

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

In re

IMMC CORPORATION
(f/k/a IMMUNICON CORPORATION), *et al.*,¹

Debtors.

Chapter 11

Case No. 08-11178 (KJC)

(Jointly Administered)

**FOURTH AMENDED PLAN OF LIQUIDATION OF IMMC CORPORATION, *ET AL.*,
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE (DATED OCTOBER 13, 2008)**

FOX ROTHSCHILD LLP

Sheldon K. Rennie, Esquire
(DE Bar No. 3772)
919 N. Market Street, Suite 1300
Wilmington, DE 19899-2323
Telephone: (302) 654-7444
Facsimile: (302) 656-8920

Michael G. Menkowitz, Esquire
Joshua T. Klein, Esquire
2000 Market Street, 10th Floor
Philadelphia, PA 19103-3291
Telephone: (215) 299-2000
Facsimile: (215) 299-2150

Counsel for IMMC Corporation, *et al.*,
Debtors and Debtors In Possession

¹ The Debtors are the following entities: IMMC Corporation (f/k/a Immunicon Corporation) (EIN XX-XXX9490), IMMC Holdings, Inc. (EIN XX-XXX1611), Immunivest Corporation (EIN XX-XXX9032) (address 3401 Masons Mill Road, Suite 100, Huntingdon Valley, PA 19006) and IMMC Europe, Inc. (f/k/a Immunicon Europe, Inc.) (EIN XX-XXX7477) (address Hengelosestraat 705 Enschede, The Netherlands 7521 PA).

TABLE OF CONTENTS

I. DEFINITIONS AND RULES OF CONSTRUCTION..... 1

 A. Definitions. 1

 B. Rules of Construction. 7

II. DESIGNATION OF CLASSES AND TREATMENT OF CLAIMS AND INTERESTS 8

 A. Summary and Classification of Claims and Interests. 8

 B. Allowance and Treatment of Unclassified Claims (Administrative Claims and Priority Tax Claims). 9

 1. Administrative Claims. 9

 2. Priority Tax Claims. 11

 C. Classification and Treatment of Classified Claims and Interests. 11

 1. Class 1 (Priority Claims other than Priority Tax Claims). 11

 2. Class 2 (General Unsecured Claims). 11

 3. Class 3 (Director and Officer Liability Claims). 11

 4. Class 4 (Existing Common Stock). 12

 5. Class 5 (Existing Options and Existing Warrants). 12

III. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES 12

 A. Rejection of Executory Contracts and Unexpired Leases. 12

 1. Rejected Agreements. 12

 2. Bar Date for Rejection Damage Claims. 12

IV. MEANS OF EXECUTION AND IMPLEMENTATION OF THE PLAN 13

 A. Ratification of Agreements..... 13

 1. The Asset Purchase Agreement. 13

 2. Confidentiality Agreements..... 13

 3. Directors and Officers Liability Policies. 13

 B. Funding of the Plan. 13

 C. The Liquidating Estate..... 13

1.	Continuation of the Estates.....	13
2.	Preservation/Vesting of Rights of Action.....	14
3.	Appointment of the Liquidating Trustee.	15
4.	Powers and Duties of the Liquidating Trustee.	16
5.	Termination of the Liquidating Estate.....	17
6.	Additional Provisions Regarding the Liquidating Estate.	17
D.	Avoidance Actions and Claims Objections.....	17
E.	Distribution of Property Under the Plan.....	17
1.	Manner of Cash Payments Under the Plan.....	18
2.	No <i>De Minimis</i> Distributions.....	18
3.	No Distribution with Respect to Disputed Claims.	18
4.	Delivery of Distributions and Undeliverable/Unclaimed Distributions.....	18
F.	Cancellation of Interests.	19
G.	Dissolution of Debtor Entity/Termination of Officers and Directors.....	19
H.	Dissolution of the Creditors' Committee.	19
V.	EFFECT OF CONFIRMATION OF THE PLAN.....	20
A.	Binding Effect of Plan/Injunction.	20
B.	Releases.	21
C.	Exculpation and Limitation of Liability.....	21
D.	Injunctive Relief Relating To Claims and Releases.....	22
VI.	OTHER PLAN PROVISIONS.....	22
A.	The Effective Date.....	22
B.	Stay of Confirmation Order Shortened.....	22
C.	Revocation of Plan/No Admissions.....	23
D.	Exemption from Certain Transfer Taxes.....	23
E.	Modifications of Plan.	23
F.	Cram-Down.	23

G. Post-Effective Date Effect of Evidences of Claims or Interests.....23

H. Post-Effective Date Notices.23

I. Successors and Assigns.24

J. Saturday, Sunday or Legal Holiday.....24

K. Headings.24

L. Severability of Plan Provisions.....24

M. Governing Law.24

N. Retention of Jurisdiction.....24

O. Term of Bankruptcy Injunctions or Stays.25

P. Objections to Confirmation.25

Q. Notices.25

VII. RECOMMENDATION AND CONCLUSION.....27

IMMC Corporation (formerly known as Immunicon Corporation), *et al.*, the debtors and debtors in possession in the above-captioned chapter 11 cases (the "Debtors") hereby propose the following chapter 11 plan for the Debtors.

I.

DEFINITIONS AND RULES OF CONSTRUCTION

A. Definitions.

In addition to such other terms as are defined elsewhere in the Plan, the following terms (which appear in the Plan as capitalized terms) have the following meanings as used in the Plan:

"Administrative Claim" means a Claim for administrative costs or expenses entitled to priority in payment pursuant to Bankruptcy Code sections 503(b), 507(a)(2) and/or 1114(e)(2), including a Prepetition Administrative Goods Claim, but excluding any Professional Fee Claims and any Assumed Liabilities..

"Administrative Claim Bar Date" means [October 10], 2008, with respect to Administrative Claims (except for Prepetition Administrative Goods Claims, which must be filed on or before the Bar Date).

"Allowed Administrative Claim" means an Administrative Claim that is allowed as set forth in Section II.B.1.

"Allowed" means, when used with respect to a Claim or portion thereof, other than an Administrative Claim (as to which the term has the particular meaning indicated in Section II.B.1), to the extent that:

(a) Either: (1) a proof of Claim was timely Filed; or (2) a proof of Claim is deemed timely Filed either under Bankruptcy Rule 3003(b)(1)-(2) or by a Final Order; and

(b) Either: (1) the Claim is not a Disputed Claim or a Disallowed Claim; or (2) the Claim is allowed by a Final Order or under the Plan.

Unless otherwise specified in the Plan, an Allowed Claim does not include interest on the Claim accruing after the Petition Date. Moreover, any portion of a Claim that is satisfied or released during the Cases is not an Allowed Claim.

"Asset Purchase Agreement" means that certain Asset Purchase Agreement, dated as of June 11, 2008 between the Debtors and Veridex, as from time to time amended, restated, supplemented or otherwise modified.

"Assumed Liabilities" has the meaning specified in Section 1.03 of the Asset Purchase Agreement.

"Avoidance Action" means any claim, cause of action or right under Sections 542, 543, 544, 547, 548, 549 and 550 of the Bankruptcy Code or any other applicable statutory or common law, including all fraudulent-conveyance and fraudulent-transfer laws, all non-bankruptcy laws vesting in creditors rights to avoid, rescind, or recover on account of transfers, all preference laws, the Uniform Fraudulent Transfer Act and similar statutes, and the proceeds thereof.

"Ballot" means the ballot to vote to accept or reject the Plan.

"Ballot Deadline" means the deadline established by the Bankruptcy Court for the delivery of

executed Ballots to the Ballot Tabulator.

"Ballot Tabulator" means Joseph G. DiStanislao, a legal assistant at Fox Rothschild LLP, or any other person or entity designated by Fox Rothschild LLP to tabulate Ballots.

"Bankruptcy Code" or **"Code"** means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as applicable in the Case.

"Bankruptcy Court" or **"Court"** means the United States Bankruptcy Court for the District of Delaware, or any other court that properly exercises jurisdiction over the Cases.

"Bankruptcy Rules" means, together, (a) the Federal Rules of Bankruptcy Procedure and (b) the Local Rules of the Bankruptcy Court, as applicable in the Cases.

"Bar Date" means August 14, 2008 with respect to (i) all Claims other than Administrative Claims (except for Prepetition Administrative Goods Claims) and Professional Fee Claims provided that with respect to a Claim of a Governmental Unit (other than an Administrative Claim), it means December 8, 2008, as set forth in the Bar Date Order, (ii) a Rejection Damage Claim, it means (x) September 2, 2008 for Rejection Damage Claims in connection with contracts authorized to be rejected by the Order Authorizing Rejection of Executory Contracts Pursuant to 11 U.S.C. § 365, dated July 31, 2008, [D.I. 153]; or (y) thirty (30) days after the Effective Date for any other Rejection Damage Claims in connection with any other executory contract rejected pursuant to this Plan; and (iii) an Administrative Claim, it means the Administrative Claims Bar Date.

"Bar Date Order" means that certain *Order (1) Fixing Bar Date For the Filing of Proofs of Claim, (2) Fixing Bar Date For the Filing of Proofs of Claim By Governmental Units, (3) Fixing Bar Date For the Filing of Requests For Allowance of Bankruptcy Code § 503(b)(9) Administrative Expense Claims, (4) Designating Form and Manner of Notice Thereof, and (5) Granting Related Relief*, entered on July 10, 2008 [D.I. 97].

"Business Day" means a day that is not a Saturday, Sunday, or "legal holiday," listed in Bankruptcy Rule 9006(a).

"Cases" means the Debtors' cases under chapter 11 of the Bankruptcy Code.

"Cash" means cash and cash equivalents denominated in legal tender of the United States of America.

"Claim" has the meaning specified in Bankruptcy Code Section 101(5), whether or not asserted.

"Claim Objection" means any right to object to, obtain the disallowance of, or obtain the subordination of a Claim pursuant to the Bankruptcy Code or applicable law.

"Claim Objection Deadline" means, unless extended by Order of the Court, the later of: (a) 20 days after the Effective Date, or (b) 45 days after the date on which the subject proof of Claim was Filed.

