
In re:)	
)	Chapter 11
)	
IPC International Corporation, <i>et al.</i> ¹)	Cases No. 13-12050 (MFW)
)	Jointly Administered
Debtors.)	
)	
)	

DISCLOSURE STATEMENT FOR DEBTORS' JOINT PLAN OF LIQUIDATION

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PLEASE REVIEW THIS DOCUMENT FOR IMPORTANT INFORMATION

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtors' federal tax identification number, are: IPC International Corporation (2698); and The Security Network Holdings Corporation (7985). The address of each of the Debtors is 2111 Waukegan Road, Bannockburn, IL 60015.



REGARDING:

- * **Description of the Debtors**
- * **Classification and Treatment of Claims and Interests**
- * **Distribution to Holders of Allowed General Unsecured Claims**
- * **Implementation and Execution of the Plan**
- * **Treatment of Contracts and Leases and Procedures to Assert and Resolve Rejection Claims**

AND IMPORTANT DATES:

- * **Date to Determine Record Holders of Claims and Interests**
- * **Deadline to Submit Ballots**
- * **Deadline to Object to Plan Confirmation**
- * **Deadline to Submit Rejection Claims**

YOUR BALLOT IS ATTACHED TO THE END OF THIS DOCUMENT. PLEASE REVIEW THIS DOCUMENT AND COMPLETE AND RETURN THE BALLOT PER THE INSTRUCTIONS CONTAINED HEREIN.

1. INTRODUCTION.

1.1 Purpose of the Disclosure Statement.

Notice of this disclosure statement (as amended, modified or supplemented, the “Disclosure Statement”) is being provided by IPC International Corporation (“IPC”) and The Security Network Holdings Corporation (“SNH”, and collectively with IPC, the “Debtors”) to the Office of the United States Trustee, the Securities and Exchange Commission, the Internal Revenue Service, and to all of the Debtors’ known Creditors and stockholders pursuant to section 1125(b) of Title 11 of the United States Code (the “Bankruptcy Code”) for the purpose of soliciting acceptances of the Debtors’ Joint Plan of Liquidation (the “Plan”). The Plan has been filed with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) and the summaries of the Plan contained herein shall not be relied upon for any purpose other than to make a judgment with respect to, and determine how to vote on, the Plan. A copy of the Plan is attached hereto as **Exhibit A**. All capitalized terms used within this Disclosure Statement which are not defined herein or in section 1.2 of the Disclosure Statement have the meanings set forth in the attached Plan. **The deadline to object to this Disclosure Statement and/or Confirmation (defined below) of the Plan is [DATE] at 4:00 p.m. (Eastern time).**

THIS DISCLOSURE STATEMENT HAS BEEN CONDITIONALLY APPROVED BY THE BANKRUPTCY COURT AND THE DEBTORS ARE SEEKING FINAL APPROVAL OF THE SUFFICIENCY OF THE INFORMATION CONTAINED IN THE DISCLOSURE STATEMENT AT A COMBINED PLAN CONFIRMATION HEARING. ACCORDINGLY, NO REPRESENTATION CONCERNING THE DEBTORS OR THE VALUE OF THE DEBTORS’ ASSETS HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE DEBTORS ARE NOT RESPONSIBLE FOR ANY INFORMATION, REPRESENTATION OR INDUCEMENT MADE TO OBTAIN YOUR ACCEPTANCE, WHICH IS OTHER THAN, OR INCONSISTENT WITH, INFORMATION CONTAINED HEREIN AND IN THE PLAN.

PLEASE NOTE THAT MUCH OF THE INFORMATION CONTAINED HEREIN HAS BEEN TAKEN, IN WHOLE OR IN PART, FROM INFORMATION CONTAINED IN THE

DEBTORS' BOOKS AND RECORDS AND PLEADINGS FILED BY THE DEBTORS. STATEMENTS MADE IN THE DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN, ALTHOUGH THE DEBTORS HAVE ATTEMPTED TO BE ACCURATE IN ALL MATERIAL RESPECTS, THE DEBTORS ARE UNABLE TO WARRANT OR REPRESENT THAT ALL OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS WITHOUT ERROR. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF, AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN WILL BE CORRECT AT ANY TIME AFTER THE DATE HEREOF.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(c) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER RULES GOVERNING DISCLOSURE OUTSIDE THE CONTEXT OF CHAPTER 11. THIS DISCLOSURE STATEMENT HAS NEITHER BEEN APPROVED NOR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION PASSED UPON ITS ACCURACY.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION OR WAIVER, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS. THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST OR EQUITY INTERESTS IN ANY OF THE DEBTORS IN THESE CASES.

YOU ARE STRONGLY URGED TO CONSULT WITH YOUR FINANCIAL, LEGAL AND TAX ADVISORS TO UNDERSTAND FULLY THE PLAN AND DISCLOSURE STATEMENT. THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS GIVEN AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFIED. THE DELIVERY OF THIS DISCLOSURE STATEMENT DOES NOT, UNDER ANY CIRCUMSTANCE, IMPLY THAT THERE HAS BEEN NO CHANGE IN THE FACTS SET FORTH HEREIN SINCE SUCH DATE. THIS DISCLOSURE STATEMENT IS INTENDED, AMONG OTHER THINGS, TO SUMMARIZE THE PLAN AND MUST BE READ IN CONJUNCTION WITH THE PLAN AND ITS EXHIBITS, IF ANY. IF ANY CONFLICTS EXIST BETWEEN THE PLAN AND DISCLOSURE STATEMENT, THE TERMS OF THE PLAN SHALL CONTROL.

1.2 Summary of Claims, Treatment and Estimated Recovery:

Class	Type	Status Under Plan	Treatment	Estimated Aggregate Amount in Class (\$)	Estimated Recovery of Class (%)
I	Prepetition Secured Lender Claim	Unimpaired, Deemed to Accept	The Holder of the Allowed Prepetition Secured Lender Claim shall be paid by the Debtors the full amount of such Allowed Secured Claim in Cash on the Effective Date. As of the date hereof, the Prepetition Secured Lender Claim has been paid in full.	\$0	100%
II	Other Allowed Secured Claims	Unimpaired, Deemed to Accept	Each Holder of an Other Allowed Secured Claim shall be paid by the Debtors the full amount of such Allowed Secured Claim in Cash on the Effective Date, or satisfied by return of collateral or other agreement between such Holder and Liquidating Trustee if Allowed after the Effective Date.	\$0	100%
III	Allowed Non-Tax Priority Claims	Unimpaired, Deemed to Accept	Each Holder of an Allowed Priority Claim that has not been satisfied or is not an Assumed Liability shall be paid by the Debtor the full amount of such Allowed Priority Claim in Cash on the Effective Date or on the date on which such Allowed Priority Claim becomes due and payable pursuant to the terms thereof, the agreement upon which such Allowed Priority Claim is based, or any applicable Order of the Bankruptcy Court. As of the date hereof, the Debtors believe that all Allowed Non-Tax Priority Claims have been paid in full pursuant to applicable Court order or from non-debtor assets.	\$0	100%

IV	Allowed General Unsecured Claims	Impaired, Entitled to Vote	The Record Holders of Allowed General Unsecured Claims shall share, on a pro-rata basis, in the net proceeds of assets transferred to the Liquidating Trust after satisfaction of all costs and expenses incurred by the Liquidating Trust in administering the Liquidating Trust Assets, which assets shall include, among other things, any remaining balance in the General Liability Fund after the satisfaction of all claims that would be entitled to payment from the General Liability Fund, pursuant to Section 5.12 of the APA between Purchaser and the Debtors.	\$ _____	[]%
V	Inter-company Claims	Impaired, Deemed to Reject	Holders of Claims in this Class will not receive any recovery on their Claims.	\$0	0%
VI	Interests	Impaired, Deemed to Reject	Shareholders of the Debtors will retain no ownership interests in the Debtors under the Plan and such Interests shall be cancelled effective as of the Effective Date.	n/a	0%

1.3 Definitions of Terms Utilized in the Plan.

Unless the context otherwise requires or a term is defined within the Plan itself, the following terms shall have the respective meanings set forth below, except as expressly provided otherwise.

1.3.1. **Administrative Claim:** Any cost or expense of administration of the Cases allowed by the Bankruptcy Court pursuant to section 503(b) of the Bankruptcy Code, excluding Professional Fee Claims.

1.3.2. **Allowed Claim:** Any Claim (i)(a) for which a proof of claim was timely Filed with the Bankruptcy Court by the Bar Date; or (b) that is listed in the Schedules and not listed as disputed, contingent or unliquidated as to amount, and, in either case, as to which no objection to the allowance thereof has been Filed by the Claim Objection Deadline or (ii) which has otherwise been allowed by a Final Order. Unless otherwise specified in the Plan, an “Allowed Claim” shall not include: (i) untimely Filed Claims or Administrative Claims, (ii) interest on the principal amount of the Allowed Claim from and after the Petition Date, (iii) any punitive damages, or (iv) Claims which are Assumed Liabilities.

1.3.3. **Allowed Class . . . Claim:** An Allowed Claim in the designated Class.

1.3.4. **APA:** That certain Asset Purchase Agreement between the Debtors and Purchaser, dated August 9, 2013, as subsequently amended from time to time.

1.3.5. **Assets:** Any and all right, title, and interest of any of the Debtors in and to property of whatever type or nature.

1.3.6. **Assumed Liabilities:** Certain liabilities of the Debtors assumed by the Purchaser pursuant to the Sale Order and the APA.

1.3.7. **Avoidance Actions:** Any and all actions, proceedings, accounts, controversies, agreements, promises, claims, and rights of each Debtor and its estate (“Causes of Action”) to avoid or recover a transfer of property of any of the Debtors’ estates or an interest of any of the Debtors in property, including, without limitation, actions arising under sections 506, 510, 541, 542, 544, 545, 547, 548, 549, 550 and 553 of the Bankruptcy Code and any other applicable

federal or common law, including fraudulent transfers, whether or not litigation has been commenced with respect to such Causes of Action as of the Effective Date, except those Avoidance Actions previously waived by the Debtors pursuant to any Final Order or purchased by the Purchaser pursuant to the Sale Order.

1.3.8. **Balloting Agent:** Kurtzman Carson Consultants, LLC, or such other entity determined by the Debtors in consultation with the Committee.

1.3.9. **Bankruptcy Code:** Title 11 of the United States Code, as in effect on the Petition Date and as thereafter amended, if such amendments are made applicable to the Cases.

1.3.10. **Bankruptcy Court:** The United States Bankruptcy Court for the District of Delaware, or in the event such court ceases to exercise jurisdiction over any Case, such court or adjunct thereof that exercises jurisdiction over such Case in lieu of the United States Bankruptcy Court for the District of Delaware.

1.3.11. **Bankruptcy Rules:** The Federal Rules of Bankruptcy Procedure enacted pursuant to 28 U.S.C. § 2075, as they have been or may hereafter be amended.

