the Plan Supporter, and (b) the Plan Supporter shall have executed and delivered to the GMG Group counterpart signature pages of this Agreement (the "*Agreement Effective Date*").

Section 2. ***Term Sheet.*** The Term Sheet is expressly incorporated herein and is made part of this Agreement. The general terms and conditions of the Sale are set forth in the Term Sheet; however, the Term Sheet is supplemented by the terms and conditions of this Agreement. In the event of any inconsistencies between the terms of this Agreement and the Term Sheet, this Agreement shall govern.

Section 3. ***Commitments Regarding the Transactions.***

3.01. Commitment of Plan Supporter. Subject to the terms and conditions contained herein and in the Term Sheet (including, but not limited to, the negotiation and execution of a definitive asset purchase agreement related to the Sale and Plan Supporter's receipt of a written order of the Bankruptcy Court confirming its approval of the Plan), and so long as this Agreement has not been terminated in accordance with the terms herein, the Plan Supporter agrees that it shall provide the GMG Group with the funding described in the Term Sheet, which the GMG Group believes constitutes the funding necessary to support the Transactions.

3.02. Commitment of the GMG Group. Subject to its fiduciary duties as debtors in possession based upon the advice of counsel, and on the terms and subject to the conditions set forth herein, the GMG Group shall (i) support and complete the Sale and related transactions described in the Term Sheet, (ii) do all things necessary and appropriate in furtherance of the Sale and other transactions embodied in the Term Sheet, including, without limitation (a) taking all steps necessary and desirable to obtain an order of the Bankruptcy Court approving the Plan on or before January 31, 2015,and (b) taking all steps reasonably necessary and desirable to cause the effective date of the Plan to occur on or before February 14, 2015, and (iii) not take any action that is inconsistent with, or is intended or is likely to interfere with consummation of the Sale and other transactions described in the Term Sheet.

Section 4. ***Undertakings and Representations.***

4.01. Representations of the GMG Group. Each member of the GMG Group (jointly and severally) represents, warrants and covenants to the Plan Supporter, as of the date of this Agreement, as follows:

(a) Other than as a result of filing of the Bankruptcy Cases, the GMG Group's obligations hereunder do not conflict with, or result in the breach of, or constitute a default under, or result in or permit the termination or acceleration of, any material contractual obligations of the GMG Group as of the date hereof.

(b) The GMG Group represents that, as of the date hereof, the representations and warranties made in this Agreement are true, correct and complete.

4.02. Certain Additional Chapter 11 Related Matters. The GMG Group shall provide to the Plan Supporter or its counsel draft copies of all motions necessary to approve the Transactions, the Sale and the other transactions contemplated by the Term Sheet at least two business days prior to the date when the GMG Group intends to file such document and shall consult in good faith with Plan Supporter's counsel regarding the form and substance of any such proposed filing with the Bankruptcy Court. Further, any motions or other filings that affect the

Sale must be in form and substance satisfactory to the Plan Supporter prior to filing with the Bankruptcy Court.

Section 5. ***Mutual Representations, Warranties, and Covenants***. Each of the Parties (the Plan Supporter individually and the GMG Group jointly and severally) represents, warrants, and covenants to each other Party, as of the date of this Agreement, as follows:

5.01. Enforceability. It is validly existing and in good standing under the laws of the state of its organization, and this Agreement is a legal, valid, and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable laws relating to or limiting creditor's rights generally or by equitable principles relating to enforceability.

5.02. No Consent or Approval. Except as expressly provided in this Agreement or in the Bankruptcy Code, no consent or approval is required by any other person or entity in order for it to carry out the transactions contemplated by, and perform the respective obligations under, this Agreement.

5.03. Power and Authority. Except as expressly provided in this Agreement, it has all requisite power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement.