"Class" means a group of Claims or Interests as classified in Section II.A.

"Class 1 Available Cash" means the amount of Effective Date Available Cash remaining after all payments have been made pursuant to Article II.B. hereof and/or reserved for in accordance with the Professional Fee Claim Reserve, the Liquidating Trust Reserve, and if applicable, the Governmental

Unit Claims Reserve and any other order of the Bankruptcy Court pursuant to Article IV.E.4(c) hereof.

"Class 2 Available Cash" means the Effective Date Available Cash after all payments have been made pursuant to Articles II.B. and II.C.1. hereof and/or reserved for in accordance with the Professional Fee Claim Reserve, the Liquidating Trust Reserve, and if applicable, the Governmental Unit Claims Reserve and any other order of the Bankruptcy Court pursuant to Article IV.E.4(c) hereof.

"Class 3 Available Cash" means the Effective Date Available Cash after all payments have been made pursuant to Articles II.B., II.C.1., and II.C.2. hereof and/or reserved for in accordance with the Professional Fee Claim Reserve, the Liquidating Trust Reserve, and if applicable, the Governmental Unit Claims Reserve and any other order of the Bankruptcy Court pursuant to Article IV.E.4(c) hereof.

"Class 4 Available Cash" means the Effective Date Available Cash after all payments have been made pursuant to Articles II.B., II.C.1., II.C.2., and II.C.3. hereof and/or reserved for in accordance with the Professional Fee Claim Reserve, the Liquidating Trust Reserve, and if applicable, the Governmental Unit Claims Reserve and any other order of the Bankruptcy Court pursuant to Article IV.E.4(c) hereof.

"Closing Date" means August 1, 2008.

"Committee Professionals" means the professionals of the Creditors' Committee whose employment is authorized by an order of the Court.

"Confidentiality Agreements" means all confidentiality agreements addressing the treatment of confidential information of the Debtors into which the Debtors and other parties entered prior to the Effective Date.

"Confirmation Date" means the date of entry of the Confirmation Order on the Court's official docket.

"Confirmation Hearing" means the hearing by the Bankruptcy Court held pursuant to Bankruptcy Code section 1128(a) regarding confirmation of the Plan.

"Confirmation Order" means the Bankruptcy Court order, in a form reasonably acceptable to the Creditors' Committee and Veridex, under Bankruptcy Code Section 1129 confirming the Plan.

"Creditors' Committee" means the Official Committee of Unsecured Creditors appointed in the Case by the U.S. Trustee under Bankruptcy Code Section 1102 on June 23, 2008, as currently constituted by the following members: SF Capital Partners, Ltd., Portside Growth and Opportunity Fund and Tyco Healthcare Group, L.P. (d/b/a Kendall Healthcare).

"Debtor" means each of the Debtors, individually.

"Debtors" means, collectively, IMMC, IMMC Europe, Inc. (formerly known as Immunicon Europe, Inc.), IMMC Holdings, Inc. and Immunivest Corporation.

"Debtors' Counsel" means Fox Rothschild LLP, 2000 Market Street, Tenth Floor, Philadelphia, PA 19103, Facsimile: (215) 299-2150 Attn: Michael G. Menkowitz, Esq. and Joshua T. Klein, Esq.

"Debtors' Professionals" means Debtors' Counsel and the other professionals of the Debtors whose employment is authorized by an order of the Court.

“Directors” shall mean all current and former members of the Debtors’ boards of directors.

"Director and Officer Liability Claims" means Claims for indemnification or contribution asserted by any Director or Officer for liability (including any defense costs and attorneys' fees) for acts or omissions of such Director or Officer in connection with its official capacity as a Director or Officer of any Debtor, exceeding the amount available under the Directors and Officers Liability Policies.

"Directors and Officers Liability Policies" means the insurance policies in place for the Debtors covering director and officer liability.

"Disallowed Claim" means a Claim, or any portion thereof, that the Bankruptcy Court has disallowed pursuant to a Final Order.

"Disbursing Agent" means the Liquidating Trustee (chosen by the Creditors’ Committee) or any entity employed or retained by the Liquidating Trustee to serve as disbursing agent under the Plan.

"Disclosure Statement" means that certain *Disclosure Statement Describing Third Amended Plan of Liquidation of Immunicon Corporation, Et Al. Under Chapter 11 Of The Bankruptcy Code (Dated September 11, 2008)*, as it may be subsequently amended or modified, and which shall be in a form reasonably satisfactory to the Creditors’ Committee, Filed in connection with the Plan.

"Disputed Claim" means a Claim as to which:

- (a) a proof of Claim is Filed or is deemed Filed under Bankruptcy Rule 3003(b)(1); and
- (b) (i) an objection: (1) has been timely Filed; and (2) has not been denied by a Final Order or withdrawn; or (ii) that Claim is listed on the Debtor's Schedules as disputed, contingent or unliquidated.

A Disputed Claim shall also mean any Claim, or portion thereof, not Allowed that may be payable from the Professional Fee Claim Reserve, the Governmental Unit Claims Reserve, the D&O Reserve, and any other reserve established pursuant to Article IV.E.4(c) hereof.

"Distribution Date" means the date occurring on or as soon as reasonably practicable after the Effective Date on which the Disbursing Agent first makes distributions to holders of Allowed Claims and Existing Common Stock under the Plan, which shall be no later than 20 days following the Effective Date.

“Distribution Reserves” means the following: the Governmental Unit Claims Reserve, the Liquidating Trust Reserve and the Professional Fee Claim Reserve or any other reserves established with respect to distributions under the Plan by the Bankruptcy Court.

“D&O Reserve” means the reserve set forth in Section II.C.4.

"Effective Date" has the meaning specified in Section VI.A.

“Effective Date Available Cash” means the total amount of Cash in the Liquidating Estate on and after the Effective Date.

"Estates" means the estates of the Debtors created under Bankruptcy Code section 541.

"Excluded Assets" has the meaning specified in Section 1.02 of the Asset Purchase Agreement, including any assets deemed to be Excluded Assets under Section 1.04 of the Asset Purchase Agreement.

"Exhibit Filing Date" means the last Business Day that is at least ten (10) days before the Confirmation Hearing.

"Existing Common Stock" means the shares of the common stock of the Debtor IMMC issued and outstanding on August 29, 2008.

"Existing Options" means those options existing as of the Effective Date to purchase shares of the common stock of Debtor IMMC.

"Existing Warrants" means those warrants existing as of the Effective Date to purchase shares of the common stock of Debtor IMMC.

"Federal Judgment Interest Rate" means 2.14%, the rate of interest provided for in 28 U.S.C. § 1961 that was in effect on the Petition Date.

"File", "Filed", or "Filing" means duly and properly filed with the Bankruptcy Court and reflected on the Bankruptcy Court's official docket, except with respect to a proof of claim, in which case the term means duly and properly filed with the Court.

"Final Order" means an order or judgment of the Bankruptcy Court entered on the Bankruptcy Court's official docket:

- (a) that has not been reversed, rescinded, stayed, modified, or amended;
- (b) that is in full force and effect; and
- (c) with respect to which: (1) the time to appeal or to seek review, remand, rehearing, or a writ of certiorari has expired and as to which no timely filed appeal or petition for review, rehearing, remand, or writ of certiorari is pending; or (2) any such appeal or petition has been dismissed or resolved by the highest court to which the order or judgment was timely appealed or from which review, rehearing, remand, or a writ of certiorari was timely sought.

"General Unsecured Claim" means a Claim that is not an Administrative Claim, a Priority Claim, Priority Tax Claim, Professional Fee Claim, or a Director and Officer Liability Claim.

"Governmental Unit" has the meaning specified in Bankruptcy Code section 101(27).

"Governmental Unit Claims Reserve" means, if applicable, the reserve in an amount to be set by the Bankruptcy Court, which shall be established and maintained by the Liquidating Estate, for any distribution on account of a Claim of a Governmental Unit.

"IMMC" means IMMC Corporation, formerly known as Immunicon Corporation.

"Intercompany Claim" means any Claim held by one Debtor against another Debtor, including (i) any account reflecting intercompany book entries by such Debtor with respect to any other Debtor, (ii) any Claim not reflected in book entries that is held by such Debtor, and (iii) any derivative Claim asserted or assertable by or on behalf of such Debtor against any other Debtor.

"Interest" means any equity security as defined in Bankruptcy Code section 101(16), whether or not asserted, including, the Existing Common Stock of Immunicon Corporation and Existing Options

and Existing Warrants of Immunicon Corporation.

"Liquidating Estate" means the Estates after being substantively consolidated for Plan purposes under this Plan and the Confirmation Order on and after the Effective Date.

"Liquidating Estate Agreement" means that certain *Liquidating Estate Agreement* among the Debtors and the Liquidating Trustee setting forth the terms and conditions of the Liquidating Trustee's retention by the Liquidating Estate, in a form reasonably satisfactory to the Creditors' Committee, in substantially the form attached hereto as Exhibit A.

"Liquidating Trust Reserve" means the reserve in an amount not less than \$750,000 to be set by the Bankruptcy Court, which amount may be supplemented by the Liquidating Trustee after Bankruptcy Court approval and which reserve shall be established and maintained by the Liquidating Estate, for the allowance and payment of the post-Effective Date fees and expenses of the Liquidating Trustee and its professionals, pursuant to Article II.B.1.(d) hereof.

"Liquidating Trustee" means the person selected the Creditors' Committee in consultation with Johnson & Johnson Development Corporation and appointed pursuant to the Confirmation Order to administer the Liquidating Estate, or such other person determined (with approval of the Creditors' Committee) as a replacement Liquidating Trustee.

"Officers" means all current and former officers of the Debtors.

"Oversight Committee" means the committee formed pursuant to Section IV.I. of this Plan.

"Petition Date" means June 11, 2008.

"Plan" means this *Fourth Amended Plan Of Liquidation Of IMMC Corporation, Et Al. Under Chapter 11 Of The Bankruptcy Code (Dated October 13, 2008)*, as it subsequently may be modified, supplemented, or amended with the consent of the Creditors' Committee, pursuant to Article VI.E. of this Plan.