1.3.12. **Bar Date:** The date(s) by which a proof of claim or request for payment of Administrative Claim must be Filed pursuant to the Revised Order Establishing the Deadline for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof (D.I. 258).

1.3.13. **Business Day:** Any day except a Saturday, Sunday or any day on which commercial banks in the State of Delaware are authorized or required by applicable law to close.

1.3.14. **Case:** With respect to each Debtor, the Chapter 11 case initiated by such Debtor's Filing on the Petition Date of a voluntary petition for relief in the Bankruptcy Court under Chapter 11 of the Bankruptcy Code (collectively, the "**Cases**"). The Cases are being jointly administered in the Bankruptcy Court as Bankruptcy Case No. 13-12050 pursuant to the Order Directing Joint Administration of Chapter 11 Cases (D.I. 35), entered by the Bankruptcy Court on August 13, 2013.

1.3.15. **Cash:** Legal tender of the United States of America and equivalents thereof.

1.3.16. **Claim:** A claim, as defined in section 101(5) of the Bankruptcy Code, against one of the Debtors (or all or some of them) whether or not asserted and whether or not such claim becomes an Allowed Claim.

1.3.17. **Claim Objection Deadline:** means the date that is sixty (60) days from the Effective Date.

1.3.18. **Class:** A category of Claims or Interests designated pursuant to the Plan.

1.3.19. **Class . . . Claim/Interest:** The specific Class into which Claims or Interests are classified pursuant to the Plan.

1.3.20. **Closing Date:** November 25, 2013, the date on which the Debtors closed on the sale of substantially all of the Assets pursuant to the Sale Order.

1.3.21. **Combined Confirmation Hearing:** Collectively, the hearing or hearings held by the Bankruptcy Court on the adequacy of this Disclosure Statement and Confirmation of the

Plan, as such hearing or hearings may be continued from time to time.

1.3.22. **Committee:** The official committee of unsecured creditors of the Debtors appointed by the United States Trustee in the Cases pursuant to section 1102 of the Bankruptcy Code as its composition may be changed from time to time by addition, resignation or removal of its members.

1.3.23. **Confirmation:** Entry by the Bankruptcy Court of the Confirmation Order.

1.3.24. **Confirmation Date:** The date upon which the Confirmation Order is entered by the Bankruptcy Court.

1.3.25. **Confirmation Order:** The Order of the Bankruptcy Court confirming the Plan.

1.3.26. **Creditor:** a Holder of a Claim.

1.3.27. **Debtor:** Individually, IPC International Corporation and The Security Network Holdings Corporation, each of which is a Debtor in its Case.

1.3.28. **Disallowed:** A Claim or any portion thereof that is not an Allowed Claim.

1.3.29. **Disputed Claim:** Any Claim, (i) proof of which has been Filed and to which an objection to the allowance thereof has been Filed prior to the Claim Objection Deadline and such objection has not been either (a) determined by a Final Order or (b) resolved under a settlement approved by Final Order of the Bankruptcy Court pursuant to Bankruptcy Rule 9019; (ii) which was scheduled as contingent, unliquidated or disputed on the Debtors' Schedules; or (iii) which has not been otherwise allowed by the Bankruptcy Court.

1.3.30. **Distribution:** Any distribution of the Liquidating Trust's Cash to the Record Holders of Allowed Claims in Class IV, in accordance with the terms of the Plan and the Liquidating Trust Agreement.

1.3.31. **Effective Date:** The date upon which the Plan becomes effective in accordance with its terms.

1.3.32. **File, Filed or Filing:** File, filed or filing with the Bankruptcy Court or its authorized designee in the Cases.

1.3.33. **Final Decree:** The Order entered pursuant to section 350 of the Bankruptcy Code, Bankruptcy Rule 3022, and Local Rule 5009-1 closing the Cases.

1.3.34. **Final Order:** An order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in any Case or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move for a new trial, reargument or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely Filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing has been denied or resulted in no modification of such order, provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under

the Bankruptcy Rules or applicable state court rules of civil procedure, may be Filed with respect to such order, shall not cause such order not to be a Final Order.

1.3.35. **General Unsecured Claim:** Any Claim against a Debtor that is not a Secured Claim, an Administrative Claim, a Priority Claim, a Priority Tax Claim, a Professional Fee Claim, an Intercompany Claim, or an Interest.

1.3.36. **General Liability Fund:** The fund established for the benefit of certain of the Debtors' former customers pursuant to Section 5.12 of the APA.

1.3.37. **Holder:** The Person that is the owner of record of a Claim or Interest, as applicable.

1.3.38. **Impaired:** With respect to a Class of Claims or Interests, any Class that is impaired within the meaning of section 1124 of the Bankruptcy Code.

1.3.39. **Intercompany Claim:** Any Claim by a Debtor against another Debtor.

1.3.40. **Interest:** Either (i) the legal, equitable, contractual or other rights of any Person with respect to the preferred or common stock, or any other equity interest in any of the Debtors, including any other interest in or right to convert into such equity interest or (ii) the legal, equitable, contractual or other right of any Person to acquire or receive any of the foregoing.

1.3.41. **Liquidating Trust:** The Entity described in the Plan that will, as of the Effective Date, succeed to all of the Cash, accounts and other remaining Assets of the Estates subject to the terms of Plan and the Liquidating Trust Agreement.

1.3.42. **Liquidating Trust Account:** An account of the Liquidating Trust that will hold all Cash of the Liquidating Trust.

1.3.43. **Liquidating Trust Agreement:** means that certain agreement establishing and delineating the terms and conditions of the Liquidating Trust in the form attached hereto as **Exhibit B**.

1.3.44. **Liquidating Trust Assets:** All Assets held by the Debtors as of the Effective Date, including, without limitation, all Cash, Avoidance Actions and other Claims, and rights of setoff, and interests in any Policy, which shall be transferred to and deemed to vest in the Liquidating Trust on the Effective Date.

1.3.45. **Liquidating Trustee:** means [], not individually, but solely as the trustee of the Liquidating Trust, or any of his successors and assigns.

1.3.46. **Local Rules:** The Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, as amended from time to time.

1.3.47. **Non-Tax Priority Claim:** Any Claim entitled to priority under section 507 of the Bankruptcy Code other than an Unclassified Claim.

1.3.48. **Noticing Agent Website:** <http://www.kccllc.net/ipc>.

1.3.49. **Order:** An order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in any Case or the docket of any other court of

competent jurisdiction.

1.3.50. **Person:** a person as defined in section 101(41) of the Bankruptcy Code.

1.3.51. **Petition Date:** August 9, 2013, the date on which the Debtors Filed their respective petitions for relief in the Bankruptcy Court.

1.3.52. **Plan:** The Debtors' Joint Plan of Liquidation, as the same may hereafter be amended or modified.

1.3.53. **Prepetition Credit Agreement:** That certain Credit Agreement dated as of August 31, 2009, as amended, supplemented or otherwise modified, by and among, on the one hand, The Security Network Holdings Corp., IPC International Corporation, Uniformity, Inc., IPC International Realty Company, LLC, and IPC Technologies Inc., as the borrowers, and, on the other hand, PrivateBank as administrative agent, syndication agent and documentation agent for the lenders, and as the sole lender.

1.3.54. **Prepetition Secured Lender Claim:** Means the Allowed Class I Claim of PrivateBank under the Prepetition Credit Agreement.

1.3.55. **Priority Claim:** A Claim that is entitled to priority under section 507(a) of the Bankruptcy Code, other than an Administrative Claim, a Professional Fee Claim or a Priority Tax Claim.

1.3.56. **Priority Tax Claim:** A Claim that is entitled to priority under section 507(a)(8) of the Bankruptcy Code.

1.3.57. **PrivateBank:** The PrivateBank and Trust Company.

1.3.58. **Professional:** Any professional employed in the Cases pursuant to sections 327, 328 or 1103 of the Bankruptcy Code or any Professional or other Person seeking compensation or reimbursement of expenses in connection with the Cases pursuant to section 503(b)(4) of the Bankruptcy Code.

1.3.59. **Professional Fee Claim:** A Claim of a Professional for compensation or reimbursement of costs and expenses relating to services performed from the Petition Date to the Effective Date.

1.3.60. **Professional Fee Claim Bar Date:** The date that is twenty-one (21) days after the Effective Date.

1.3.61. **Purchaser:** Universal Protection Services, LLC

1.3.62. **Record Date:** The Record Date shall be the date that the Plan is Filed.

1.3.63. **Record Holder:** The Holder of a Claim or Interest as of the Record Date.

1.3.64. **Sale Order:** The Order (A) Authorizing the Sale of Assets Free of Liens, Claims, Encumbrances, and Interests and (B) Authorizing and Approving the Assumption of Executory Contracts and Unexpired Leases in Connection with such Sale (D.I. 260), entered by the Bankruptcy Court on October 17, 2013.

1.3.65. **Scheduled Claim:** Any claim set forth on the Schedules.

1.3.66. **Schedules:** With respect to any Debtor, the Schedules of Assets and Liabilities Filed by such Debtor, as such Schedules may be amended from time to time in accordance with Bankruptcy Rule 1009.

1.3.67. **Secured Claim:** Either (i) a Claim that is secured by a lien on property in which the Debtors have an interest, which lien is valid, perfected and enforceable under applicable law or pursuant to a Final Order, or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of a Creditor's interest in such property or to the extent of the amount subject to setoff, as applicable, all as determined pursuant to section 506(a) of the Bankruptcy Code; or (ii) a Claim which is Allowed under the Plan as a Secured Claim.

1.3.68. **Solicitation Procedures Order:** that certain Order of the Bankruptcy Court: (i) setting a combined hearing on the adequacy of this Disclosure Statement and Plan Confirmation; (ii) approving the form and manner of notice of the Combined Confirmation Hearing; (iii) approving procedures for the solicitation and tabulation of votes to accept or reject the Plan; and (iv) approving a deadline and procedures for objecting to the Disclosure Statement and Plan (D.I. []).

1.3.69. **Unclassified Claims:** Claims that, pursuant to section 1123(a)(1) of the Bankruptcy Code, shall not be placed into a Class. Unclassified Claims include Administrative Claims, Professional Fee Claims and Priority Tax Claims.

1.3.70. **Unimpaired:** With respect to a Class of Claims or Interests, any Class that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

1.3.71. **United States Trustee:** The Office of the United States Trustee for Region 3.

1.3.72. **Voting Class(es):** Class IV, which is Impaired and entitled to vote on the Plan.

1.4 **Confirmation of the Plan.**

1.4.1. **Requirements.** The requirements for Confirmation of the Plan are set forth in section 1129 of the Bankruptcy Code.

1.4.2. **Combined Confirmation Hearing.** To confirm the Plan, the Bankruptcy Court must hold the Combined Confirmation Hearing to determine whether the Disclosure Statement contains adequate information in accordance with section 1125 of the Bankruptcy Code and whether the Plan meets the requirements of section 1129 of the Bankruptcy Code. The Bankruptcy Court has set [DATE], at [TIME] (Eastern Time), for the Combined Confirmation Hearing.