5.04. Authorization. The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary action on its part.

Section 6. ***Termination Events.***

6.01. Termination Events. This Agreement may be terminated at the option of the Plan Supporter in the exercise of its sole discretion, upon the occurrence of any of the following events:

(a) the failure of the GMG Group to meet any of the deadlines or milestones required of it as set forth in the Term Sheet;

(b) the breach by the GMG Group of any of the obligations, representations, warranties, commitments or covenants of the GMG Group set forth in this Agreement or the Term Sheet; *provided, however*, that the Plan Supporter shall transmit a notice to the GMG Group detailing any such breach, and the GMG Group shall have five (5) business days after receiving such notice to cure any breach if such breach is susceptible to cure;

(c) the conversion of the Bankruptcy Cases to cases under Chapter 7 of the Bankruptcy Code, unless such conversion is made with the prior written consent of the Plan Supporter; or

(d) the appointment of a trustee, receiver or examiner with expanded powers in one or more of the Bankruptcy Cases unless such appointment is made with the prior written consent of the Plan Supporter;

6.02. GMG Group Termination Events. The GMG Group may terminate this Agreement as to all Parties upon three business days' prior written notice, delivered in accordance with **Section 8.08** hereof, upon the occurrence of any of the following events: (a) the breach by the Plan Supporter of any of the Plan Supporter's representations, warranties, commitments or covenants set forth in this Agreement, that remains uncured for a period of five (5) business days after the receipt by the Plan Supporter of notice of such breach; (b) the general partner of GMG reasonably determines based upon the advice of counsel that proceeding with the Sale would be inconsistent with the exercise of its fiduciary duties, or (c) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any ruling or order enjoining the consummation of the Sale.

6.03. Mutual Termination. This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual agreement among the GMG Group and the Plan Supporter.

6.04. Effect of Termination. Upon termination of this Agreement under **Section 6.01**, **Section 6.02** or **Section 6.03**, this Agreement shall be of no further force and effect and each Party hereto shall be released from its commitments, undertakings and agreements under or related to this Agreement; provided, however, that should the GMG Group terminate this Agreement pursuant to Section 6.02 it is acknowledged and agreed by the Parties that GMG Group's obligations pursuant to the "Exclusivity" and "Expenses and Break Fee" sections of the Term Sheet shall survive any such termination.

6.05. Break Fee. The GMG Group shall obtain an order from the Bankruptcy Court approving a break fee on terms set forth in the Term Sheet.

6.06. Automatic Stay. The GMG Group acknowledges that the act of termination by any Party pursuant to this Agreement shall not be a violation of the automatic stay of section 362 of the Bankruptcy Code; *provided, however*, nothing herein shall prejudice any Party's rights to argue that the termination was not proper under the terms of this Agreement.

Section 7. ***Amendments***. This Agreement, including the Term Sheet, may not be modified, amended, or supplemented (except as expressly provided herein or therein) except in writing signed by the GMG Group and the Plan Supporter.

Section 8. ***Miscellaneous.***

8.01. Complete Agreement. This Agreement, the Term Sheet and the Letter of Intent executed by the Parties on June 12, 2014 (the "*Letter of Intent*") represent the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, between the Parties with respect thereto. No claim of waiver, modification, consent or acquiescence with respect to any provision of this Agreement shall be made against any Party, except on the basis of a written instrument executed by or on behalf of such Party.

8.02. Parties. This Agreement shall be binding upon, and inure to the benefit of, the Parties. No rights or obligations of any Party under this Agreement may be assigned or transferred to any other person or entity; provided, however, that the Plan Supporter may assign

its rights and obligation under this Agreement and the Term Sheet to its affiliated funds. Nothing in this Agreement, express or implied, shall give to any person or entity, other than the Parties, any benefit or any legal or equitable right, remedy or claim under this Agreement.

8.03. Headings. The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction or interpretation of any term or provision hereof.

8.04. GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM; WAIVER OF TRIAL BY JURY. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each Party hereto agrees that it shall bring any action or proceeding in respect of any claim arising out of or related to this Agreement or the transactions contained in or contemplated by this Agreement, to the extent possible, in the Bankruptcy Court, and solely in connection with claims arising under this Agreement or the Transactions that are the subject of this Agreement (i) irrevocably submits to the exclusive jurisdiction of the Bankruptcy Court, (ii) waives any objection to laying venue in any such action or proceeding in the Bankruptcy Court and (iii) waives any objection that the Bankruptcy Court is an inconvenient forum or does not have jurisdiction over any Party hereto. Solely to the extent the Bankruptcy Court declines jurisdiction, each Party consents to the exclusive jurisdiction and venue of the state and federal courts located in New York County, New York. EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

8.05. Execution of Agreement. This Agreement may be executed and delivered (by facsimile, electronic mail or otherwise) in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

8.06. Interpretation. This Agreement is the product of negotiations between the GMG Group and the Plan Supporter, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof.