"Postpetition Interest" means with respect to a Claim either (i) to the extent permitted by applicable law, the rate of interest on such Claim that is fixed by contract, agreement, instrument, or any other writing governing the terms of payment of such Claim, at such rate from the Petition Date through the date of payment in full of such Claim, calculated pursuant to such contract, agreement, instrument, or other writing; or (ii) interest at the Federal Judgment Interest Rate incurred from the Petition Date through the date of payment in full of such Claim, calculated in accordance with 28 U.S.C. § 1961.

"Prepetition Administrative Goods Claim" means a Claim under Bankruptcy Code Section 503(b)(9) for the value of any goods received by the Debtor within 20 days before the Petition Date, where the goods were sold to the Debtor in the ordinary course of the Debtor's business, excluding any duplicative reclamation claim with respect to the same goods.

"Priority Claim" means a Claim entitled to priority against the Estate under Bankruptcy Code sections 507(a)(4), 507(a)(5), 507(a)(7), or 507(a)(9). Priority Claims do not include any Claims incurred after the Petition Date.

"Priority Tax Claim" means a Claim entitled to priority against the Estate under Bankruptcy Code section 507(a)(8). Priority Tax Claims do not include any Claims incurred after the Petition Date, except to the extent provided in Bankruptcy Code section 502(i).

"Professional Fee Claim" means a Claim under Bankruptcy Code sections 327, 328, 330, 331, 503, or 1103 for compensation for professional services rendered or expenses incurred on behalf of the Estates either by one of the Debtor's Professionals or one of the Committee Professionals.

“Professional Fee Claims Reserve” means the reserve in an amount to be set by the Bankruptcy Court, which shall be established and maintained by the Liquidating Estate, for the allowance and payment of Professional Fee Claims pursuant to Article II.B.1(b) hereof.

"Pro Rata" means proportionately so that the ratio of (a) the amount of consideration distributed on account of a particular Allowed Claim Existing Common Stock to (b) the Allowed Claim or Existing Common Stock, is the same as the ratio of (x) the amount of consideration available for distribution on account of Allowed Claims or Existing Common Stock in the Class in which the particular Allowed Claim or holder of Existing Common Stock is included to (y) the amount of all Allowed Claims or Existing Common Stock of that Class.

"Purchased Assets" has the meaning specified in Section 1.02 of the Asset Purchase Agreement, including any assets deemed to be Purchased Assets under Section 1.04 of the Asset Purchase Agreement.

"Purchased Causes of Action" means any right, claim, credit, cause of action or right of setoff of any of the Debtors to the extent relating to any Purchased Assets or Assumed Liabilities, which such right, claim, credit, cause of action or right of setoff was acquired by Veridex pursuant to the Asset Purchase Agreement.

"Rejection Damage Claim" means a claim arising under Bankruptcy Code section 365 from the rejection by the Debtors of an unexpired lease or executory contract.

"Retained Actions" means all claims, causes of action, and other rights preserved and vested in the Liquidating Estate under the Plan pursuant to Section IV.C.3 of the Plan.

"Sale Closing" means the closing of the transactions approved pursuant to the Sale Order, under which Veridex acquired substantially all of the assets of the Estates on or about the Closing Date.

"Sale Order" means that certain *Order Under Bankruptcy Code Sections 105, 363 and 365 and Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure Approving (i) the Sale of the Debtors' Assets to Veridex, LLC Under the Asset Purchase Agreement Free and Clear of Liens, Claims and Interests and (ii) the Assumption, Sale and Assignment to Veridex, LLC of Certain Contracts of the Debtors*, entered July 31, 2008 [D.I. 154].

"Schedules" means the Schedules of Assets and Liabilities Filed by the Debtors on or about July 9, 2008, as amended by the filing of certain Amended Schedules of Liabilities on July 25, 2008, and as they may be further amended subsequently.

"U.S. Trustee" means the Office of the United States Trustee for the District of Delaware.

"U.S. Trustee Fees" means fees or charges assessed against the Estate pursuant to 28 U.S.C. § 1930.

“Transaction Documents” has the meaning specified in Section 1.02 of the Asset Purchase Agreement.

“Veridex” means Veridex, LLC.

B. Rules of Construction.

1. The rules of construction in Bankruptcy Code section 102 apply to this Plan.
2. Bankruptcy Rule 9006(a) applies when computing any time period under the Plan.

3. A term that is used in this Plan and that is not defined in this Plan has the meaning, if any, attributed to that term in the Bankruptcy Code or the Bankruptcy Rules.
4. The definition given to any term or provision in the Plan supersedes and controls any different meaning that may be given to that term or provision in the Disclosure Statement.
5. Whenever it is appropriate from the context, each term in this Plan, whether stated in the singular or the plural, includes both the singular and the plural.
6. Any reference to a document or instrument being in a particular form or on particular terms means that the document or instrument will be substantially in that form or on those terms. No material change to the form or terms of the Plan shall be made after the Confirmation Date except in accordance with Bankruptcy Code Section 1127 and V.I.E. hereof; no material change to the form or terms of any document contemplated by the Plan shall be made after the Confirmation Date without the consent of the Creditors' Committee and any party materially and negatively affected by the change.
7. Any reference to an existing document means the document as it has been, or may be, amended or supplemented.
8. Any reference to a person or entity includes the successors and assigns of such person or entity.
9. Unless otherwise indicated, the phrase "under the Plan" or "under this Plan" and similar words or phrases refer to this Plan in its entirety rather than to only a portion of the Plan.
10. Unless otherwise specified, all references to Sections or Exhibits are references to this Plan's Sections or Exhibits.
11. The words "herein," "hereto," "hereunder," and other words of similar import refer to this Plan in its entirety rather than to only a particular portion.
12. Whenever the words "include," "includes," or "including" are used in the Plan, they will be deemed to be followed by the words "without limitation."

II.

DESIGNATION OF CLASSES AND TREATMENT OF CLAIMS AND INTERESTS

A. Summary and Classification of Claims and Interests.

This Section classifies Claims and Interests, except for Administrative Claims, Professional Fee Claims, and Priority Tax Claims, which are not classified, for all purposes, including voting, confirmation, and distributions under the Plan. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest falls within the Class description. To the extent that part of the Claim or Interest falls within a different Class description, the Claim or Interest is classified in that different Class. The following table summarizes unclassified Claims and the Classes of Claims and Interests under the Plan:

CLASS/ UNCLASSIFIED CLAIMS	DESCRIPTION	IMPAIRED/ UNIMPAIRED	VOTING STATUS
Unclassified Claims	Administrative Claims and Priority Tax Claims	Unimpaired	Deemed to Accept – Vote Not Solicited
Class 1	Priority Claims (Other than Priority Tax Claims)	Unimpaired	Deemed to Accept –

			Vote Not Solicited
Class 2	General Unsecured Claims	Impaired ²	Entitled to Vote
Class 3	Director & Officer Liability Claims	Impaired	Entitled to Vote
Class 4	Existing Common Stock	Impaired	Entitled to Vote
Class 5	Existing Options and Existing Warrants	Impaired	Deemed to Reject – Vote Not Solicited

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE PLAN, NO DISTRIBUTIONS WILL BE MADE AND NO RIGHTS WILL BE RETAINED ON ACCOUNT OF ANY CLAIM OR INTEREST THAT IS NOT ALLOWED.

Subject to Section IV.A.1 of this Plan, the treatment in this Plan is in full and complete satisfaction of the legal, contractual, and equitable rights that each entity holding an Allowed Claim or an Allowed Interest may have in or against the Debtors, the Estates, the Liquidating Estate or their respective property. Subject to Section IV.A.1 of this Plan, this treatment supersedes and replaces any agreements or rights those entities may have in or against the Debtors, the Estates, the Liquidating Estate or their respective property. All distributions in respect of Allowed Claims will be allocated first to the principal amount of such Allowed Claim, as determined for federal income tax purposes, and thereafter, to the remaining portion of such Allowed Claim, if any.

B. Allowance and Treatment of Unclassified Claims (Administrative Claims, Professional Fee Claims, and Priority Tax Claims).

1. Administrative Claims.

(a) U.S. Trustee Fees.

U.S. Trustee Fees shall be allowed in accordance with 28 U.S.C. § 1930. The Disbursing Agent will pay to the U.S. Trustee all fees due and owing under 28 U.S.C. § 1930 from Effective Date Available Cash on the Effective Date, without giving effect to substantive consolidation under the Confirmation Order and Article IV.C.I of this Plan.

(b) Professional Fee Claims Separate from Administrative Claims.

A Professional Fee Claim of one of the Debtors’ Professionals or one of the Committee Professionals will be allowed only if:

- (i) On or before 30 days after the Effective Date, the entity holding such Professional Fee Claim both Files with the Bankruptcy Court a final fee application or a motion requesting allowance of the fees and serves the application or motion on the Liquidating Trustee and his/her counsel, the Debtor and its counsel (to the extent, if any, that the final fee application is served prior to the Effective Date), the U.S. Trustee, counsel to the Creditors’ Committee and on all

² Although the Debtors believe Class 2 is unimpaired and will seek at the Confirmation Hearing to prove that Class 2 is unimpaired, the Debtors will solicit the vote of the members of Class 2 out of an abundance of caution.

parties listed on the post-Effective Date special service list maintained by the Liquidating Trustee established in accordance with Section VI.H of the Plan; and

- (ii) The Bankruptcy Court allows the Professional Fee Claim.

Any party in interest may File an objection to such application or motion within the time provided by the Bankruptcy Rules or within any other period that the Bankruptcy Court establishes. Entities holding Professional Fee Claims that do not timely File and serve a fee application or motion for payment will be forever barred from asserting such Professional Fee Claim against the Debtor, the Estate, the Liquidating Estate, or their respective property.

The Disbursing Agent will pay or cause to be paid an Allowed Professional Fee Claim, from the Professional Fee Claims Reserve, within five (5) days after the date on which the Bankruptcy Court allows such Claim. Any amounts not distributed from the Professional Fee Claims Reserve after the Disbursing Agent has paid all allowed Professional Fee Claims in full shall constitute Effective Date Available Cash.

(c) Other Administrative Claims.