1.4.3. **Deadline to Object to Disclosure Statement and Confirmation of the Plan.** Any party-in-interest may object to the adequacy of the Disclosure Statement or Confirmation of the Plan and appear at the Confirmation Hearing to pursue such objection. The Court has set [DATE], at 4:00 p.m. (Eastern Time), as the deadline for filing and serving such objections. Objections to Confirmation must be Filed in accordance with the provisions of paragraph [] of the Solicitation Procedures Order.

1.4.4. **Effect of Confirmation.** Except as otherwise provided in the Plan or in the Confirmation Order, Confirmation will effect the distribution of the Debtors' remaining assets and the

dissolution of the Debtors. Confirmation serves to make the Plan binding upon the Debtors, all Holders of Claims and Interests and other parties-in-interest, regardless of whether they cast a Ballot to accept or reject the Plan.

1.4.5. **Effect of Failure to Confirm the Plan.** If the Plan is not confirmed by the requisite majorities in number and amount required by sections 1126 and 1129(a) of the Bankruptcy Code or if any of the other requirements for confirmation under the Bankruptcy Code are not met, the Debtors' Cases shall immediately be converted to cases under Chapter 7 of the Bankruptcy Code without further action of the Debtors, and the Bankruptcy Court shall enter an Order which shall be submitted to the Bankruptcy Court under certification of counsel. Section 1112(a) of the Bankruptcy Code governs the voluntary conversion from Chapter 11 to Chapter 7 and provides that a debtor may convert a Chapter 11 case to a Chapter 7 case at any time as of right, except in certain circumstances inapplicable here.

1.5 Voting on the Plan.

1.5.1. **Impaired Claims or Interests.** Pursuant to section 1126 of the Bankruptcy Code, only the Holders of Claims in Impaired Classes that receive a payment or distribution under the Plan may vote on the Plan. Pursuant to section 1124 of the Bankruptcy Code, a Class of Claims may be "Impaired" if the Plan alters the legal, equitable or contractual rights of the Holders of such Claims or Interests treated in such Class. The Holders of Claims not Impaired by the Plan (Class I — Prepetition Secured Lender Claims, Class II--Other Secured Claims, Class III — Non-Tax Priority Claims, and Unclassified Claims) are deemed to accept the Plan and do not have the right to vote on the Plan. The Holders of Claims or Interests in any Class which will not receive any payment or distribution or retain any property pursuant to the Plan (Class V — Intercompany Claims and Class VI — Interests) are deemed to reject the Plan and do not have the right to vote.

1.5.2. **Eligibility to Vote on the Plan.** Unless otherwise ordered by the Bankruptcy Court, only Record Holders of Allowed Class IV Claims may vote on the Plan.

1.5.3. **Voting Procedure and Ballot Deadline.** To ensure your vote is counted you must (i) complete the Ballot, (ii) indicate your decision either to accept or reject the Plan in the boxes provided in Item [] of the Ballot, and (iii) sign and return the Ballot to the address set forth on the Ballot (please note that envelopes and prepaid postage have not been included with the Ballot). **BALLOTS SENT BY FACSIMILE TRANSMISSION ARE NOT ALLOWED AND WILL NOT BE COUNTED.**

Pursuant to Bankruptcy Rule 3017, the Bankruptcy Court has ordered that original Ballots for the acceptance or rejection of the Plan must be received by the Balloting Agent on or before [DATE], at 4:00 p.m. (Eastern Time). Please refer to the Solicitation Procedures Order posted on the Noticing Agent Website for further voting procedures and rules.

1.6 **Acceptance of the Plan.** As a Creditor, your acceptance of the Plan is important. In order for the Plan to be accepted by an Impaired Class of Claims, a majority in number and two-thirds in dollar amount of the Claims voting (of each Impaired Class of Claims) must vote to accept the Plan, or the Plan must qualify for cramdown of any non-accepting Class pursuant to section 1129(b) of the Bankruptcy Code. At least one impaired Class, excluding the votes of insiders, must actually vote to accept the Plan. **However, please be advised that if no Holder of a Class IV Claim exercises its right to accept or reject the Plan, Class IV shall be deemed to have accepted the Plan.** YOU ARE URGED TO COMPLETE, DATE, SIGN AND PROMPTLY MAIL THE BALLOT ATTACHED TO THE NOTICE. PLEASE BE SURE TO COMPLETE THE BALLOT PROPERLY

2. **THE DEBTORS.**

2.1 **Description of Debtors, Debtors' History, and Debtors' Business.** IPC is a wholly owned subsidiary of SNH. SNH's principal asset is its equity interest in IPC. SNH is also the sole shareholder of IPC's non-debtor sister corporations, Uniformity, Inc., an Illinois corporation ("Uniformity"), and IPC International Realty Company, LLC, an Illinois limited liability company ("Realty"). In addition, IPC is the sole shareholder of IPC Technologies Inc., an Illinois corporation ("Technologies"). None of these entities has sought relief under the Bankruptcy Code. Uniformity, Realty, and Technologies provided ancillary services or held assets related to the Debtors' business. Uniformity was a public safety uniform and equipment company that provided approximately 99% of the uniforms for IPC's guard force. Realty held the real property used by SNH, IPC, and Uniformity. Technologies provided CCTV installation services. None of these entities continues to operate.

IPC was a leading provider of comprehensive security services and programs to both public and private venues across the United States. IPC's services included uniformed and armed security services, security consulting, K-9 services, and specialty training. IPC was also the leading provider of unarmed security services for shopping centers, and as of the Petition Date, provided security services at approximately 350 shopping center locations. IPC was widely recognized for revolutionizing the shopping center security industry by pioneering every commonly used security program utilized today in America's shopping centers.

As of the Petition Date, the Debtors, along with their non-debtor affiliates Realty, Uniformity, and Technologies, were indebted under the Prepetition Credit Agreement with PrivateBank, as administrative agent for the lenders thereunder. Pursuant to the Prepetition Credit Agreement, PrivateBank made loans to Borrowers, Realty, IPC, Technologies, and Uniformity as follows: (a) a revolving loan with an outstanding principal balance as of the Petition Date of \$6,949,303.73 ("Revolving Loans"); (b) a term loan with an outstanding principal balance as of the Petition Date of \$4,373,333.28 ("Mortgage Term Loan"); (c) a term loan with an outstanding principal balance as of the Petition Date of \$6,017,836.54 ("ESOP Term Loan"); and (d) letters of credit with an outstanding face amount as of the Petition Date of \$2,381,865.00 ("Letters of Credit", together with the Revolving Loans, Mortgage Loan, ESOP Term Loan, Letters of Credit and all accrued and unpaid interest, fees and expenses, collectively referred to as the "Obligations").

As of the Petition Date, the Debtors were also indebted under loans from their individual shareholders, Donald Lantz and Howard Kaplan with an outstanding balance of approximately \$1,652,578.36.

The Debtors historically operated a financially sound and profitable business since commencement of operations in 1978. For fiscal year, 2012, the Debtors generated earnings before interest, taxes, depreciation, amortization, and rent (EBITDAR) of \$3,191,169.

Since 2008, major players providing security staffing to shopping centers (including IPC) were confronted with compressed margins and decreased deployment as shopping mall owners and operators retrenched slightly in an attempt to counter the broader macroeconomic malaise affecting the U.S., and more specifically, the U.S. consumer. In addition, IPC was impacted due to the funding of its loss-generating UK-based operation which was sold in 2010 (the Debtors estimate that they utilized \$6 to \$7 million of liquidity during this period to fund their UK operation). As a result of this industry-wide phenomenon and the funding of the UK operation, IPC was faced with tightened

liquidity and was forced to look inward and evaluate key aspects of its business. After a thorough review, Company management, along with its advisor, Silverman Consulting Group, LLC, set out on a path to implement a sweeping number of liquidity and profitability-improving strategic initiatives.

A typical contract to provide security staffing services in a shopping center requires that the security provider indemnifies the mall owner/operator for a wide variety of claims. In many instances, even if the security company is not already named in the suit, it is still contractually required to indemnify the owner/operator. These contractual liabilities became a significant problem for the Debtors. Additionally, prior to June 30, 2011, the self-insured retention on the Company's general liability policy was \$1,000,000 (i.e., the Company was responsible for the first \$1,000,000 of any claim, whether against IPC itself or its customer). For some time prior to June 30, 2011, IPC had tried to lower its SIR but its insurance broker, Marsh, assured the Company that such a policy was not available. In Spring 2011, IPC was able to procure a new general liability policy that lowered the SIR from \$1,000,000 per claim to \$100,000 per claim, along with a new automobile liability policy that lowered the SIR from \$100,000 per claim to \$1,000 per claim. This change had a material impact on the Company's free cash flow generation. Based on checks paid for general liability claims in FY2011, the reduction in SIR from \$1,000,000 to \$100,000 would have saved the company approximately \$2.8 million of cash in FY 2011 alone.

A further description of the Debtors' corporate history, their business, their prepetition debt structure and the challenges that led to the commencement of the Cases can be found in the *Declaration of Scott M. Strong, Chief Financial Officer of IPC International Corporation, in Support of Chapter 11 Petitions and First Day Pleadings* (D.I. 3), which was filed on the Petition Date.

2.2 Debtors' First Day Motions and DIP Loans. On the Petition Date, the Debtors filed certain motions requesting authority to pay certain prepetition obligations, including: (i) employee obligations (D.I. 5); (ii) insurance obligations (D.I. 10); (iii) tax and regulatory obligations (D.I. 6); (iv) corporate credit and gas cards (D.I. 9); and (v) customer program obligations (D.I. 8) (collectively, the "Prepetition Motions"). On August 13, 2013, the Bankruptcy Court granted the relief sought in the Prepetition Motions on an interim basis, and on September 3, 2013, the Bankruptcy Court granted the relief sought in the Prepetition Motions on a final basis. Additionally, PrivateBank extended secured postpetition financing on a superpriority basis to the Debtors (the "DIP Obligations"). On September 4, 2013, the Bankruptcy Court entered a Final Order (D.I. 148) approving the postpetition financing.

2.3 Sale of Substantially All of the Debtors' Assets. On August 10, 2013, the Debtors filed a motion seeking approval of (i) certain bid procedures and (ii) the sale of substantially all of the Debtors' Assets (D.I. 21) (the "Sale Motion") to the Purchaser, or another High Bidder (as defined in the Sale Motion) following an auction.

Pursuant to the order approving the Sale Motion, the Debtors conducted an auction on October 2, 2013, commencing at 10:00 a.m. prevailing central time at the offices of Proskauer Rose LLP, 70 W. Madison Street, Chicago, Illinois and concluding on October 8, 2013 at 9:45 p.m. prevailing eastern time, at the offices of Potter Anderson Corroon LLP, 1313 North Market Street, Wilmington, Delaware for the Debtors' Assets. Two Qualified Bidders (as defined in the Sale Motion), the Purchaser and Allied Security Holdings, LLC, attended and participated in the bidding at the Auction. At the conclusion of the auction on October 8, 2013, the Debtors and PrivateBank determined that UPS's amended bid of \$25,400,000, including certain other amendments to the APA, constituted the highest or otherwise best bid for the Debtors' Assets. On October 17, 2013, the Court entered the Sale Order approving the sale of substantially all of the Debtors' Assets to Purchaser and the APA.