8.07. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors, assigns, heirs, executors, administrators and representatives.

8.08. Notices. All notices hereunder shall be deemed given if in writing and delivered, if sent by telecopy, e-mail, courier or by registered or certified mail (return receipt

requested) to the following addresses and telecopier numbers (or at such other addresses or telecopier numbers as shall be specified by like notice):

(1) if to the GMG Group, to:

GMG Capital Partners III, LP
c/o Jeffrey Gilfix, CFO
115 E 34th St, # 1849
New York, New York 10016

with copies (which shall not constitute notice) to:

Olshan Frome Wolosky LLP
65 East 55th Street
New York, NY 10022
Attention: Michael S. Fox, Esq. & Jonathan T. Koevary, Esq.
Telephone: (212) 451-2277
Facsimile: (212) 451-2222
Email address: mfox@olshanlaw.com

(2) if to the Plan Supporter, to:

Richard J. Brekka
Second Alpha Partners, LLC
276 Fifth Avenue, Suite 901
New York, NY 10001

Telephone: (212) 446-1601
Facsimile: (917) 757-6519
Email address: rbrekka@secondalpha.com

with copies (which shall not constitute notice) to:

Venable LLP
1270 Avenue of the Americas
New York, NY 10020
Attention: Anthony M. Saur, Esq.
Telephone: (212) 370-6297
Facsimile: (212) 307-5598
Email address: AMSaur@Venable.com

Any notice given by delivery, mail or courier shall be effective when received. Any notice given by telecopier shall be effective upon oral or machine confirmation of transmission.

8.09. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same

Agreement. Delivery of an executed signature page of this Agreement by facsimile or electronic mail shall be as effective as delivery of a manually executed signature page of this Agreement.

8.10. Joint and Several Obligations. The agreements, representations, and obligations of the GMG Group under this Agreement are, in all respects, joint and several.

8.11. Remedies Cumulative. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.

8.12. Letter of Intent. In the event of any inconsistencies between the terms of this Agreement and the Letter of Intent, this Agreement shall govern.

8.13. No Third-Party Beneficiaries. Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties, and no other person or entity shall be a third party beneficiary hereof.

Section 9. ***Disclosure***. The GMG Group may publically disclose the existence of this Agreement and the material terms of the Term Sheet in connection with the Bankruptcy Cases.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

The GMG Group:

GMG Capital Partners III, L.P.

By: _____
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

GMG Capital Partners IIIA, L.P.

By: _____
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

GMG Capital Partners III Companion Fund, L.P.

By: _____
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

The Plan Supporter:

SECOND ALPHA PARTNERS, LLC

By: _____
Name: Richard J. Brekka
Title: Manager

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

The GMG Group:

GMG Capital Partners III, L.P.

By: _____
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

GMG Capital Partners IIIA, L.P.

By: _____
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

GMG Capital Partners III Companion Fund, L.P.

By: _____
Name: Joachim Gfoeller, Jr.
Title: Manager, GMG Capital Investments, LLC, its General Partner

The Plan Supporter:

SECOND ALPHA PARTNERS, LLC

By: _____
Name: Richard J. Brekka
Title: Manager

Exhibit A to Plan Support Agreement

Exhibit A to Plan Support Agreement

GMG CAPITAL PARTNERS III, LP, et al.
TERM SHEET FOR SALE UNDER A PROPOSED SALE/PLAN OF REORGANIZATION

The following is a summary of the principal terms and conditions of a proposed Plan of Reorganization of [GMG Capital Partners III, LP (together with GMG Capital Partners IIIA, L.P., GMG Capital Partners III Companion Fund, L.P. ("**Company**")]. This term sheet (this "**Term Sheet**") and the proposals contained herein are subject to, among other conditions, definitive documentation.

This Term Sheet is not a solicitation of acceptances or rejections with respect to any restructuring plan or reorganization. Any such solicitation will be conducted in accordance with the Bankruptcy Code. Any plan of reorganization based hereon is subject to approval by the Bankruptcy Court.