Unless otherwise expressly provided in the Plan, an Administrative Claim (other than U.S. Trustee Fees) will be Allowed only if:

- (i) Except for Administrative Claims that are Prepetition Administrative Goods Claims, on or before the Administrative Claim Bar Date, the person or entity asserting an Administrative Claim files with the Bankruptcy Court and serves notice of such Administrative Claim, which must include, at a minimum (x) the name of the Holder of such Administrative Claim, (y) the basis of the Administrative Claim, and (z) the amount of the Administrative Claim; and

- (ii) The Court allows the Administrative Claim by Final Order or the Administrative Claim is not objected to by the Liquidating Trustee within thirty (30) days after the date set forth in II.B.1.(c)(i).

Any party in interest may File an objection to such Administrative Claims within the time provided by the Bankruptcy Rules or within any other period that the Bankruptcy Court establishes. **Except as otherwise expressly provided in the Plan, entities holding Administrative Claims (other than U.S. Trustee Fees, which are addressed in Section II.B.1(a) above, and the Prepetition Administrative Goods Claims, which were subject to the Bar Date established during the Cases, that have not timely Filed and served an notice such Administrative Claim by the Administrative Claim Bar Date are forever barred from asserting such Administrative Claim against the Debtors, the Estates, the Liquidating Estate and its respective property.**

Unless the entity holding a Allowed Administrative Claim (other than U.S. Trustee Fees) agrees to different treatment, the Disbursing Agent will pay to the entity holding such Allowed Administrative Claim from Effective Date Available Cash the full amount of such Allowed Administrative Claim, on or before the latest of: (a) the Distribution Date; (b) fifteen (15) days after the date on which the Allowed Administrative Claim becomes an Allowed Administrative Claim; and (c) the date on which the Allowed Administrative Claim first becomes due and payable in accordance with its terms.

(d) Costs of the Liquidating Estate.

Allowance and payment of the post-Effective Date fees and expenses of the Liquidating Trustee and its professionals shall be made from the Liquidating Trust Reserve and governed by the provisions of the Liquidating Trust, as described in Section IV.C.4.

2. Priority Tax Claims.

Unless the entity holding a Priority Tax Claim Allowed by the Court agrees to different treatment, the Disbursing Agent will pay to the entity holding an Allowed Priority Tax Claim from Effective Date Available Cash the full amount thereof on or before the latest of: (a) the Distribution Date; (b) fifteen (15) days after the date on which the Priority Tax Claim becomes an Allowed Priority Tax Claim; and (c) the date on which the Allowed Priority Tax Claim first becomes due and payable in accordance with its terms.

C. Classification and Treatment of Classified Claims and Interests.

1. Class 1 (Priority Claims other than Priority Tax Claims).

Class 1 comprises all Priority Claims, other than Priority Tax Claims. Class 1 is unimpaired under the Plan. In full satisfaction of any Allowed Class 1 Claim that has not been satisfied or extinguished as of the Effective Date, the Disbursing Agent will pay the holder of such Allowed Class 1 Claim the full amount thereof with interest from Class 1 Available Cash on or before the latest of: (a) the Distribution Date and (b) fifteen (15) days after the date on which such Claim becomes an Allowed Priority Claim.

2. Class 2 (General Unsecured Claims).

Class 2 comprises all General Unsecured Claims. Class 2 is impaired under the Plan.³ In full satisfaction of any Allowed Class 2 Claim that has not been satisfied or extinguished as of the Effective Date, the Disbursing Agent will pay the holder of such Allowed Class 2 Claim its Pro Rata share of the Class 2 Available Cash (including, without limitation, if applicable, any post-Petition Date legal fees, and other amounts if any, permitted as a matter of law), plus Postpetition Interest, each such amounts are to accrue until the Allowed Claim has been paid in full, from Class 2 Available Cash on or before the later of: (a) the Distribution Date and (b) ten (10) days after the date on which such Claim becomes an Allowed General Unsecured Claim. To the extent that any amount remains in the Distribution Reserves after all payments on account of Allowed General Unsecured Claims of Governmental Units have been made, such surplus shall constitute Effective Date Available Cash.

3. Class 3 (Director and Officer Liability Claims).

Class 3 comprises all Director and Officer Liability Claims. Class 3 is Impaired under the Plan. Director and Officer Liability Claims (including any defense costs and attorneys' fees) are contingent upon any Director or Officer of the Debtors being held liable for acts or omissions while serving in their official capacities for the Debtors and such liability exceeding the amount available under the Directors and Officers Liability Policies. The D&O Reserve in the maximum amount available from Class 3 Available Cash up to \$500,000 will be maintained by the Liquidating Estate from Class 3 Available Cash for the duration of the Liquidating Estate and any distributions made from the D&O Reserve to holders of Allowed Director and Officer Liability Claims shall be in full satisfaction of such Allowed Director and Officer Liability Claims. In full and final satisfaction of each Allowed Director and Officer Liability Claim (including reimbursement for any deductible asserted by a Director or Officer), the Disbursing Agent shall pay the holder of such Claim its Pro Rata share of such Allowed Claim from the D&O Reserve. Before receiving any recovery from the D&O Reserve, Directors and Officers must satisfy any Claim for indemnification or contribution for liability (including any defense costs and attorneys' fees) for acts or omissions of such Director or Officer in connection with its official capacity as a Director or Officer of any Debtor from proceeds of the Directors and Officers Liability Policies until the insurance proceeds available thereunder are exhausted. The aggregate recovery to Directors and Officers asserting Director and Officer Liability Claims (including reimbursement for any

³ Although the Debtors believe Class 2 is unimpaired and will seek at the Confirmation Hearing to prove that Class 2 is unimpaired, the Debtors will solicit the vote of the members of Class 2 out of an abundance of caution.

deductible asserted by a Director or Officer), which exceed the amounts available under the Directors and Officers Liability Policies, shall be limited to the D&O Reserve. To the extent that any amount remains in the D&O Reserve on the date that is 24 months after the Effective Date, the Disbursing Agent shall, as applicable, pay to each holder of an Allowed Class 2 Claim or Existing Common Stock its Pro Rata share of such balance available from the D&O Reserve.

4. Class 4 (Existing Common Stock).

Class 4 comprises all Existing Common Stock. Class 4 is impaired under the Plan. On the Effective Date, all Existing Common Stock shall be cancelled. The Disbursing Agent shall pay to the holders of Existing Common Stock the Pro Rata share of the Class 4 Available Cash.

5. Class 5 (Existing Options and Existing Warrants).

Class 5 comprises all Existing Options and Existing Warrants. Class 5 is impaired under the Plan and deemed to reject the Plan. On the Effective Date, all Existing Options and Existing Warrants shall be cancelled. The holder of an Existing Option or an Existing Warrant shall neither receive nor retain any value on account of such Existing Option or Existing Warrant or its cancellation.

III.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Rejection of Executory Contracts and Unexpired Leases.

1. Rejected Agreements.

On the Effective Date, all executory contracts and unexpired leases of the Debtors will be rejected, except for (i) executory contracts and unexpired leases that were assumed, sold and assigned to Veridex or any of its designees pursuant to the Asset Purchase Agreement, the Sale Order or any other order issued by the Bankruptcy Court authorizing the assumption, sale and assignment of executory contracts and unexpired leases to Veridex or any of its designees, (ii) any other executory contract or unexpired lease that is the subject of a pending motion to assume and, if applicable, sell and assign to Veridex or any of its designees, (iii) any Nonassigned Contract (as defined in the Asset Purchase Agreement) that has been assumed, sold and assigned to Veridex but for which consent of the counterparty was not obtained prior to the Closing Date (it being understood that the Debtors, the Liquidating Estate and the Liquidating Trustee shall be required to comply with Section 1.04(e) of the Purchase Agreement in respect of any such Nonassigned Contract), (iv) executory contracts and unexpired leases already rejected by prior order of the Court, including the *Order Authorizing Rejection of Executory Contracts Pursuant to 11 U.S.C. § 365* [D.I. 153], (v) the Confidentiality Agreements described in Section IV.A.2, (vi) any Directors and Officers Liability Policies assumed in accordance with Section IV.A.3, and (vii) except as otherwise provided in the Plan. The Confirmation Order will constitute a Bankruptcy Court order approving such rejections.

2. Bar Date for Rejection Damage Claims.

Any Rejection Damage Claim or other Claim for damages arising from the rejection under the Plan of an executory contract or unexpired lease must be Filed and served on the Liquidating Trustee (i) on or before September 2, 2008, if such Claim is subject to the Order referenced above in III.A.I., or (ii) if a Rejection Damage Claim arises under this Plan, within thirty (30) days after the mailing of notice of the occurrence of the Effective Date (nothing herein shall extend the deadline for the filing of claims with respect to contracts or leases previously rejected). Any such Claim that is not timely Filed and served will be entitled to no distribution under the Plan on account of such Claim and will be unenforceable against the Debtors, the Estates, the Liquidating Estate, and their respective property, and entities holding such Claims will be barred by the Confirmation Order from receiving any distributions under the Plan on account of such untimely Claims.

IV.

MEANS OF EXECUTION AND IMPLEMENTATION OF THE PLAN

A. Ratification of Agreements.

1. The Asset Purchase Agreement.

Notwithstanding any other provision of the Plan, the Asset Purchase Agreement, as approved by the Sale Order, shall remain in full force and effect on and after the Effective Date and shall be binding and enforceable against the Debtors, the Estates, the Liquidating Estate and the Liquidating Trustee. Nothing in the Plan, any exhibit to the Plan, any Confirmation Order entered in any of the Cases or in any other agreement, instrument or document delivered or executed in connection with the Plan shall be deemed to limit, release, discharge, impair or otherwise affect any claims, causes of action or rights that Veridex or any of its affiliates may have under the Asset Purchase Agreement or any Transaction Document against the Debtors, the Estates, the Liquidating Estate or the Liquidating Trustee.

2. Confidentiality Agreements.

Notwithstanding any other provision of the Plan, all Confidentiality Agreements not assumed, sold and assigned to Veridex or any of its designees shall remain in full force and effect and shall be enforceable. The Debtors' rights under any such Confidentiality Agreement shall inure to the benefit of, and shall be enforceable exclusively by Veridex or such other designee of Veridex that holds title to assets acquired under the Asset Purchase Agreement, on and after the Effective Date.