The Purchase Price included²: (i) substantially all of the Debtors' Assets used in operation of the Debtors' standing guard and patrol business, all as more fully described in Section 2.1 of the APA; (ii) the assumption of specified obligations of IPC under certain contracts with customers of its standing guard and patrol business, as amended pursuant to the APA (including the obligation to establish the General Liability Fund as provided in Section 5.12 of the APA); (iii) assumption of specified liabilities of IPC under certain capital equipment leases and other leases and contracts designated by the Purchaser, all as described in greater detail in Sections 2.1, 2.3 and 2.5 of the APA; and (iv) other than liabilities described under and specifically listed in Section 2.3 of the APA, the Purchaser did not assume any of the Debtors' pre-closing liabilities. After the Closing Date, the Debtors ceased retail operations and began winding up their affairs.

On November 22, 2013, the Debtors and the Purchaser entered into the Second Amendment to APA, filed on December 11, 2013 (D.I. 321-1) (the "Second Amendment"). The Second Amendment created two Purchase Price holdbacks. First, the Second Amendment provided for a \$1 million holdback (the "JLL Holdback") from the purchase to protect the Purchaser against the risk of diversion of JLL business away from the Purchaser after the Closing Date to be released to the Debtors in the event they entered into a settlement with Kenneth Hamilton, a former officer and director of the Debtors, that included a valid and enforceable noncompete and nonsolicitation covenant with respect to JLL through and including at least the 18 month anniversary of the Closing Date and reasonably acceptable to UPS. After commencing an adversary proceeding against Mr. Hamilton (Adv. Pro. No. 13-51417), the Debtors, UPS and Mr. Hamilton entered into a settlement agreement, approved by order of the Bankruptcy Court on March 7, 2014, which allowed the Debtors to obtain release of the JLL Holdback. *Order: (I) Approving Stipulation Resolving Claims Between The Parties; and (II) Dismissing this Adversary Proceeding* [Adv. D.I. 57].

The Second Amendment also provided for a holdback in the approximate amount of \$1.8 million on account of the Debtors' former customers who had as of the Closing Date failed to sign an amendment to their service agreements with the Purchaser (the "Unsigned Customer Holdback"). The Debtors are entitled to the Unsigned Customer Holdback, or a portion thereof, to the extent such unsigned customers either signed a customer contract amendment with UPS post-Closing Date, or maintained their business with UPS at substantially the same revenue level. The Debtors have obtained the release of approximately \$560,000 of the Unsigned Customer Holdback as of the filing of this Disclosure Statement. The Debtors will be entitled to the balance of the Unsigned Customer Holdback on May 25, 2015, the eighteen-month anniversary of the Closing Date.

The Debtors' remaining Assets presently consist of approximately \$_____ in Cash, certain claims against former customers of the Debtors for unpaid accounts receivable, the Debtors' residual interest in the General Liability Fund, the Debtors' rights to recover cash collateral on deposit with two of its former workers' compensation carriers, and the remainder of the Unsigned Customer Holdback. The Debtors believe that the Allowed Class I Claims, Allowed Class II Claims, Allowed Class III Claims, and Allowed Unclassified Claims are either Assumed Liabilities, have been paid by the Debtors in the ordinary course of business, or will be paid by the Debtors prior to the Effective Date. Accordingly, the Debtors anticipate that a substantial amount of the remaining Assets will be available for distribution to the Record Holders of Allowed Class IV Claims on a *pro rata* basis.

² The description is intended only as a summary. Please refer to the APA for a more detailed description of its terms and conditions.

3. SUMMARY OF THE PLAN.

3.1 **Purpose of the Plan.** The Debtors proposed the Plan, in consultation with the Committee, over the alternative of converting the Debtors' bankruptcy cases to Chapter 7 of the Bankruptcy Code because the Debtors believe that: (i) the Plan ensures a more orderly, more timely liquidation and distribution of the Debtors' remaining Assets; (ii) establishes the Liquidating Trust to facilitate the estates' recovery of any value remaining in the Unsigned Customer Holdback and the General Liability Fund for the benefit of the Debtors' unsecured creditors; and (iii) the Plan avoids unnecessary costs to the Debtors' estates which would accrue should the Debtors' bankruptcy cases be converted to Chapter 7 of the Bankruptcy Code. For these reasons, both the Debtors and the Committee are in favor of the Plan.

3.2 **Classification of Claims and Interests under the Plan.** All Allowed Claims and Interests, except the Allowed Unclassified Claims, are placed in the Classes set forth in Article I of the Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims and Priority Tax Claims have not been classified. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

3.3 **Classification and Treatment of Allowed Class IV General Unsecured Claims.** As set forth in Article I of the Plan, the Record Holders of Class IV Allowed General Unsecured Claims shall share, on a *pro rata* basis, in the proceeds of the Liquidating Trust Assets transferred to the Liquidating Trust as described in Section 2.3 above. The Debtors estimate that the aggregate amount of Allowed Class IV Claims is approximately \$_____ and that Holders of such Claims will receive a recovery of ____%.

3.4 Implementation and Execution of the Plan.

3.4.1. **Effective Date.** As set forth in Article II of the Plan, the Plan shall become effective on the date which is the first Business Day on which each condition set forth in Article IV of the Plan has been satisfied or waived as set forth therein. Upon the occurrence of the Effective Date, the Debtors will file and post on the Noticing Agent Website a notice of confirmation and occurrence of the Effective Date. You will not receive further notice of the occurrence of the Effective Date and should monitor the Noticing Agent Website for such notice.

3.4.2. **Summary of Means of Implementation and Execution of the Plan.** Article II of the Plan sets forth the means by which the Plan shall be implemented and executed, including the establishment of the Liquidating Trust, Distribution, the dissolution of the Debtors, the resignation of the Debtors' directors and officers, and objections to and allowance of Claims for purposes of the Distribution.

3.4.3. **Appointment of Liquidating Trustee.** As of the Effective Date, the Liquidating Trustee shall be authorized to take all actions consistent with the Plan, the Liquidating Trust Agreement, and applicable law.

3.4.4. **Funding of the Liquidating Trust.** On the Effective Date, the Debtors shall transfer all Cash of the Estates to the Liquidating Trust Account and those funds shall vest automatically in the Liquidating Trust.

On the Effective Date, all other Liquidating Trust Assets of the Estates, **including, without limitation,** all Avoidance Actions and other Claims, and rights of setoff, and interests in any Policy, shall be deemed to be transferred to the Liquidating Trust. The Debtors may, to the extent desirable or helpful, execute any contribution, assignment or other agreement memorializing the transfer of Liquidating Trust Assets to the Liquidating Trust. On and after the Effective Date, the Debtors and the Liquidating Trustee shall take all steps necessary to transfer all Liquidating Trust Assets of the Estates to the Liquidating Trust.

The Plan shall be considered a motion pursuant to sections 105, 363 and 365 of the Bankruptcy Code for authority to effectuate the transfers and related actions set forth immediately above. The Liquidating Trust Assets will be treated for tax purposes as being transferred by the Estates to the Holders of Allowed Class IV Claims (the “Beneficiaries”) pursuant to the Plan in exchange for their Allowed Claims and then by the Holders of Allowed Class IV Claims to the Liquidating Trust in exchange for beneficial interests in the Liquidating Trust. The Beneficiaries shall be treated as the grantors and owners of the Liquidating Trust. Upon the transfer of the assets to the Liquidating Trust, the Liquidating Trust shall succeed to all of the Debtors’ right, title and interest in the Liquidating Trust Assets, and neither the Debtors nor their estates will have any further interest in or with respect to the Liquidating Trust.

3.4.5. **Rights and Powers of the Liquidating Trustee.** The Liquidating Trustee shall be deemed the Debtors’ estates’ representative in accordance with section 1123 of the Bankruptcy Code and shall have the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and the rights and powers set forth in the Plan and the Liquidating Trust Agreement, including, without limitation, but subject to the authority of the Bankruptcy Court as set forth in the Liquidating Trust Agreement, the rights to: (1) effect all actions and execute all agreements, instruments and other documents necessary to implement the provisions of the Plan and the Liquidating Trust Agreement; (2) establish and administer the Liquidating Trust Account and any necessary reserves for Disputed Claims or other Claims; (3) object to Disputed Claims and prosecute, settle, compromise, withdraw or resolve in any manner approved by the Bankruptcy Court such objections; (4) employ and compensate professionals and other agents, provided, however, that any such compensation shall be made only out of the assets of the Liquidating Trust, to the extent not inconsistent with the status of the Liquidating Trust as a liquidating trust within the meaning of Treas. Reg. § 301.7701-4(d) for federal income tax purposes; (5) conduct examinations in accordance with Bankruptcy Rules 2004 or 7001 *et seq.* or otherwise in accordance with applicable law; (6) prosecute any and all causes of action, including Avoidance Actions, to the extent not otherwise settled or released in accordance with this Plan; (7) file customary quarterly reports with the Bankruptcy Court within forty-five (45) days of the end of the applicable quarterly period and serve copies of such reports on Persons requesting notice thereof; (8) pay quarterly fees when due to the Office of the U.S. Trustee until the earliest to occur of the Chapter 11 Cases being closed, converted or dismissed; and (9) sell, abandon, allow to lapse or otherwise use Policies.

The Plan shall be considered a motion for authority to destroy and/or abandon property of the Debtors’ estates. Without further order of the Bankruptcy Court (other than the Confirmation Order), the Liquidating Trustee may: (i) in his sole and absolute discretion, retain or destroy documents, files and records of the Estates; and (ii) abandon property of the Estates that he deems burdensome or of immaterial value to the Estates or the Liquidating Trust.

3.4.6. **Substantive Consolidation.** As set forth in Section 2.11 of the Plan, for the sole purpose of implementing and executing the Plan only, all Assets of and Claims against the Debtors will be deemed to be substantively consolidated. As a result, Claims filed against multiple Debtors seeking recovery of the same debt shall only receive a single Distribution from the consolidated Debtors' estates to the extent such Claim is an Allowed Claim. Intercompany Claims will be disregarded for both voting and distribution purposes. No Creditors are adversely affected by such consolidation as only the Holders of Allowed Class IV General Unsecured Claims against the operating Debtor, IPC, shall share in the proceeds of assets transferred to the Liquidating Trust.