I. IMPLEMENTATION OF THE PLAN AND TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

This Term Sheet is conditioned on the consummation of a confirmed chapter 11 plan of reorganization satisfactory to the Company and parties hereto (the "**Plan**"). Except as specified below, claims and interests shall be satisfied in full by the delivery of the applicable consideration with respect to any class within 30 days after the effective date of the Plan (the "**Effective Date**"), or, to the extent such delivery is dependent upon a further liquidation of the Company's assets, as soon as reasonably practicable after such liquidation, subject to the priority scheme of the Plan and any subordination that may occur pursuant thereto.

Terms of the Plan Funding

Plan Funding	Second Alpha Partners, LLC, or certain of its affiliated funds (the "Plan Supporter"), shall provide the funding to enable distributions under the Plan as further set forth in this Term Sheet. In exchange for funding such distributions, pursuant to the Plan, the Company will sell to the Plan Supporter at least $4,000,000 and not to exceed $6,000,000 of shares of Lancope common stock held by the Company (the "Purchased Shares") at a price per share of $3.00, subject to the Adjustment.
Adjustment of Purchased Shares	Upon consummation by Lancope of any transaction, including an IPO, merger, consolidation, liquidation, asset or stock sale, pursuant to which Plan Supporter receives consideration in exchange for termination, tender, exchange or other transfer of the Purchased Shares (a "Sale of Lancope"), the number of Purchased Shares shall be adjusted (the "Adjustment") as follows:

	(a) In the event that the Sale of Lancope results in an amount of aggregate consideration to Lancope's stockholders that results in all holders of Lancope's preferred stock converting their preferred stock into common stock (a "Qualified Sale"), then, prior to the consummation of such transaction, Plan Supporter shall deliver to Company a number of Purchased Shares (if any) equal to (i) 50% of any consideration payable with respect to the Purchased Shares in excess of $9.00 per share divided by (ii) the per-share value of the Purchased Shares as determined by reference to the valuation of Lancope in the Qualified Sale. (b) In the event that the Sale of Lancope is not a Qualified Sale, then Company shall, prior to the consummation of such transaction, deliver to Plan Supporter a number of shares of Lancope common stock equal to the additional amount of Purchased Shares that Plan Supporter would have received had the initial price per share been reduced by 40%. (c) In the event that the Sale of Lancope is a Qualified Sale but the aggregate consideration to Lancope's stockholders is less than $250,000,000, then the Company shall, prior to the consummation of such transaction, deliver to the Plan Supporter a number of shares of Lancope common stock equal to the additional amount of Purchased Shares that Plan Supporter would have received had the initial price per share been reduced by 10%. Plan Supporter and Company shall place into escrow the number of shares of Lancope common stock necessary to fulfill their respective obligations as outlined in (a)-(c) above.
Milestones	Unless otherwise agreed to in writing, the Parties agree to the following milestones, subject to terms and conditions further set forth in the Plan Support Agreement (the "PSA"):[1] (a) September 19, 2014 – Chapter 11 Plan (in form and substance satisfactory to Company and Plan Supporter) and proposed disclosure statement filed with Bankruptcy Court; (b) November 30, 2014 – Disclosure statement approved by Bankruptcy

[1] Note: Because termination rights under the Support Agreement are tied to milestones/deadlines, we will need to insert dates in this section.

	Court; (c), November 30, 2014 - PSA and Break Fee (as defined below) approved by Bankruptcy Court; (d) 5 days prior to the voting deadline as scheduled by the Court or as otherwise ordered by the Court in connection with the Disclosure Statement hearing: mutually agreeable Asset Purchase Agreement to be filed as a Plan Supplement; (e) 60 Days after entry of Disclosure Statement Order, Plan confirmed by Bankruptcy Court (the "Plan Confirmation"); and (f) 14 Days after Plan Confirmation, closing of Sale and occurrence of Effective Date.
RoFR Agreement	Company has secured from Lancope and the requisite number of current investors of Lancope that have right of first refusal privileges pursuant to Lancope's most recent operative shareholders agreement (the "RoFR Agreement") a waiver of such privileges with respect to the transactions contemplated by this Term Sheet.
Transfer Tax Exemption	All transfers of Purchased Shares in accordance with this Term Sheet shall be "under a plan confirmed" pursuant Bankruptcy Code section 1146(a) such that the transfer of the Purchased Shares qualifies for all exemptions described therein. The Plan and order confirming the Plan will affirm such exemptions pursuant to Bankruptcy Code section 1146(a).
Closing	The closing of the purchase of the Purchased Shares and related funding of distributions under the Plan by the Plan Supporter is subject to (i) satisfactory completion of legal due diligence, including a review of the legal documents governing the Purchased Shares and of Lancope in order to ascertain the transferability of the Purchased Shares and associated rights, (ii) Plan Supporter's receipt of the RoFR Waiver[2], (iii) receipt of the Plan Confirmation (in form and substance satisfactory to Plan Supporter and the Company) and (iv) execution of definitive documents containing customary representations, warranties, covenants, conditions and indemnification provisions for a transaction of this type.
Exclusivity	For a period from June 12, 2014 through the date the PSA and Break Fee are