3. Directors and Officers Liability Policies.

Notwithstanding any other provision of the Plan, the Directors and Officers Liability Policies shall remain in force and shall be enforceable on and after the Effective Date, and, to the extent any such Directors and Officers Liability Policies constitute executory contracts under the Bankruptcy Code, they hereby are assumed on the Effective Date. The Liquidating Trustee shall not be obligated to renew the Directors and Officers Liability Policies or buy any tail coverage in connection with the Directors and Officers Liability Policies.

B. Funding of the Plan.

As set forth in Section II of the Plan, all obligations under the Plan will be paid or caused to be paid by the Disbursing Agent from Effective Date Available Cash.

C. The Liquidating Estate.

1. Substantive Consolidation.

On the Effective Date, solely for the purpose of actions under the Plan: (a) all Assets (and proceeds thereof) and liabilities of the Debtors shall be deemed merged and treated as though they were merged into the Liquidating Estate; (b) no distributions shall be made under the Plan on account of any Intercompany Claims and all such Intercompany Claims shall be eliminated; (c) all Claims against any Debtor for which one or more of the Debtors is also liable, whether such liability is joint, several or joint and several, and whether it is primary or secondary, will be merged into a single Claim against the consolidated Debtors; and (d) each and every Claim filed or to be filed in any of the Cases shall be deemed filed against the consolidated Debtors, and shall be deemed one Claim against the consolidated Debtors. Such substantive consolidation shall not (other than for purposes of distributions to be made under the Plan) affect the legal and corporate structures of the Debtors. Notwithstanding the substantive consolidation provided for herein, each and every Debtor shall remain responsible for the payment of quarterly fees pursuant to 28 U.S.C. § 1930 to the office of the United States Trustee until such time as a

particular Case pertaining to such Debtor is closed, dismissed, or converted.

Unless the Bankruptcy Court has ordered substantive consolidation of the Estates before the Confirmation Hearing, the Plan will serve as, and will be deemed to be, a motion for entry of an order substantively consolidating the Debtors' Estates. If no objection to substantive consolidation is timely filed and served by the date as may be established by the Bankruptcy Court, an order approving substantive consolidation (which may be the Confirmation Order) may be entered by the Bankruptcy Court. If any such objections are timely filed and served, a hearing with respect to the substantive consolidation of the Cases and the objections thereto will be scheduled by the Bankruptcy Court, which hearing may, but is not required to, coincide with the Confirmation Hearing.

2. Continuation of the Estates.

On and after the Effective Date, and upon substantive consolidation, the Estates shall continue as the Liquidating Estate. The Liquidating Estate shall hold title to all of the assets of the Estates, as well as any property acquired after the Effective Date that otherwise would become property of the Estates under Bankruptcy Code Section 541, free and clear of all claims, liens, encumbrances, and other interests, except as otherwise provided in the Plan or the Asset Purchase Agreement, as approved by the Sale Order. Without limiting the generality of the foregoing, the Liquidating Estate shall include the Excluded Assets and Effective Date Available Cash, including all proceeds received from Veridex pursuant to the Asset Purchase Agreement and Sale Order. Notwithstanding any other provision in the Plan, the Liquidating Estate shall not include any Purchased Assets. The Liquidating Trustee shall hold such assets of the Liquidating Estate in trust for the holders of Allowed Claims and Existing Common Stock that are entitled to receive distributions hereunder. The Liquidating Estate shall be fully liquidated and Effective Date Available Cash shall be distributed to holders of Allowed Claims and Existing Common Stock in accordance with the Plan, subject to the rights of Veridex under the Asset Purchase Agreement to any Acquired Kreatech Sale Proceeds (as defined in the Asset Purchase Agreement).

The Liquidating Estate may also be known as the "IMMC Liquidating Estate" but shall not be referred to as "Immunicon", "Immunicon Corporation", "IMMC Holdings, Inc.", "Immunist Corporation", or "Immunicon Europe". On and after the Effective Date, all pleadings and other papers filed in the Case shall be captioned "In re IMMC Liquidating Estate".

3. Preservation/Vesting of Rights of Action.

Except as expressly released pursuant to the Plan, the Asset Purchase Agreement or the Sale Order, pursuant to Bankruptcy Code section 1123(b), the Liquidating Trustee, on behalf of the Liquidating Estate shall be vested with and shall retain and may enforce any and all claims, rights, and causes of action that the Debtors, the Estates or the Creditors' Committee may hold or have against any entity, including (i) Avoidance Actions, (ii) any legal or equitable rights to subordinate and/or disallow Claims, (iii) any Estate causes of action that could be brought by the Debtors, or the Creditors' Committee; and (iv) any and all other claims, rights, or causes of action of any kind or nature of the Debtors, the Estates or the Liquidating Estate that may exist under applicable bankruptcy law or nonbankruptcy law; provided, however, that neither the Liquidating Trustee nor Liquidating Estate shall have or be vested with any claim, right or cause of action with respect to any Purchased Assets or Assumed Liabilities. For the avoidance of doubt, neither the Liquidating Trustee nor the Liquidating Estate shall be vested with any claim, right or cause of action assigned to Veridex, or any claim, right or cause of action held by the Debtors, the Estates or the Creditors' Committee, against Veridex, pursuant to the Asset Purchase Agreement or the release provisions contained in Article V of this Plan. Upon the Effective Date, the Liquidating Trustee (and only the Liquidating Trustee) shall have standing to assert any and all claims, rights, causes of action, and defenses vested in the Liquidating Estate.

4. Appointment of the Liquidating Trustee.

Pursuant to 11 U.S.C. § 1129(a)(5), consistent with the interests of creditors and equity security holders, and consistent with public policy, the Confirmation Order shall appoint, effective on the Effective Date, the Liquidating Trustee (who shall be selected by the Creditors' Committee in consultation with Johnson & Johnson Development Corporation) pursuant to the terms of this Plan. The Liquidating Trustee shall be free to act as he deems appropriate, in his discretion, to effectuate the terms of the Plan and the Liquidating Estate Agreement.

The Liquidating Trustee and any professional to the Liquidating Trustee shall be entitled to receive, on a monthly basis, payment of fees and reimbursement of reasonable expenses from the assets of the Liquidating Estate in accordance with the Liquidating Estate Agreement, which shall provide, among other things, for the Liquidating Trustee and his professionals to serve an abbreviated monthly statement of such fees and expenses on the post-Effective Date service list and the U.S. Trustee, in substantial conformity with the monthly fee procedure adopted by the Court in these Cases. If no party timely objects to an abbreviated monthly statement within ten (10) days of service, the Liquidating Trustee or such professional shall be paid or caused to be paid 100% of its fees and reimbursed 100% of its expenses from the assets of the Liquidating Estate designated for such purposes. If any party timely objects to an abbreviated monthly statement, the Bankruptcy Court shall conduct a hearing to consider the objection. Upon the service of a timely objection, the Liquidating Trustee or such professional of the Liquidating Trustee whose abbreviated monthly statement is subject to objection shall be entitled to receive the amount equal to 80% of the fees and 100% of the expenses requested in the abbreviated monthly statement on an interim basis, subject to disgorgement upon the issuance of an order by the Bankruptcy Court determining the objection. Any such order issued by the Bankruptcy Court determining the objection shall be a final, non-appealable order.

The Liquidating Trustee shall serve for the duration of the Liquidating Estate, subject to earlier death, resignation, incapacity or removal as provided in the Liquidating Estate Agreement. If the Liquidating Trustee is not able to serve for the duration of the Liquidating Estate, a successor shall be chosen by the Liquidating Trustee, subject to Bankruptcy Court approval. The Liquidating Trustee shall be authorized, without further order of the Bankruptcy Court, to employ such persons, including professionals, as deemed necessary to enable the Liquidating Trustee to perform his functions under the Plan, and the costs of such employment and other expenditures shall be paid or caused to be paid solely from assets of the Liquidating Estate in accordance with the Liquidating Estate Agreement, as briefly described immediately above. If the Liquidating Trustee is unable to select a successor, the Bankruptcy Court shall appoint the successor.

The Liquidating Trustee shall perform his obligations under the Plan without bond. The Liquidating Trustee shall have no liability to any person or entity entitled to receive a distribution pursuant to the Plan for any losses, damages, claims or causes of action, other than those resulting from the Liquidating Trustee's action or failure to act arising out of, in connection with or resulting from the Liquidating Trustee's gross negligence or willful misconduct. The Liquidating Estate shall indemnify, defend and hold the Liquidating Trustee and his agents and advisors harmless from and against any claims, damages, costs, fines, penalties, liabilities, attorneys' and other professional fees and disbursements, suffered, incurred by, or asserted against any such party in connection with the rendition of services to the Liquidating Estate, provided that such indemnification shall not apply to the extent any such claims, damages, costs, fines, penalties, liabilities, attorneys' and other professional fees and disbursements, resulted primarily from gross negligence or willful misconduct of the Liquidating Trustee or his agents or advisors, as the case may be, as determined by a Final Order. Any such indemnification claims shall be paid or caused to be paid, solely from and to the extent Cash is available in the Liquidating Trust Reserve, prior and in preference to any other payments or distributions to be made from the Liquidating Estate.