3.4.7. **The Debtors' Abandonment, Disposal and/or Destruction of the Records.** As set forth in Section 2.12 of the Plan, at the direction and discretion of the Liquidating Trustee, the Debtors shall be authorized to abandon all originals and/or copies of documents and business records pursuant to section 554 of the Bankruptcy Code. With the closing of the Debtors' sale and the full wind down of all of the Debtors' operations, the Debtors have identified certain documents, books and records (the "Records") that are outdated, burdensome, and/or of inconsequential value to the Debtors' estates and are not necessary or relevant to: (i) the Debtors' performance of their duties and obligations, (ii) any pending litigation, (iii) the filing of any tax returns, (iv) the resolution of Claims against the Debtors, and (v) any potential causes of action that the Debtors may have. To complete the Debtors' wind down, avoid the incurrence of unnecessary storage costs and facilitate the consolidation and preservation of any pertinent documents, books and records, the Debtors wish to proceed with the abandonment, disposal and/or destruction of the Records.

Section 554 of the Bankruptcy Code provides that, *inter alia*, "[a]fter notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate." 11 U.S.C. § 554(a). Courts have held that a debtor-in-possession's decision to abandon property of the estate rests on the debtor's business judgment. *See, e.g., In re Cult Awareness Network, Inc.*, 205 B.R. 575, 579 (Bankr. N.D. Ill. 1997). The Debtors have concluded in their business judgment that they no longer need to retain certain documents, *i.e.*, the Records, currently in their possession, custody or control.³

3.5 **Executory Contracts and Unexpired Leases.** As stated in Article III of the Plan, the Debtors believe that all executory contracts and unexpired leases of the Debtors were assumed and assigned, or rejected, during the Cases. Accordingly, Article III of the Plan is included out of an abundance of caution and (i) provides that all executory contracts and unexpired leases of the Debtors which are not assumed and assigned, or rejected, prior to the Confirmation Date, if any, shall be deemed rejected and (ii) sets forth procedures for asserting and resolving Rejection Claims, if any.

3.6 **Conditions Precedent to Confirmation and Consummation of the Plan.** Article IV of the Plan sets forth the conditions that must occur prior to both Confirmation of the Plan and the occurrence of the Effective Date. This Article also describes the ability of the Debtors and the Committee to together waive such conditions, as well as the effect of non-occurrence of the conditions to the Effective Date, including the vacation of the Confirmation Order. If the Confirmation Order is vacated pursuant to section 4.4 of the Plan, (i) the Plan shall be null and void

³ The Debtors shall not be required to comply with applicable local, state and federal statutes, rules and ordinances except to the extent that compliance is necessary to ensure the government's interest in public health and safety. *See generally Midlantic Nat'l Bank v. New Jersey Dept. of Env'tl. Protection*, 474 U.S. 494 (1986). Additionally, any action by any local, state or federal agency, department or governmental authority or any other entity to prevent, interfere with, or otherwise hinder the Debtors' abandonment, disposal and/or destruction of the Records shall be enjoined.

in all respects; and (ii) nothing contained in the Plan shall (a) constitute a waiver or release of any Claims by or against, or any Interest in, the Debtors or (b) prejudice in any manner the rights of the Debtors or any other party in interest.

3.7 Miscellaneous Provisions. Article V of the Plan contains several miscellaneous provisions, including: (i) the retention of jurisdiction by the Bankruptcy Court over certain matters following the Confirmation Date; (ii) the Debtors' payment of statutory fees pursuant to 28 U.S.C. § 1930; (iii) the dissolution of the Committee; and (iv) the termination of the Balloting Agent, in its capacity as claims, noticing and balloting agent. **Additionally, section 5.12 of the Plan governs the exculpation and limitation of liability of certain parties with respect to the Cases. Please review this provision carefully.**

3.8 Final Fee Hearing and Final Decree.

3.8.1. The Professional Fee Claim Bar Date and the Final Fee Hearing. Article VI of the Plan describes the Professional Fee Claim Bar Date and the Final Fee Hearing. The Debtors will file and post on the Noticing Agent Website a notice of the Professional Fee Claim Bar Date and the Final Fee Hearing. You will not receive further notice of the Professional Fee Claim Bar Date, the Professional Fee Claims or the Final Fee Hearing and should monitor the Noticing Agent Website for such notice.

3.8.2. Entry of the Final Decree and Closing of the Cases. As set forth in Article VI of the Plan, subsequent to the Effective Date, the Final Fee Hearing and the Debtors' fulfillment of the standards for the closing of the Cases, Debtors' counsel shall File a proposed form of order under certification of counsel (the "Final Decree Certification") requesting the entry of a Final Decree pursuant to section 350(a) of the Bankruptcy Code. Such Final Decree shall close the Cases, which include: (i) *In re IPC International Corporation* (Case No. 13-2050); and (ii) *In re The Security Network Holdings Corporation* (Case No. 13-12051). At that time, the Debtors believe that their estates will be fully administered as: (i) the Confirmation Order will be a Final Order; (ii) the Liquidating Trust shall have been established; and (iii) all motions, contested matters and adversary proceedings will be resolved.

Section 350(a) of the Bankruptcy Code provides that a case shall be closed "after an estate is fully administered and the court has discharged the trustee." 11 U.S.C. § 350(a). Likewise, Rule 3022 of the Bankruptcy Rules provides that, "after an estate is fully administered in a chapter 11 reorganization, the court . . . shall enter a final decree closing the case." Fed. R. Bankr. P. 302. Further, Local Rule 5009-1 provides that, "upon written motion, a party in interest may seek the entry of a final decree at any time after the confirmed plan has been substantially consummated provided that all fees under 28 U.S.C. § 1930 have been paid." Del. Bankr. L.R. 5009-1(a). Based upon the foregoing, the Debtors believe that the Bankruptcy Court's entry of the Final Decree shall be appropriate and necessary subsequent to the Effective Date upon submission of the Final Decree Certification. *See In re Anne*, 2005 WL 1668396, at *2 (Bankr. D. Del. June 24, 2005) (citations omitted).

4. FEASIBILITY.

4.1 Financial Feasibility Analysis.

4.1.1. **Bankruptcy Code Standard.** The Bankruptcy Code requires that, in order to confirm a plan, the Bankruptcy Court must find that confirmation of such plan is not likely to be followed by the liquidation or the need for further financial reorganization of the debtor(s) unless contemplated by the plan.

4.1.2. **No Need for Further Reorganization of Debtors.** The Plan provides for the liquidation and distribution of all of the Debtors' Assets. Accordingly, the Debtors believe that all Plan obligations will be satisfied without the need for further reorganization of the Debtors.

5. **BEST INTERESTS OF CREDITORS AND ALTERNATIVES TO PLAN.**

5.1 **Chapter 7 Liquidation.**

5.1.1. **Bankruptcy Code Standard.** Notwithstanding acceptance of a plan by the requisite number of creditors in an impaired class, the Bankruptcy Court must still independently determine that such plan provides each member of each impaired class of claims and interests a recovery that has a value at least equal to the value of the recovery that each such Person would receive if the debtor was liquidated under Chapter 7 of the Bankruptcy Code on the effective date of such plan.

5.1.2. **Plan is in the Best Interests of Creditors.** Notwithstanding acceptance of the Plan by a voting Impaired Class, in order to confirm the Plan, the Bankruptcy Court must determine that the Plan is in the best interests of each Holder of a Claim or Interest in any such Impaired Class which has not voted to accept the Plan. Accordingly, if an Impaired Class does not vote unanimously to accept the Plan, the best interests test requires the Bankruptcy Court to find that the Plan provides to each Holder of a Claim in such Impaired Class a recovery on account of the Holder's Claim or Interest that has a value, as of the Effective Date, at least equal to the value of the recovery that each such Holder would receive if the Debtors were liquidated under Chapter 7.

As set forth in the Liquidation Analysis, attached hereto as **Exhibit C**, the Debtors believe that the Plan satisfies the best interests test, because, among other things, the recoveries expected to be available to Holders of Allowed Claims under the Plan will be greater than the recoveries expected to be available in a Chapter 7 liquidation.

In a typical Chapter 7 case, a trustee is elected or appointed to liquidate a debtor's assets for distribution to creditors in accordance with the priorities set forth in the Bankruptcy Code. Generally, secured creditors are paid first from the proceeds of sales of the properties securing their liens. If any assets are remaining in the bankruptcy estate after satisfaction of secured creditors' claims from their collateral, administrative expenses are next to receive payment. Unsecured creditors are paid from any remaining sales proceeds, according to their respective priorities. Unsecured creditors with the same priority share in proportion to the amount of their allowed claims in relationship to the total amount of allowed claims held by all unsecured creditors with the same priority. Finally, equity interest holders receive the balance that remains, if any, after all creditors are paid.

Substantially all of the Debtors' Assets have already been liquidated during the Cases through the sale consummated by the Debtors pursuant to the Sale Order. The Plan effects a liquidation of the Debtors' remaining Assets through the establishment of the Liquidating Trust. Although a Chapter 7 liquidation would have the same ultimate goal, the Debtors believe that the Plan provides the best source of recovery to holders of Allowed Unsecured Claims. Liquidating the Debtors' estates under Chapter 7 would not provide a timely distribution to holders of Unsecured Claims and would likely provide a smaller distribution to Holders of Allowed Unsecured Claims because of the fees and expenses that would be incurred during a Chapter 7 liquidation, including

potential added time and expense incurred by the trustee and any retained professionals in familiarizing themselves with the Cases.

Accordingly, the Debtors believe that the Plan is in the best interests of Creditors.

5.2 Continuation of the Bankruptcy Case. The Debtors are not a going concern and thus there is no benefit to remaining in Chapter 11 beyond confirmation of the Plan.

5.3 Alternative Plan(s). The Debtors do not believe that there are any alternative plans. The Debtors believe that the Plan, as described herein, enables Holders of Claims to realize the greatest possible value under the circumstances, and that, compared to any alternative plan, the Plan has the greatest chance to be confirmed and consummated.

6. RISK FACTORS.

Holders of Claims who are entitled to vote on the Plan should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement and the Plan, before deciding whether to vote to accept or reject the Plan.

6.1 Certain Bankruptcy Considerations. Even if the Voting Class votes to accept the Plan, and the requirements for “cramdown” are met with respect to any Impaired Class deemed to have rejected the Plan, the Court may exercise substantial discretion and may choose not to confirm the Plan. Section 1129 of the Bankruptcy Code requires, among other things, that the value of distributions to dissenting Holders of Claims or 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 will meet such requirement, there can be no assurance that the Court will reach the same conclusion.

6.2 Claims Estimation. There can be no assurance that the estimated amount of Claims set forth in the Plan is correct, and the actual allowed amounts of Claims may differ from the estimates. Any value given as to the Claims against and the Assets of the Debtors is based upon an estimation of such value.

7. TAX CONSEQUENCES OF THE PLAN.

THE DEBTORS HAVE NOT REQUESTED A RULING FROM THE IRS OR AN OPINION OF COUNSEL WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN. THUS, NO ASSURANCE CAN BE GIVEN AS TO THE TAX CONSEQUENCES OF THE PLAN. EACH HOLDER OF A CLAIM OR EQUITY INTEREST IS URGED TO CONSULT ITS OWN TAX ADVISOR FOR THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

8. CONCLUSION.

It is important that you exercise your right to vote on the Plan. It is the Debtors’ belief and recommendation that the Plan fairly and equitably provides for the treatment of all Claims against and Interests in the Debtors.