[2] The receipt of the RoFR will be a closing condition under the purchase agreement and we will need to confirm its continued effectiveness at closing.

	approved by Bankruptcy Court (the "Exclusivity Period"), the Company (on behalf of itself and its respective subsidiaries, subsidiaries, members, managers and their respective affiliates, agents and representatives) agree that they will not (i) take any actions to solicit, invite submission of, or encourage proposals or offers from any person with respect to the sale of the Purchased Shares other than the Plan Supporter, (ii) participate in any discussion or negotiations regarding any such proposal with any person or entity other than Plan Supporter and its representatives, (iii) furnish any information or afford access to the books and records of Lancope to any party other than Plan Supporter or its representatives for the purpose of facilitating such discussions or negotiations or (iv) otherwise cooperate in any way with, assist or participate in, or facilitate or encourage any offer or attempt by another party to do any of the foregoing. The Company shall promptly notify the Plan Supporter of their or any of their respective officers', managers', employees, advisors, members' or representatives' receipt of any written or verbal submissions, proposals or offers with respect to any competing transaction made while the restrictions pursuant to this paragraph remain in effect. If no plan confirmation hearing with the U.S. Bankruptcy Court has been held by the end of the Exclusivity Period, the Exclusivity Period shall automatically be extended until such hearing is held. This exclusivity provision may be earlier terminated on mutual agreement of the Parties.
Expenses and Break Free	Each of the Company and Plan Supporter shall bear their own out-of-pocket expenses incurred in connection with or pursuant to the negotiation and preparation of the definitive documentation, including, without limitation, all legal, accounting, travel and other similar fees and expenses; provided, however, that if the Company (i) breaches the exclusivity obligations set forth in this Term Sheet or (ii) sells, offers to sell, pledges, assigns, encumbers, disposes or otherwise transfers the Purchased Shares (including pursuant to the rights of first refusal set forth in the RoFR Agreement) to any party other than the Plan Supporter then the Company shall be obligated, on a joint and several basis, to make the following, nonrefundable cash payments to Plan Supporter within two business days of such breach or transfer a. an amount equal to the aggregate amount of all fees and expenses (including all reasonable attorneys' fees) that have been paid or that may become payable by or on behalf of Plan Supporter in connection with the preparation and negotiation of that certain letter of intent, dated June 11, 2014, by and among the Company and the Plan Supporter (the "LOI"), this Term