5. Powers and Duties of the Liquidating Trustee.

On and after the Effective Date, the Liquidating Trustee shall be the duly authorized representative of the Liquidating Estate for the purpose of implementing the Plan. The Liquidating Trustee shall be the exclusive trustee of the Liquidating Estate under title 11 for purposes of 31 U.S.C. § 3713(b) and 26 U.S.C. § 6012(b)(3). Among other things, the Liquidating Trustee shall have the following rights, powers and duties:

- a. liquidate, in accordance with the Plan, the assets of the Liquidating Estate (including the Kreatech Capital Stock (as defined in the Asset Purchase Agreement));;
- b. serve as Disbursing Agent under the Plan;
- c. in the Liquidating Trustee's reasonable business judgment, investigate, prosecute, settle and/or abandon rights, actions (including any Avoidance Action) or litigation of the Liquidating Estate;
- d. manage the affairs of the Liquidating Estate;
- e. collect and marshal all assets of the Liquidating Estate, reduce such assets to cash, and make distributions in accordance with the Plan;
- f. monitor and enforce the implementation of the Plan;
- g. file all tax and regulatory forms, returns, reports and other documents required with respect to the Liquidating Estate;
- h. as soon as reasonably practicable, but in no event later than fifteen (15) days after the Effective Date, serve a notice of Effective Date on all holders of Claims and Interests. The notice of Effective Date shall include a notice that the bar date for filing Rejection Damage Claims (or other Claims for damages) arising from the rejection under the Plan of executory contracts or unexpired leases shall be 30 days after the mailing of notice of the Effective Date, as set forth in Section III.A.2 and that persons and entities entitled to receive *de minimis* distributions must requested request such distribution in writing so as to be received by the Liquidating Trustee no later than thirty (30) days after the notice of Effective Date is served;
- i. in the Liquidating Trustee's reasonable business judgment, object to Claims and manage, control, prosecute and/or settle on behalf of the Liquidating Estate, objections to Claims on account of which the Liquidating Trustee (as Disbursing Agent) will be responsible (if Allowed) for making distributions under the Plan;
- j. submit all required U.S. Trustee and Bankruptcy Court reports and pay all required U.S. Trustee Fees until the Case is closed;
- k. take all actions necessary and create any documents necessary to wind up the affairs of the Liquidating Estate and implement the Plan;
- l. comply with the terms and conditions of the Asset Purchase Agreement as approved by the Sale Order;
- m. take all necessary actions and File all appropriate motions to obtain an order closing the Case.

6. Termination of the Liquidating Estate.

The Liquidating Estate shall terminate when the Liquidating Trustee has performed all of his duties under the Plan and the Liquidating Estate Agreement, including the final distribution of all the property of the Liquidating Estate, which date shall not be more than 24 months after the Effective Date; provided, however, that, upon a motion filed by a party in interest, including the Liquidating Trustee, the Bankruptcy Court may extend the duration of the Liquidating Estate so long as shall be necessary to liquidate (including the Kreatech Capital Stock) and distribute property and resolve any and all litigation relating to the Plan or the Case.

7. Additional Provisions Regarding the Liquidating Estate.

In addition to the provisions contained in the Plan with respect to duties of the Liquidating Trustee, the Liquidating Estate Agreement will provide for, among other things, other actions to be taken by the Liquidating Trustee, the removal of the Liquidating Trustee and the effect of actions by the Liquidating Trustee, subject to Bankruptcy Court approval. To the extent not set forth in the Plan, the functions of the Liquidating Estate, the powers and duties of the Liquidating Trustee, and the rights of the holders of property in the Liquidating Estate shall be governed by the provisions of the Liquidating Estate Agreement.

D. Avoidance Actions and Claims Objections.

On and after the Effective Date, without in any way limiting the rights of parties in interest under Bankruptcy Code section 502, the Liquidating Trustee shall have the right and standing to prosecute, abandon, and/or settle any Retained Action and any Claim Objection provided, however, that the Liquidating Trustee shall not have the rights or standing in respect of (i) any Purchased Cause of Action or (ii) any cause of action released under the Plan or the Asset Purchase Agreement, as approved by Sale Order. After the Effective Date, only the Liquidating Trustee shall have the right and standing to prosecute, abandon, and/or settle any Avoidance Action or Claim Objection, provided, however, any settlement of an Avoidance Action or Claim Objection with a face amount of the Avoidance Action or Claim that exceeds \$400,000 shall be effective only after notice and approval by the Bankruptcy Court.

All Retained Actions and Claims Objections shall be subject to all defenses and setoffs that could have been asserted against the Debtors or the Estates with respect thereto. The Liquidating Trustee's costs of investigating, litigating, settling, collecting, recovering or otherwise pursuing any Retained Action or Claim Objection shall be borne by the Liquidating Estate. Any other objecting party shall bear its own costs and expenses in connection therewith.

Except as provided in Section II.B.1 (regarding the allowance of Administrative Claims and Professional Fee Claims), objections to any Claim must be Filed and must be served on the entity holding such Claim by the Claim Objection Deadline.

E. Distribution of Property Under the Plan.

The following procedures set forth in the Plan apply to distributions made pursuant to the Plan by the Disbursing Agent. The Disbursing Agent will serve without bond and shall make all distributions under the Plan, except where otherwise provided. To the extent required by applicable law, the Disbursing Agent in making cash distributions under the Plan shall comply with all tax withholding and reporting requirements imposed on it by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. The Liquidating Trustee may withhold the entire cash distribution due to any holder of an Allowed Claim until such time as such holder provides the necessary information to comply with any withholding requirements of any Governmental Unit.

1. Manner of Cash Payments Under the Plan.

Cash payments to domestic entities holding Allowed Claims or Existing Common Stock will be tendered in United States dollars and will be made by checks drawn on a United States domestic bank or by wire transfer from a United States domestic bank. Any domestic entity holding an Allowed Claim or Existing Common Stock that wishes to receive a cash payment by wire transfer shall provide wire instructions to the Disbursing Agent. In any such case, the Disbursing Agent shall make the cash payment(s) by wire transfer in accordance with the wire instructions, provided that the costs of such wire transfer shall be deducted from such entity's distribution. Payments made to foreign creditors holding Allowed Claims or Existing Common Stock may be paid or caused to be paid, at the option of the Liquidating Trustee, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

2. No *De Minimis* Distributions.

Notwithstanding anything to the contrary in this Plan, no cash payment of less than \$25 will be made to any person or entity, unless requested in writing by the holder of an Allowed Claim or Existing Common Stock entitled to receive such amount, so as to be received by the Liquidating Trustee no later than thirty (30) days after the notice of Effective Date is served pursuant to Article IV.C.5.h. hereof. No consideration will be provided in lieu of the *de minimis* distributions that are not made under this Section.

3. No Distribution with Respect to Disputed Claims.

No payments of cash or distributions of other property shall be made on account of any Disputed Claim unless and until such Claim becomes an Allowed Claim or is deemed to be such for purposes of distribution, and then only to the extent that the Claim becomes, or is deemed to be for distribution purposes, an Allowed Claim. The presence of a Disputed Claim in any Class will not be a cause to delay distribution to Allowed Claims in that Class or in other Classes, so long as a reserve is created for the Disputed Claim in accordance herewith. Unless otherwise provided in the Plan, any holder of a Claim that becomes an Allowed Claim after the Effective Date will receive any distribution that it would have received had its Allowed Claim been Allowed as of the Effective Date within fifteen (15) days from the date that such Claim becomes an Allowed Claim. The Liquidating Trustee shall maintain a reserve for any distributable amounts required to be set aside on account of Disputed Claims and shall distribute such amounts, as provided herein, to the extent such Disputed Claim become Allowed Claims or are otherwise deemed Allowed Claims for Distribution Purposes.

4. Delivery of Distributions and Undeliverable/Unclaimed Distributions.

(a) Delivery of Distributions in General.

The Liquidating Trustee shall make distributions to each holder of an Allowed Claim or Existing Common Stock by mail as follows: (a) at the address set forth on the proof of Claim filed by such holder of an Allowed Claim; (b) at the address set forth in any written notice of address change delivered to the Liquidating Trustee after the date of any related proof of Claim; (c) at the address reflected in the Schedules if no proof of Claim is filed and the Liquidating Trustee has not received a written notice of a change of address; and (d) the address provided by the Debtors' transfer agent for holders of Existing Common Stock.

(b) Undeliverable and Unclaimed Distributions.

If a properly addressed distribution to the holder of any Allowed Claim or Existing Common Stock is returned as undeliverable, no further distribution shall be made to such holder unless and until the Liquidating Trustee is notified in writing of such holder's then current address. Subject to the other provisions of the Plan, undeliverable distributions shall remain in the possession of the Liquidating

Trustee pursuant to this Section until such time as a distribution becomes deliverable. All undeliverable cash distributions will be held in unsegregated, interest-bearing bank accounts in trust for the benefit of the entities entitled to the distributions. These entities will be entitled to any interest actually earned on account of the undeliverable distributions. The bank account will be maintained in the name of the Liquidating Trustee but it will be accounted for separately.

Any holder of an Allowed Claim or Existing Common Stock who does not assert a claim in writing for any undeliverable distribution within three hundred sixty-five (365) days after such distribution was first made shall no longer have any claim to or interest in such undeliverable distribution, and shall be forever barred from receiving any distributions under the Plan, or from asserting a Claim or Interest against the Debtor, the Estate, Liquidating Estate, or their respective property, and the Claim or Interest giving rise to the undeliverable distribution will be barred.

(c) Estimation of Disputed Claims for Distribution Purposes.

The Liquidating Trustee may move for a Bankruptcy Court order estimating for distribution purposes any Disputed Claim in accordance with the Bankruptcy Code. In addition, the Liquidating Trustee may move for a Bankruptcy Court order to set a reserve for distribution purposes for any Disputed Claim. To the extent permitted by the Bankruptcy Code, the estimated amount of any Disputed Claim so determined by the Bankruptcy Court shall constitute the maximum recovery that the holder thereof may recover from the Liquidating Estate, irrespective of the actual amount ultimately Allowed. In the event that the Liquidating Trustee does not seek an order estimating a Disputed Claim, the estimated amount of such Disputed Claim, for purposes of maintaining an appropriate reserve in connection with a distribution, shall be the amount set forth in the proof of claim evidencing the Disputed Claim (or in Debtor's schedules if no proof of claim has been filed), if any, or if such proof of claim fails to assert a liquidated amount, an amount determined by the Bankruptcy Court, together with Postpetition Interest and, if applicable, any post-Petition Date legal fees permitted as a matter of law on account of such claim.

F. Cancellation of Interests.

On the Effective Date, without any further action by any party, all Interests in the Debtors are cancelled, retired, annulled, and extinguished and of no further force or effect. Holders of Existing Common Stock, Existing Options and Existing Warrants shall not be required to surrender such stock, option or warrant to the Debtors.