IN WITNESS WHEREOF, the Debtors have executed this Plan this 28th day of April, 2015

IPC INTERNATIONAL CORPORATION and
THE SECURITY NETWORK HOLDINGS
CORPORATION

By: /s/Howard Kaplan

Name: Howard Kaplan

Title: President and Sole Director

EXHIBIT A

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

In re:)	
)	Chapter 11
)	
IPC International Corporation, <i>et al.</i> ¹)	Cases No. 13-12050 (MFW)
)	Jointly Administered
Debtors.)	
)	
)	

**JOINT PLAN OF LIQUIDATION OF IPC INTERNATIONAL CORPORATION AND THE
SECURITY NETWORK HOLDINGS CORPORATION**

April 28, 2015

Article I

TREATMENT AND CLASSIFICATION OF CLAIMS AND INTERESTS; IMPAIRMENT

The categories of Claims and Interests listed below classify Claims and Interests for all purposes, including voting, Confirmation and Distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. Capitalized terms used, but not otherwise defined, herein shall have the meanings set forth in section 1.3 of the disclosure statement (as amended, modified or supplanted, the ("Disclosure Statement")).

Class	Type	Status Under Plan	Treatment	Estimated Aggregate Amount in Class (\$)	Estimated Recovery of Class (%)
I	Prepetition Secured Lender Claim	Unimpaired, Deemed to Accept	The Holder of the Allowed Prepetition Secured Lender Claim shall be paid by the Debtors the full amount of such Allowed Secured Claim in Cash on the Effective Date. As of the date hereof, the Prepetition Secured Lender Claim has been paid in full.	\$0	100%

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtors' federal tax identification number, are: IPC International Corporation (2698); and The Security Network Holdings Corporation (7985). The address of each of the Debtors is 2111 Waukegan Road, Bannockburn, IL 60015.

LOCAL FORM 122B

II	Other Allowed Secured Claims	Unimpaired, Deemed to Accept	Each Holder of an Other Allowed Secured Claim shall be paid by the Debtors the full amount of such Allowed Secured Claim in Cash on the Effective Date, or satisfied by return of collateral or other agreement between such Holder and Liquidating Trustee if Allowed after the Effective Date.	\$0	100%
III	Allowed Non-Tax Priority Claims	Unimpaired, Deemed to Accept	Each Holder of an Allowed Priority Claim that has not been satisfied or is not an Assumed Liability shall be paid by the Debtor the full amount of such Allowed Priority Claim in Cash on the Effective Date or on the date on which such Allowed Priority Claim becomes due and payable pursuant to the terms thereof, the agreement upon which such Allowed Priority Claim is based, or any applicable Order of the Bankruptcy Court. As of the date hereof, the Debtors believe that all Allowed Non-Tax Priority Claims have been paid in full pursuant to applicable Court order or from non-debtor assets.	\$0	100%
IV	Allowed General Unsecured Claims	Impaired, Entitled to Vote	The Record Holders of Allowed General Unsecured Claims shall share, on a pro-rata basis, in the net proceeds of assets transferred to the Liquidating Trust after satisfaction of all costs and expenses incurred by the Liquidating Trust in administering the Liquidating Trust Assets, which assets shall include, among other things, any remaining balance in the General Liability Fund after the satisfaction of all claims that would be entitled to payment from the General Liability Fund, pursuant to Section 5.12 of the APA between Purchaser and the Debtors.	\$ _____	[]%
V	Inter-company Claims	Impaired, Deemed to Reject	Holders of Claims in this Class will not receive any recovery on their Claims.	\$0	0%
VI	Interests	Impaired, Deemed to Reject	Shareholders of the Debtors will retain no ownership interests in the Debtors under the Plan and such Interests shall be cancelled effective as of the Effective Date.	n/a	0%

1.1 **Allowed Unclassified Claims.** Each Holder of an Allowed Unclassified Claim that has not been satisfied previously or is not an Assumed Liability shall be paid by the Debtor the full amount of such Allowed Unclassified Claim, in Cash on or before the Effective Date or on the date on which such Allowed Unclassified Claim becomes due and payable pursuant to the terms thereof, the agreement upon which such Allowed Unclassified Claim is based, or any applicable Order of the Bankruptcy Court.

1.2 **Special Provision Governing Claims.** Nothing under this Plan shall affect the Debtors' rights and defenses in respect of any Claim, including all rights in respect of legal and equitable defenses to or setoffs or recoupment against such Claims.

LOCAL FORM 122B

1.3 **Cancellation of Claims and Interests.** Except as otherwise set forth in this Plan, and except for purposes of evidencing a right to the Distribution, on the Effective Date, all agreements and other documents evidencing the Claims or rights of any Creditor against the Debtors, including all notes, guarantees, mortgages, and all Interests shall be cancelled.

Article II **IMPLEMENTATION AND EXECUTION OF THE PLAN**

2.1 **Effective Date.** The Plan shall become effective on the date which is the first Business Day on which each condition set forth in Article IV of the Plan has been satisfied or waived by the Debtors and the Committee as set forth therein (the “Effective Date”).

2.2 **Implementation of the Plan.** The Plan will be implemented through the establishment of the Liquidating Trust pursuant to the execution of a Liquidating Trust Agreement in substantially the form attached to the Disclosure Statement as **Exhibit B**.

2.3 **Formation of the Liquidating Trust.** On the Effective Date, the Liquidating Trust shall be established pursuant to the Liquidating Trust Agreement for the purposes of, among other things: (a) resolving all Disputed Claims, and (b) making all Distributions to the beneficiaries provided for under the Plan. The Liquidating Trust is intended to qualify as a liquidating trust pursuant to United States Treasury Regulation Article 301.7701-4(d).

2.4 **Appointment of Liquidating Trustee.** As of the Effective Date, the Liquidating Trustee shall be authorized to take all actions consistent with the Plan, the Liquidating Trust Agreement, and applicable law.

2.5 **Funding of the Liquidating Trust.** On the Effective Date, the Debtors shall transfer all Cash of the Estates to the Liquidating Trust Account and those funds shall vest automatically in the Liquidating Trust.

On the Effective Date, all other Liquidating Trust Assets of the Estates, **including, without limitation,** all Avoidance Actions and other Claims, and rights of setoff, and interests in any Policy, shall be deemed to be transferred to the Liquidating Trust. The Debtors may, to the extent desirable or helpful, execute any contribution, assignment or other agreement memorializing the transfer of Liquidating Trust Assets to the Liquidating Trust. On and after the Effective Date, the Debtors and the Liquidating Trustee shall take all steps necessary to transfer all Liquidating Trust Assets of the Estates to the Liquidating Trust.

The Plan shall be considered a motion pursuant to sections 105, 363 and 365 of the Bankruptcy Code for authority to effectuate the transfers and related actions set forth immediately above. The Liquidating Trust Assets will be treated for tax purposes as being transferred by the Estates to the Holders of Allowed Class IV Claims (the “Beneficiaries”) pursuant to the Plan in exchange for their Allowed Claims and then by the Holders of Allowed Class IV Claims to the Liquidating Trust in exchange for beneficial interests in the Liquidating Trust. The Beneficiaries shall be treated as the grantors and owners of the Liquidating Trust. Upon the transfer of the assets to the Liquidating Trust, the Liquidating Trust shall succeed to all of the Debtors’ right, title and interest in the Liquidating Trust and neither the Debtors nor the Estates will have any further interest in or with respect to the Liquidating Trust.

2.6 **Rights and Powers of the Liquidating Trustee.** The Liquidating Trustee shall be deemed the Estates’ representative in accordance with section 1123 of the Bankruptcy Code and shall have the

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powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and the rights and powers set forth in the Plan and the Liquidating Trust Agreement, including, without limitation, but subject to the authority of the Bankruptcy Court as set forth in the Liquidating Trust Agreement, the rights to: (1) effect all actions and execute all agreements, instruments and other documents necessary to implement the provisions of the Plan and the Liquidating Trust Agreement; (2) establish and administer the Liquidating Trust Account and any necessary reserves for Disputed Claims or other Claims; (3) object to Disputed Claims and prosecute, settle, compromise, withdraw or resolve in any manner approved by the Bankruptcy Court such objections; (4) employ and compensate professionals and other agents, provided, however, that any such compensation shall be made only out of the assets of the Liquidating Trust, to the extent not inconsistent with the status of the Liquidating Trust as a liquidating trust within the meaning of Treas. Reg. § 301.7701-4(d) for federal income tax purposes; (5) conduct examinations in accordance with Bankruptcy Rules 2004 or 7001 *et seq.* or otherwise in accordance with applicable law; (6) prosecute any and all causes of action, including Avoidance Actions, to the extent not otherwise settled or released in accordance with this Plan; (7) file customary quarterly reports with the Bankruptcy Court within forty-five (45) days of the end of the applicable quarterly period and serve copies of such reports on Persons requesting notice thereof; (8) pay quarterly fees when due to the Office of the U.S. Trustee until the earliest to occur of the Chapter 11 Cases being closed, converted or dismissed; and (9) sell, abandon, allow to lapse or otherwise use Policies.

The Plan shall be considered a motion for authority to destroy and/or abandon property of the Estates. Without further order of the Bankruptcy Court (other than the Confirmation Order), the Liquidating Trustee may: (i) in his sole and absolute discretion, retain or destroy documents, files and records of the Estates; and (ii) abandon property of the Estates that he deems burdensome or of immaterial value to the Estates or the Liquidating Trust.

2.7 Fees and Expenses of the Liquidating Trust. Liquidating Trust Expenses incurred on or after the Effective Date may be paid by the Liquidating Trustee from the Liquidating Trust in accordance with the Liquidating Trust Agreement without further order of the Bankruptcy Court.

2.8 Term of Injunctions or Stays. Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Chapter 11 Cases are closed.

2.9 Dissolution of the Debtors. On the Effective Date or as soon thereafter as is reasonably practicable, the affairs of the Debtors may be wound up and the Debtors may be dissolved at any time without the need for any further action or approval; provided, however, that the entry of the Final Decree in these Cases shall effect such dissolution of all remaining Debtors to the extent permissible under applicable law.

2.10 Directors and Officers. Howard Kaplan is currently the sole member of the board of directors and sole officer of each of the Debtors. Mr. Kaplan will serve in such capacities until the Effective Date, at which time he shall be deemed to have resigned all such positions with the Debtors and the Liquidating Trustee shall become the sole representative of the Estates.

2.11 Substantive Consolidation. For the purposes of the Cases and the Plan only, all Assets of and Claims against the Debtors will be deemed to be substantively consolidated. As a result, Claims filed against multiple Debtors seeking recovery of the same debt shall only receive a single Distribution from the consolidated Debtors' estates to the extent such Claim is an Allowed Claim. Claims of Debtors against other Debtors will be disregarded for both voting and distribution purposes.

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2.12 **Records.** Pursuant to section 554 of the Bankruptcy Code, and at the direction and discretion of the Liquidating Trustee, the Debtors shall be authorized to abandon all originals and/or copies of documents and business records.