	Sheet, the PSA or otherwise in connection with the transactions contemplated by the LOI and this Term Sheet and PSA; and b. an amount equal to the greater of (i) 6% of the minimum aggregate purchase price (ii) 6% of the aggregate purchase price of the Purchased Shares, as reflected in the definitive documentation for the transactions contemplated by this Term Sheet or any other subsequent agreement between Plan Supporter and Company related to the sale of the Purchased Shares. The foregoing (a) and (b) constituting collectively, the "Break Fee." The Company shall work with the Plan Supporter to obtain, by November 30, 2014, Bankruptcy Court approval of the Break Fee as an allowed administrative expense claim pursuant to §503(b)(1) of the Bankruptcy Code. This Break Fee provision may be earlier terminated on mutual agreement of Plan Supporter and Company.
Terms of the Proposed Plan	
Administrative Expense Claims	All Allowed Administrative Expense Claims (as will be defined in the Plan) shall be paid the Allowed (as will be defined in the Plan) amount of such claim as follows: either (i) in Cash on the later of (x) the Effective Date, or as soon thereafter as is reasonably practicable, and (y) the date such claim becomes Allowed, or due and payable in the ordinary course of business; or (ii) on such other terms and conditions as may be mutually agreed upon between such holder and the Company
Priority Non-Tax Claims	On the Effective Date, all Allowed Priority Non-Tax Claims (as will be defined in the Plan) shall be paid in full in Cash.
Priority Tax Claims	As soon as practicable after the Effective Date, the Company, on an entity by entity basis without any substantive consolidation, shall pay to each Holder of an Allowed Priority Tax Claim (as will be defined in the Plan) from the post-confirmation assets (as will be defined in the Plan) the full amount of such claims, if any, (i) in cash on the later of (x) the Effective Date, or as soon thereafter as is reasonably practicable, and (y) the date such claim becomes Allowed, or due and payable in the ordinary course of business; (ii) over a

	period ending not later than five (5) years after the petition date in accordance with section 1129 of the Bankruptcy Code; or (iii) on such other terms and conditions as may be mutually agreed upon between such holder and the Company.
Athenian Claims	On the later of (i) the Effective Date or (ii) the date the Athenian Claims become Allowed Claims, Athenian's 2013 Delaware judgment against the Company shall be reinstated in accordance with Bankruptcy Code section 1124. Athenian in no event shall be entitled to recover more than the amount of its claim.
General Unsecured Claims	In full and final satisfaction of their General Unsecured Claims, Holders of Allowed General Unsecured Claims will receive (i) cash in a to be determined amount not to exceed forty (40) percent of such Allowed General Unsecured Claim [as will be defined in the Plan] and (ii) *pro rata* the proceeds of any liquidation of the Debtor's assets against which they have a claim until such time as such creditors are paid in full inclusive of postposition interest at the federal judgment rate.
Management Company Claims	After payment in full of the General Unsecured Claims, the Company's management company, JDJ, will receive *pro rata* the proceeds of any liquidation of the Debtor's assets against which they have a claim until such time as such creditor is paid in full inclusive of interest at the federal judgment with postpetition interest at the federal judgment rate at a priority level senior to all interests and intercompany claims.
Limited Partner & Member Interests	Limited partners and member interests will retain their interests in accordance with their applicable agreements.
Intercompany Claims	Any debtor claim against another debtor will be payable in full, with postpetition interest, at a priority level senior to interests.
Substantive Consolidation	No substantive consolidation.
Subordination	The Plan shall provide a mechanism pursuant to which the Company may seek subordination of any claim pursuant to section 510 of the Bankruptcy Code, even after such claim becomes "Allowed" and allow the Company to withhold distribution during the determination of any subordination process.

Documentation	Any Plan and related disclosure statement and related documentation shall be in form and substance reasonably satisfactory to the Company and the Plan Supporter.
Releases and Indemnification	To the fullest extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, the Plan shall provide for the Company's release, as of the Effective Date, of any and all claims or causes of action, known or unknown, relating to any pre-Petition Date acts or omissions, except for willful misconduct or fraud, committed by any of the following: (i) the officers, directors, employees, legal, financial and tax advisors and other representatives of the Company, in their capacity as such; (ii) the Plan Supporter, and its respective officers, directors, employees, legal, financial and tax advisors and other representatives collectively, the "Released Parties"). To the fullest extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, the Plan shall provide that, as of the Effective Date, each holder of an equity interest in the Company and each holder of a claim that was paid in full, elected a different treatment or voted to accept the Plan and did not mark their ballot to indicate their refusal to grant the release provided for in this paragraph, shall be deemed to have unconditionally released the Released Parties from any and all claims, obligations, rights, suits, damages, causes of action, remedies, and liabilities, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based in whole or in part upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date. To the fullest extent permissible under applicable law, the Plan shall provide that, as of the Effective Date, the Released Parties shall not have or incur any liability for any act or omission in connection with, related to, or arising out of, the Company's chapter 11 cases, the pursuit of confirmation of the Plan or the administration of the Plan or the property to be distributed under the Plan except for claims resulting from willful misconduct or fraud.

EXHIBIT D

Corporate Structure

Organizational Structure