G. Dissolution of Debtor Entity/Termination of Officers and Directors.

On the Effective Date, and without further action by any party: (A) the Debtors have no right to operate a business; and (B) the services of the Debtors' officers and directors automatically are terminated; provided, however, that notwithstanding the foregoing, the Liquidating Trustee shall have and retain such authority as set forth in the Plan and the Liquidating Estate Agreement to dispose of the assets of the Liquidating Estate and otherwise implement the Plan in accordance with its terms. On the Effective Date, the Debtors shall be deemed liquidated and dissolved as a legal entity pursuant to applicable federal and state law, without further action by any entity. The Liquidating Trustee shall be authorized to execute any documents that implement or are in aid of this Section, in particular, and the Plan in general.

H. Dissolution of the Creditors Committee.

On the Effective Date, the Creditors' Committee shall be released and discharged from the rights and duties arising from or related to the Case, except with respect to final applications for professionals' compensation. The professionals retained by the Creditors' Committee and the members thereof shall not be entitled to compensation or reimbursement of expenses for any services rendered or expenses incurred after the Effective Date, except for services rendered and expenses incurred in connection with any applications by such professionals or Creditors' Committee members for allowance

of compensation and reimbursement of expenses pending on the Effective Date or timely Filed after the Effective Date as provided in the Plan, as approved by the Court. As of the Effective Date, all claims, rights or causes of action or any kind or nature of the Estates that the Creditors' Committee may hold, control or have the right to prosecute, shall be deemed assigned to the Liquidating Estate to be prosecuted, if at all, on behalf of the Liquidating Estate, for distribution under the Plan.

I. Formation of the Oversight Committee.

On or as soon as is practicable after the Effective Date, the Oversight Committee shall be established and shall be comprised of three (3) members appointed by holders of Existing Common Stock, one of which shall be Riverside Contracting, LLC. Upon the appointment of the Oversight Committee and its members, the Oversight Committee shall file a notice with the Court setting forth the date of appointment and the names and addresses of the Oversight Committee members, and such notice shall be served on the Liquidating Trustee and the U.S. Trustee. The scope of the Oversight Committee's powers and duties shall be limited to the following: (i) consultation, subject to appropriate confidentiality agreement, with the Liquidating Trustee regarding Claims, Claim Objections, Avoidance Actions, Distribution Reserves and distributions; (ii) the right, within the time-frame provided in the Plan, to request that the Liquidating Trustee file objections to Claims having a face amount in excess of \$250,000; and (iii) upon refusal by the Liquidating Trustee to file an objection such Claims, to file and prosecute a Claim Objection, subject to the Liquidating Trustee's continuing status as a party in interest to such Claim Objection. The costs and expenses of the Oversight Committee and its professionals, if any, shall be funded in the amount of \$50,000 to be set aside from Effective Date Available Cash. The Oversight Committee may apply to the Court for additional funding, but any such additional funds shall be payable only out of Class 4 Available Cash and not out of Effective Date Available Cash allocated or payable to any other Class.

V.

EFFECT OF CONFIRMATION OF THE PLAN

A. Binding Effect of Plan/Injunction.

UPON THE EFFECTIVE DATE, BANKRUPTCY CODE SECTION 1141 SHALL BECOME APPLICABLE WITH RESPECT TO THE PLAN AND THE PLAN SHALL BE BINDING ON ALL PARTIES TO THE FULLEST EXTENT PERMITTED BY BANKRUPTCY CODE SECTION 1141(a). IN ACCORDANCE WITH BANKRUPTCY CODE SECTION 1141, AND THE TERMS OF THIS PLAN, THE PROPERTY DEALT WITH BY THE PLAN SHALL BE VESTED IN THE LIQUIDATING ESTATE FREE AND CLEAR OF ALL CLAIMS AND INTERESTS OF CREDITORS AND EQUITY SECURITY HOLDERS. FOR THE AVOIDANCE OF DOUBT, PURSUANT TO BANKRUPTCY CODE SECTION 1143(d)(3)(A) CONFIRMATION OF THE PLAN SHALL NOT DISCHARGE THE DEBTORS.

UPON THE EFFECTIVE DATE, ALL PERSONS AND ENTITIES SHALL BE PERMANENTLY ENJOINED BY THE PLAN FROM COMMENCING OR CONTINUING ANY ACTION, EMPLOYING ANY PROCESS, ASSERTING OR UNDERTAKING AN ACT TO COLLECT, RECOVER, OR OFFSET, DIRECTLY OR INDIRECTLY, ANY CLAIMS, RIGHTS, CAUSES OF ACTION, LIABILITIES OR INTERESTS IN OR AGAINST ANY PROPERTY DISTRIBUTED OR TO BE DISTRIBUTED UNDER THE PLAN, OR VESTED IN THE LIQUIDATING ESTATE, BASED UPON ANY ACT, OMISSION, TRANSACTION, OR OTHER ACTIVITY THAT OCCURRED BEFORE THE EFFECTIVE DATE, EXCEPT TO THE EXTENT A PERSON OR ENTITY HOLDS AN ALLOWED CLAIM OR EXISTING COMMON STOCK UNDER THE PLAN, IS ENTITLED TO A DISTRIBUTION UNDER THE

PLAN IN ACCORDANCE WITH ITS TERMS, OR SEEKS TO ENFORCE ITS RIGHTS TO PAYMENT UNDER THE PLAN, THE ASSET PURCHASE AGREEMENT, ANY TRANSACTION DOCUMENT OR THE SALE ORDER.

B. Releases.

AS OF THE EFFECTIVE DATE, IN CONSIDERATION FOR THE VALUE PROVIDED TO EFFECTUATE THE PLAN, TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, TO EFFECTUATE THE PLAN, THE HOLDERS OF CLAIMS AND INTERESTS ARE DEEMED TO RELEASE AND FOREVER WAIVE AND DISCHARGE AS AGAINST THE DEBTORS AND EACH OF THE RESPECTIVE AFFILIATES (PAST AND PRESENT), PARENT COMPANIES AND SUBSIDIARIES, MEMBERS, SHAREHOLDERS, PARTNERS, PREDECESSORS-IN-TITLE, SUCCESSORS, HEIRS, ASSIGNS, REPRESENTATIVES, ATTORNEYS, ACCOUNTANTS, AGENTS, INVESTMENT BANKERS, CONSULTANTS, FINANCIAL ADVISORS AND OFFICERS AND DIRECTORS OF THE FOREGOING: ALL ACTIONS, COSTS, CLAIMS, CAUSES OF ACTION, DAMAGES, DEMANDS DEBTS, EXPENSES (INCLUDING ATTORNEYS FEES), JUDGMENTS, LOSSES (INCLUDING ANY CLAIMS FOR CONTRIBUTION OR INDEMNIFICATION), LIABILITIES, OBLIGATIONS, RIGHTS OR SUITS, WHETHER MATURED OR UNMATURED, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY OR OTHERWISE THAT ARE BASED IN WHOLE OR PART ON ANY ACT, OMISSION, TRANSACTION, EVENT OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR TO THE EFFECTIVE DATE RELATING IN ANY WAY TO THE DEBTORS OR THE CASES; PROVIDED, THAT THE FOREGOING SHALL NOT CONSTITUTE A WAIVER OR RELEASE OF ANY RIGHT OF THE HOLDER OF AN ALLOWED CLAIM OR INTEREST OR ANY OF THE RIGHTS OF ANY PARTIES IN RESPECT OF LIABILITIES ASSUMED BY THE DEBTORS OR THE LIQUIDATING ESTATE OR LIQUIDATING TRUSTEE UNDER THIS PLAN, THE ASSET PURCHASE AGREEMENT, ANY TRANSACTION DOCUMENT OR THE SALE ORDER, THE RELEASES SET FORTH IN THIS PARAGRAPH SHALL BE BINDING UPON AND SHALL INURE TO THE BENEFIT OF THE LIQUIDATING ESTATE, LIQUIDATING TRUSTEE AND ANY CHAPTER 7 TRUSTEE, IN THE EVENT THE CASE IS SUBSEQUENTLY CONVERTED TO CHAPTER 7. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE RELEASES PROVIDED HEREIN SHALL ONLY BE BINDING UPON ANY PERSON OR ENTITY THAT (I) RECEIVES PAYMENT IN FULL ON ALLOWED CLAIMS OR INTERESTS UNDER THE PLAN; OR (II) AFFIRMATIVELY VOTES IN FAVOR OF THE PLAN AND DOES NOT OPT-OUT OF THE RELEASES CONTAINED IN THIS SECTION V.B. AS PROVIDED IN THE BALLOTS FOR CLASSES ENTITLED TO VOTE ON THIS PLAN.

NOTHING CONTAINED IN THIS SECTION V.B. OR ANY OTHER SECTION OF THE PLAN SHALL BE DEEMED A RELEASE, WAIVER OR DISCHARGE OF ANY CLAIMS, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION OR LIABILITIES HELD BY SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AGAINST THE DEBTORS, OR ANY OF THEIR CURRENT OR FORMER DIRECTORS OR OFFICERS.