2.13 **Effectuating Documents.** The officers and directors of each Debtor shall be authorized to execute, deliver, file or record such contracts, instruments, releases and other agreements or documents and take such other actions as may be necessary or appropriate to effectuate and implement the provisions of the Plan.

2.14 **Objections to Claims.** Except as provided herein and in section 3.2 of the Plan, any objection to the allowance of a Claim not Filed by the Claim Objection Deadline shall be deemed waived, and the Claim shall be an Allowed Claim in the amount set forth on the proof of claim Filed by the Holder of such Claim. Notwithstanding anything to the contrary in the Plan, neither the Debtors nor, after the Effective Date, the Liquidating Trustee shall be required to make a distribution on any Disputed Claim until such Disputed Claim becomes Allowed or Disallowed in full or in part, either by (i) agreement between counsel to the Committee and the Record Holder of the Disputed Claim or (ii) by Final Order.

Article III

EXECUTORY CONTRACTS AND UNEXPIRED LEASES

3.1 **Background.** The Debtors believe that all executory contracts and unexpired leases of the Debtors were assumed and assigned, or rejected or otherwise terminated or expired, during the pendency of the Cases. Article III of the Plan is included out of an abundance of caution.

3.2 **Executory Contracts and Unexpired Leases.** All executory contracts and unexpired leases of the Debtors which are not assumed and assigned, or rejected, prior to the Effective Date shall be deemed rejected. Any Creditor asserting a claim for monetary damages as a result of the rejection of an executory contract or unexpired lease shall file a proof of claim substantially in the form of Official Form 10 with the clerk of the Bankruptcy Court (a "Rejection Claim"), and serve it upon Debtors' counsel and the Committee's counsel by overnight mail within thirty (30) days following the Effective Date.

3.3 **Rejection Claims.** If no Rejection Claims are filed pursuant to section 3.2 of the Plan, such Claims, if any, shall be forever disallowed and barred. If one or more Rejection Claims are filed pursuant to section 3.2 of the Plan, notwithstanding section 2.9 of the Plan, the Committee may File one or more objections to any Rejection Claims Filed pursuant to section 3.2 of the Plan, and serve it upon the claimant, the claimant's counsel, if any, and Debtors' counsel by overnight mail within sixty days (60) days following the Effective Date. If a Rejection Claim is determined to be Allowed, the date of such determination shall be deemed to be the Record Date and the Holder of the Claim on the date of such determination shall be deemed to be the Record Holder of such Claim. If a Rejection Claim becomes Allowed, in full or in part, such Claim shall be a Class III Claim to the extent such Claim becomes Allowed and the Record Holder of such Claim shall receive a Distribution as set forth in sections 2.2 and 2.3 of the Plan.

Article IV

CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

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4.1 **Conditions to Confirmation.** Entry of a Confirmation Order by the Bankruptcy Court that is in form and substance reasonably satisfactory to the Debtors and the Committee shall be a condition precedent to confirmation of the Plan, unless duly waived in accordance with section 4.3 of the Plan.

4.2 **Conditions to the Effective Date.** The Effective Date shall not occur and the Plan shall not be consummated unless and until each of the following conditions has been satisfied or duly waived pursuant to section 4.3 of the Plan: (i) the Bankruptcy Court shall have entered the Confirmation Order in form and substance reasonably satisfactory to the Debtors and the Committee; (ii) the Confirmation Order shall have become a Final Order; (iii) the Debtors and Liquidating Trustee shall have executed the Liquidating Trust Agreement; and (iv) all remaining Cash has been transferred into the Liquidating Trust Account.

4.3 **Waiver of Conditions to Confirmation or the Effective Date.** The conditions to Confirmation and the conditions to the Effective Date set forth in sections 4.1 and 4.2 of the Plan may be waived in whole or part in writing by the Debtors and the Committee at any time without further Order.

4.4 **Effect of Nonoccurrence of Conditions to the Effective Date.** If each of the conditions to the Effective Date is not satisfied or duly waived in accordance with sections 4.1, 4.2, and 4.3 of the Plan, then upon motion by the Debtors made before the time that each of such conditions has been satisfied or duly waived and upon notice to such parties in interest as the Bankruptcy Court may direct, the Confirmation Order shall be vacated by the Bankruptcy Court; provided, however, that, notwithstanding the filing of such motion, the Confirmation Order may not be vacated if each of the conditions to the Effective Date is either satisfied or duly waived before the Bankruptcy Court enters an order granting such motion. If the Confirmation Order is vacated pursuant to this section 4.4, (i) the Plan shall be null and void in all respects; and (ii) nothing contained in the Plan shall (a) constitute a waiver or release of any Claims by or against, or any Interest in, the Debtors or (b) prejudice in any manner the rights of the Debtors or any other party in interest.

Article V **MISCELLANEOUS PROVISIONS**

5.1 **Binding Effect of the Plan.** The provisions of the Plan shall be binding upon all parties to the Plan and inure to the benefit of the Debtors' estates and their respective predecessors, successors, assigns, agents, officers and directors. The terms of the Plan shall be enforceable against the Debtors, their Creditors and all parties-in-interest.

5.2 **Retention of Jurisdiction.** Following the Confirmation Date and the Effective Date, the Bankruptcy Court shall retain jurisdiction over the provisions of this Plan including those related to Disputed Claims, Rejection Claims, and Professional Fee Claims, and over all disputes and litigation that are pending on the Confirmation Date, and any controversies that may arise hereafter, which would affect the Debtors' or the Liquidating Trustee's ability to carry out the Plan, until all such disputes and litigation shall be concluded and the Plan shall be fully consummated. Further, the Bankruptcy Court shall retain jurisdiction over the Distribution and the Returned Distribution and any related issues which may arise.

5.3 **Governing Law.** Except as mandated by the Bankruptcy Code or Bankruptcy Rules, as applicable, the rights and obligations arising under the Plan shall be governed by, construed and enforced in accordance with the laws of the State of Delaware.

5.4 **Headings.** The headings of articles, paragraphs, and subparagraphs of the Plan are inserted for convenience only and shall not affect the interpretation of any provision of the Plan.

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5.5 **Time.** Whenever the time for the occurrence or happening of an event as set forth in this Plan falls on a day that is not a Business Day, then the time for the occurrence or happening of said event shall be extended to the next day that is a Business Day.

5.6 **Severability.** Should any provision of the Plan be determined to be unenforceable after the Effective Date such determination shall in no way limit or affect the enforceability and operative effect of any and all of the other provisions of the Plan.

5.7 **Revocation.** The Debtors reserve the right to revoke and withdraw the Plan prior to the entry of a Confirmation Order with the consent of the Committee. If the Debtors revoke or withdraw the Plan, the Plan shall be deemed null and void and nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against the Debtors, any other Person, or to prejudice in any manner the rights of such parties in any further proceedings involving the Debtors.

5.8 **Plan Controls.** In the event and to the extent that any provision of the Plan is inconsistent with the provisions of the Disclosure Statement, or any other agreement to be executed by any Person pursuant to the Plan, the provisions of the Plan shall control and take precedence. In the event of any inconsistency between any provision of any of the foregoing documents, and any provision of the Confirmation Order, the Confirmation Order shall control and take precedence.

5.9 **Statutory Fees.** The Debtors shall pay all fees payable pursuant to 28 U.S.C. § 1930 in accordance with the terms of that statute.

5.10 **Dissolution of the Committee.** On the Effective Date, the Committee shall be dissolved and their members shall be deemed released of any continuing duties, responsibilities and obligations in connection with the Cases or the Plan and its implementation, and the retention and employment of the Committee's attorneys, accountants and other agents shall terminate.

5.11 **Claims Agent.** The Balloting Agent, in its capacity as claims, noticing and balloting agent shall be relieved of such duties on the date of the entry of the Final Decree or upon written notice by the Debtors.

5.12 **Exculpation and Limitation of Liability.** The Debtors, the Committee, the members of the Committee, and any of such parties' respective current and/or post-Petition Date and pre-Effective Date affiliates, members, officers, directors, employees, advisors, attorneys, representatives, financial advisors, investment bankers, or agents and any of such parties' successors and assigns, shall not have or incur, and are hereby released from, any claim, obligation, cause of action, or liability to one another or to any Holder of any Claim or Interest, or any other party-in-interest, or any of their respective agents, employees, representatives, financial advisors, attorneys, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of the Cases, the negotiation and Filing of this Plan, the Filing of the Cases, the settlement of Claims or renegotiation of executory contracts and leases, the pursuit of confirmation of this Plan, the consummation of this Plan, or the administration of this Plan or the property to be distributed under this Plan, except for their willful misconduct or gross negligence (as determined by Final Order of a court of competent jurisdiction) or any obligations that they have under or in connection with this Plan or the transactions contemplated in this Plan, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

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Article VI
FINAL FEE HEARING AND FINAL DECREE

6.1 **The Professional Fee Claim Bar Date.** Any and all applications for the final allowance of Professional Fee Claims shall be Filed and served upon counsel to the Debtors, counsel to the Committee, counsel to the Purchaser, the United States Trustee, and all Persons on the Debtors' Bankruptcy Rule 2002 service list on or before the Professional Fee Claim Bar Date.

6.2 **Final Fee Hearing.** A hearing on final allowance of Professional Fee Claims (the "**Final Fee Hearing**") shall be held as soon as practicable after the Professional Fee Claim Bar Date. Debtors' counsel shall File a notice of the Final Fee Hearing. Such notice shall be posted on the Noticing Agent Website, and served upon counsel for the Committee, counsel for the Purchaser, all Professionals, the United States Trustee and all parties on the Debtors' Bankruptcy Rule 2002 service list.

6.3 **Final Decree.** Subsequent to the Effective Date, any Distribution, and the Final Fee Hearing, Debtors' counsel shall File a certification of counsel requesting the entry of the Final Decree.

Article VII
REQUEST FOR CONFIRMATION

7.1 **Request for Confirmation.** The Debtors request confirmation of this Plan in accordance with section 1129(a) and/or section 1129(b) of the Bankruptcy Code.

IN WITNESS WHEREOF, the Proponents have executed this Plan this 28th day of April, 2015

IPC INTERNATIONAL CORPORATION and
THE SECURITY NETWORK HOLDINGS
CORPORATION

By: /s/Howard Kaplan
Name: Howard Kaplan
Title: President and Sole Director

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EXHIBIT B

IPC LIQUIDATING TRUST AGREEMENT

This Liquidating Trust Agreement (the “Agreement”) dated as of _____, 2015 is by and between IPC International Corporation and The Security Network Holdings Corporation (collectively, the “Debtors”) and _____ as “Liquidating Trustee”.