C. Exculpation and Limitation of Liability.

NONE OF THE DEBTORS, THEIR RESPECTIVE ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, RESTRUCTURING CONSULTANTS AND FINANCIAL ADVISORS, JOHNSON & JOHNSON DEVELOPMENT CORPORATION, THE MEMBERS OF THE CREDITORS' COMMITTEE (SOLELY IN THEIR CAPACITY AS SUCH) AND THE CREDITORS' COMMITTEE'S ATTORNEYS AND FINANCIAL ADVISORS (EACH, AN "EXCULPATED PARTY"), SHALL HAVE OR INCUR ANY LIABILITY TO ANY PERSON

OR ENTITY FOR ANY PRE- OR POST-PETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO THE FORMULATION, NEGOTIATION, PREPARATION, DISSEMINATION, IMPLEMENTATION, ADMINISTRATION, CONFIRMATION OR CONSUMMATION OF THE PLAN, THE DISCLOSURE STATEMENT, OR ANY CONTRACT, INSTRUMENT, RELEASE OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN OR ANY OTHER PRE- OR POST-PETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OR LIQUIDATION OF THE DEBTOR, PROVIDED, HOWEVER, THAT THE FOREGOING PROVISIONS OF THIS SECTION V.C. SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY EXCULPATED PARTY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

D. Injunctive Relief Relating To Claims and Releases.

THE CONFIRMATION ORDER WILL PERMANENTLY ENJOIN THE COMMENCEMENT OR PROSECUTION BY ANY ENTITY, WHETHER DIRECTLY, DERIVATIVELY OR OTHERWISE OF ANY CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION OR LIABILITIES RELEASED OR EXCULPATED PURSUANT TO THIS PLAN, INCLUDING CLAIMS, OBLIGATIONS, INTERESTS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION OR LIABILITIES RELEASED UNDER THE PLAN. FOR THE AVOIDANCE OF DOUBT, NOTHING CONTAINED IN THIS SECTION SHALL ENJOIN OR PROHIBIT ANY CLAIMANT FROM PROSECUTING OR PURSUING ANY CLAIM BEFORE THE BANKRUPTCY COURT OR ENJOIN OR PROHIBIT THE INTERPRETATION OR ENFORCEMENT BY ANY CLAIMANT OF ANY OF THE OBLIGATIONS OF THE DEBTORS OR THE LIQUIDATING ESTATE UNDER THIS PLAN.

VI.

OTHER PLAN PROVISIONS

A. The Effective Date.

The Plan will not become binding or effective until and unless the Effective Date occurs. The Effective Date will be the first Business Day, as determined by the Debtors, in their reasonable discretion, on which the following conditions have been satisfied:

- (1) The Confirmation Order has been entered and is not stayed; and
- (2) The Court has determined in its Confirmation Order (or in one or more separate Orders) that, after giving effect to any agreement by the holder thereof to waive, modify or defer payment, the aggregate amount of all U.S. Trustee Fees, other Administrative Claims, Priority Tax Claims, Priority Claims, Professional Fee Claims, and General Unsecured Claims, if allowed, do not exceed the amounts available to satisfy those claims.

B. Stay of Confirmation Order Shortened.

The 10-day stay otherwise applicable to the Confirmation Order under Federal Rule of Bankruptcy Procedure 3020(e) shall be shortened from ten (10) days to three (3) days following entry of the Confirmation Order.

C. Revocation of Plan/No Admissions.

The Debtors reserve the right to revoke or withdraw the Plan prior to the Confirmation Date, provided that in all instances the Debtors reserve the right to withdraw as a proponent of the Plan if the Debtors believe in good faith that such withdrawal is necessary in furtherance of the Debtors' fiduciary duties. Notwithstanding anything to the contrary in the Plan, if the Plan is not confirmed or the Effective Date does not occur, the Plan will be null and void, and nothing contained in the Plan or the Disclosure Statement will: (a) be deemed to be an admission by the Debtors with respect to any matter set forth in the Plan, including liability on any Claim or Interest or the propriety of the classification of any Claim or Interest; (b) constitute a waiver, acknowledgment, or release of any Claims against, or any Interests in, the Debtors, or of any claims of the Debtors; or (c) prejudice in any manner the rights of any party in any further proceedings. If the Debtors revoke or withdraw the Plan or any of the Debtors withdraws as a proponent of the Plan before the Confirmation Date or the Plan is not confirmed or the Effective Date does not occur on or before December 31, 2008, any party in interest may at any time thereafter file a plan pursuant to Bankruptcy Code Section 1121(c), notwithstanding the time periods provided for therein.

D. Exemption from Certain Transfer Taxes.

In accordance with Bankruptcy Code section 1146(a), neither (i) the issuance, transfer or exchange of a security, nor (ii) the delivery of an instrument or transfer under the Plan shall be taxed under any law imposing a stamp or similar tax. The Confirmation Order shall direct all governmental officials and agents to forego the assessment and collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without payment of such tax or other governmental assessment.

E. Modifications of Plan.

Subject to the restrictions set forth in Bankruptcy Code Section 1127 and only with the consent of the Creditors' Committee, which such consent shall not be unreasonably withheld, the Debtors may alter, amend, or modify the Plan before its substantial consummation.

F. Cram-Down.

The Debtors, with consent of the Creditors' Committee, which such consent shall not be unreasonably withheld, reserve the right to request that the Bankruptcy Court confirm the Plan in accordance with Bankruptcy Code Section 1129(b) if one or more impaired Classes votes to reject the Plan (provided the other requirements of Bankruptcy Code Section 1129 are satisfied).

G. Post-Effective Date Effect of Evidences of Claims or Interests.

Commencing on the Effective Date, notes, certificates, options, warrants, and other evidences of Claims against or Interests in the Debtor constitute only the right to receive the distributions, if any, to the extent set forth under the Plan.

H. Post-Effective Date Notices.

Following the Effective Date, other than the Liquidating Trustee, all parties in interest who wish to receive, or continue to receive, notices of all pleadings Filed in the Case must File a new request for special notice and serve it on the Liquidating Trustee and his counsel and the U.S. Trustee. The Liquidating Trustee shall maintain and keep current the post-Effective Date special notice list, and make it available to all parties in interest upon written request. All pleadings, notices and other papers Filed in the Cases following the Effective Date (other than the notice of Effective Date) must be served on the parties on the post-Effective Date special notice list maintained by the Liquidating Trustee.

I. Successors and Assigns.

The rights, benefits, and obligations of any entity named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor, or assign of such entity, whether or not such entity is impaired under this Plan and whether or not such entity has accepted this Plan.

J. Saturday, Sunday or Legal Holiday.

If any payment or act under the Plan is required to be made or performed on a day that is not a Business Day, then the payment or act may be completed on the next day that is a Business Day, in which event the payment or act will be deemed to have been completed on the required day.

K. Headings.

The headings used in the Plan are inserted for convenience only and do not constitute a portion of this Plan or in any manner affect the provisions of this Plan or their meaning.

L. Severability of Plan Provisions.

If before confirmation the Bankruptcy Court holds that any Plan term or provision is invalid, void, or unenforceable, the Bankruptcy Court may alter or interpret that term or provision so that it is valid and enforceable to the maximum extent possible consistent with the original purpose of that term or provision. That term or provision will then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the Plan's remaining terms and provisions will remain in full force and effect and will in no way be affected, impaired, or invalidated. The Confirmation Order will constitute a judicial determination providing that each Plan term and provision, as it may have been altered or interpreted in accordance with this Section, is valid, enforceable, and, as of the Effective Date, binding under its terms.

M. Governing Law.

Unless a rule of law or procedure is supplied by (a) federal law (including the Bankruptcy Code and Bankruptcy Rules), or (b) an express choice of law provision in any agreement, contract, instrument, or document provided for, or executed in connection with, the Plan, the rights and obligations arising under the Plan and any agreements, contracts, documents, and instruments executed in connection with the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware without giving effect to the principles of conflict of laws thereof.

N. Retention of Jurisdiction.

Notwithstanding the entry of the Confirmation Order or the occurrence of the Effective Date, the Bankruptcy Court shall retain jurisdiction over the Cases after the Effective Date to the fullest extent provided by law, including the jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, establish the priority or secured or unsecured status of, estimate, or limit any Claim;
2. Grant or deny any and all applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date;
3. Ensure that distributions to holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;

4. Resolve any and all applications, motions, adversary proceedings, and other matters involving the Estates that may be pending on the Effective Date or that may be instituted thereafter in accordance with the terms of the Plan;

5. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents entered into in connection with the Plan;

6. Resolve any and all controversies, suits, or issues that may arise in connection with the consummation, interpretation, or enforcement of the Plan or any entity's rights or obligations in connection with the Plan;

7. Resolve any and all controversies, suits, or issues that may arise in connection with the consummation, interpretation, or enforcement of the Asset Purchase Agreement to the extent set forth in the Sale Order.

8. Modify the Plan before or after the Effective Date pursuant to Bankruptcy Code Section 1127, or modify the Disclosure Statement or any contract, instrument, release, or other agreement or document created in connection with the Plan or Disclosure Statement; or remedy any defect or omission or reconcile any inconsistency in any order of the Bankruptcy Court, the Plan, the Disclosure Statement, or any contract, instrument, release, or other agreement or document created in connection with the Plan or Disclosure Statement, in such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by the Bankruptcy Code;

9. Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any entity with consummation or enforcement of the Plan;

10. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

11. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with the Plan or the Disclosure Statement; and

12. Enter an order closing the Cases.

If the Bankruptcy Court abstains from exercising jurisdiction or is otherwise without jurisdiction over any matter, this Section shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

O. Term of Bankruptcy Injunctions or Stays.

All injunctions or stays provided for in the Cases under Bankruptcy Code sections 105 or 362, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

P. Objections to Confirmation.

Objections to confirmation of this Plan are governed by Bankruptcy Rule 9014. UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY SERVED AND FILED IT WILL NOT BE CONSIDERED BY THE COURT.

Q. Notices.

Any notice required or permitted to be provided under the Plan or in connection with the Plan, shall be in writing and served by either (a) certified mail, return receipt requested, postage prepaid, (b) hand delivery or (c) overnight delivery service, freight prepaid, and addressed as follows:

For the Debtors:

Fox Rothschild, LLP
Attn: Sheldon K. Rennie, Esq.
919 N. Market Street, Suite 1300
P.O. Box 2323, Wilmington, DE 19899

Fox Rothschild, LLP
Attn: Michael G. Menkowitz, Esq. & Joshua T. Klein, Esq.
2000 Market Street, 10th Floor
Philadelphia, PA 19103

For the Creditors' Committee:

Bingham McCutchen LLP
Attn: Jeffrey S. Sabin, Esq.
399 Park Avenue
New York, NY 10022

Pachulski Stang Ziehl & Jones LLP
Attn: Laura Davis Jones, Esq. & Michael R. Seidl, Esq.
919 North Market Street, 17th Floor,
P.O. Box 8705
Wilmington, DE 19899-8705 (Courier 19801)

For the United States Trustee:

Office of the United States Trustee
Attn: Jane Leamy, Esq.
J. Caleb Boggs Federal Building
844 N. King Street, Suite 2207
Lock Box 35
Wilmington, DE 19801