WITNESSETH

WHEREAS, the Trust is created pursuant to, and to effectuate, the *Joint Plan of Liquidation of IPC International Corporation and The Security Network Holdings Corporation*, as amended from time to time (the “Plan”) in the chapter 11 bankruptcy cases currently pending in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) with a caption of In re IPC International Corp., et al., Case No. 13-12050 (MFW) (Jointly Administered) (the “Bankruptcy Cases”), as confirmed by the Bankruptcy Court by Order dated _____, 2015;

WHEREAS, the Trust is created on behalf, and for the sole benefit, of the Beneficiaries (defined below) pursuant to the Plan;

WHEREAS, the Trust is established for the sole purpose of adjudicating General Unsecured Claims¹ and distributing the assets vested in the Trust under the Plan for the benefit of the Beneficiaries of the Trust with no objective to continue or engage in the conduct of a trade or business. The Trust shall be deemed to be a party in interest for purposes of contesting, settling or compromising objections to General Unsecured Claims or Causes of Action. The Trust shall be vested with all the powers and authority set forth in this Plan and the Trust Agreement;

WHEREAS, pursuant to the Plan, the Debtors, the Liquidating Trustee, and the Beneficiaries are required to treat, for all federal income tax purposes, the transfer of the

¹ As set forth in Section 1.2 of this Agreement, all capitalized terms not defined in this Agreement shall and do have the meaning ascribed to them in the Plan.

Liquidating Trust Assets (other than assets allocable to Disputed Claims) to the Trust as a transfer of the Liquidating Trust Assets by the Debtors to the Beneficiaries in satisfaction of their Allowed Claims, followed by a transfer of the Liquidating Trust Assets by the Beneficiaries to the Trust in exchange for the beneficial interest herein, and to treat the Beneficiaries as the grantors and owners of the Trust for federal income tax purposes;

WHEREAS, pursuant to the Plan, the Liquidating Trust is intended to be treated as a grantor trust for federal income tax purposes within the meaning of Sections 671-677 of the Internal Revenue Code of 1986 (as amended, the “IRC”);

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein and in the Plan, the Debtor and the Liquidating Trustee agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

1.1.1 “Allowed Claims” shall have the same meaning as set forth in the Plan.

1.1.2 “Beneficiaries” shall collectively mean the holders of Allowed General Unsecured Claims whose prepetition debts were not assumed by the Purchaser under the Final APA or otherwise satisfied during the Bankruptcy Cases.

1.1.3 “Effective Date” shall have the same meaning as set forth in the Plan.

1.1.4 “Liquidating Trustee” shall mean (x) initially, _____, and (y) any successor or replacement “Liquidating Trustee,” as that term is defined under the Plan

1.1.5 “Notice Parties” shall mean Beneficiaries who have provided a written request to the Liquidating Trustee pursuant to section 10.2 herein for notice for those actions requiring notice pursuant to the terms of this Trust.

1.1.6 “Trust” shall mean the Liquidating Trust established pursuant to the terms of this Agreement and the Plan.

1.2 Use of Plan Definitions. All terms which are used in this Agreement and not defined herein shall have the same meaning set forth in the Plan.

1.3 Interpretation. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the provisions of this Agreement. Words denoting the singular number shall include the plural number and vice versa, and words denoting one gender shall include the other gender.

ARTICLE II

DECLARATION OF TRUST

2.1 Purpose of Trust. The Debtors and the Liquidating Trustee, pursuant to the Plan and in accordance with Title 11 of the United States Code (the “Bankruptcy Code”), hereby create the Liquidating Trust for the sole purpose of adjudicating General Unsecured Claims and distributing the Liquidating Trust Assets for the benefit of the Beneficiaries of the Liquidating Trust with no objective to continue or engage in the conduct of a trade or business.

2.2 Trust Name. The name of the Trust shall be the IPC Liquidating Trust.

2.3 Funding of Liquidating Trust.

A. On the Effective Date, the Debtors shall transfer all Cash of the Estates, net of amounts necessary to pay then outstanding Administrative Claims and Professional Fee Claims (each to the extent ultimately allowed), to the Liquidating Trust Account and those funds shall automatically vest in the Trust.

B. Pursuant to the Plan, all of the Debtors' right, title and interest in and to the Liquidating Trust Assets, other than Cash necessary to pay then outstanding Administrative Claims and Professional Fee Claims (each to the extent ultimately allowed), are automatically vested in the Trust on the Effective Date, free and clear of all liens, claims, encumbrances and other interests, and such transfer is on behalf of the Beneficiaries (whether such Beneficiaries' Claims are Allowed Claims on or after the Effective Date of the Plan) to establish the Trust. To the extent any law or regulation prohibits the transfer of ownership of any of the Liquidating Trust Assets from the Debtor to the Trustee and such law is not superseded by the Bankruptcy Code, the Trustee's interest shall be a lien upon and security interest in such Liquidating Trust Assets, in trust, nevertheless, for the sole use and purposes set forth in Section 2.1, and this Agreement shall be deemed a security agreement granting such interest thereon without need to file financing statements or mortgages. By executing this Agreement, the Liquidating Trustee hereby accepts all of such property as Liquidating Trust Assets, to be held in trust for the Beneficiaries, subject to the terms of this Agreement and the Plan. In furtherance of this Agreement, the Debtors hereby designate the Trust to receive, pursuant to and in accordance with Section 5.12 of the Asset Purchase Agreement among the Debtors and Universal Protection Service, LLC (the "APA"), the remaining Cash in the "General Liability Fund" (as defined in the APA).

C. In connection with the vesting and transfer of the Liquidating Trust Assets to the Trust, any attorney-client, work-product protection, or other privilege or immunity attaching to any documents or communications (whether written or oral) expressly transferred to the Trust shall vest in the Trust. The Liquidating Trustee shall be authorized to obtain possession or control of, liquidate and collect all of the Liquidating Trust Assets in the possession or control of third parties.

D. For all federal income tax purposes, the Debtors, the Beneficiaries, the Liquidating Trustee and the Trust shall treat this Trust as a liquidating trust within the meaning of Treasury Income Tax Regulation Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 124 and transfer of the Liquidating Trust Assets to the Trust shall be treated as a transfer of the Liquidating Trust Assets by the Debtors to the Beneficiaries in satisfaction of their Allowed Claims, followed by a transfer of the Liquidating Trust Assets by the Beneficiaries to the Trust in exchange for their beneficial interests in the Trust. The Beneficiaries shall be treated as the grantors and owners of the Trust for federal income tax purposes.

2.4 Valuation of Trust Assets. After the Effective Date, but in no event later than the due date for timely filing of the Trust's first federal income tax return (taking into account applicable tax filing extensions), the Liquidating Trustee shall (a) determine the fair market value of the Liquidating Trust Assets as of the Effective Date, based on its good faith determination, and (b) establish appropriate means to apprise the Beneficiaries of such valuation. The valuation shall be used consistently by all parties (including, without limitation, the Debtors, the Trust, the Liquidating Trustee and the Beneficiaries) for all federal income tax purposes.

ARTICLE III

ADMINISTRATION OF THE TRUST

3.1 Rights, Powers and Privileges. The Liquidating Trustee shall have the rights, powers, and privileges expressly provided to the Liquidating Trustee in this Agreement or in the Plan. The Liquidating Trustee shall not take any action that is inconsistent with the Plan. Without limiting the foregoing, the Liquidating Trustee shall have the power to take any and all actions consistent with the terms of the Plan in addition to the powers granted in the Plan, and any powers reasonably incidental thereto that the Liquidating Trustee, in the Liquidating Trustee's reasonable discretion, deems necessary or appropriate to fulfill the liquidating purpose of the Liquidating Trust, including, without limitation, the following:

- A. make interim and final distributions to the holders of Allowed Claims who are Beneficiaries;
- B. file suit or any appropriate motion for relief in the Bankruptcy Court or in any other court of competent jurisdiction to resolve any disagreement, conflict, dispute, or ambiguity in connection with the exercise of its rights, power, or duties;
- C. hold legal title to any and all rights of the Debtors and the Beneficiaries that constitute Liquidating Trust Assets;
- D. in reliance upon the Debtors' schedules and the official claims register (the "Register") maintained in the chapter 11 cases, maintain on the Liquidating Trustee's books and records a register evidencing the beneficial interest herein held by each Beneficiary;

E. protect and enforce the rights to the assets vested in the Liquidating Trust by any method deemed appropriate, including, without limitation, by judicial proceedings or otherwise;

F. open and maintain bank accounts on behalf of or in the name of the Liquidating Trust and terminate such accounts as the Liquidating Trustee deems appropriate;

G. make all tax withholdings, file tax information returns, make tax elections by and on behalf of the Liquidating Trust and file tax returns for the Liquidating Trust as a grantor trust under IRC Section 671 and Treas. Reg. Section 1.671-4 pursuant to and in accordance with the Plan and Article 7.9 hereof;

H. send annually to each Beneficiary a separate statement stating the Beneficiary's share of the Trust's income, gain, loss, deduction, or credit, and instruct all such Beneficiaries to report such items on their federal tax returns;

I. establish such reserves for taxes, assessments, and other expenses of administration of the Liquidating Trust as may be necessary and appropriate for the proper operation of matters incident to the Liquidating Trust;

J. pay all expenses and make all other payments relating to the Liquidating Trust;

K. retain and pay third parties and professionals pursuant to Article 3.2 of this Trust;

L. carry appropriate insurance coverage;

M. exercise all powers provided under the Plan, including the right to object to and settle objections to Beneficiaries' Claims as set forth in Article IV of the Plan;

N. monitor and enforce implementation of the Plan for the benefit of the Liquidating Trust;

O. enter into and exercise rights under contracts that are necessary or desirable to the administration of the Liquidating Trust and execute any documents or pleadings related to the liquidation of the assets;

P. bring suits or defend itself against suits, if any, as the Liquidating Trustee determines in connection with any matter arising from or related to the Plan that affects in any way the rights or obligations of the Beneficiaries;

Q. invest any moneys in accordance with the terms of Article 3.3 hereof; and

R. take all other actions that the Liquidating Trustee deems necessary or appropriate in order to carry out the purpose and intent of this Liquidating Trust in the Liquidating Trustee's sole and absolute discretion.

3.2 Agents and Professionals. The Liquidating Trustee may retain and compensate attorneys and other professionals to assist in its duties on such terms (including on a contingency or hourly basis) as it deems reasonable and appropriate without Bankruptcy Court approval, which fees and costs of such professionals shall be paid from the Liquidating Trust.

3.3 Investment and Safekeeping of Trust Assets. All Liquidating Trust Assets including proceeds thereof after payment of expenses shall, until distributed or paid over as provided herein and in the Plan, be held in trust for the benefit of the Beneficiaries, but need not be segregated. The Liquidating Trustee shall be under no liability for interest or producing income on any moneys received by it hereunder and held for distribution or payment to the

Beneficiaries, except as such interest shall actually be received by the Liquidating Trustee, which shall be distributed as provided in the Plan and herein. Except as otherwise provided by the Plan, the powers of the Liquidating Trustee to invest any moneys held by the Liquidating Trust, other than those powers reasonably necessary to maintain the value of the assets and to further the Liquidating Trust's liquidating purpose, shall be limited to powers to invest in demand and time deposits, such as short-term certificates of deposit, in banks or other savings institutions, or other temporary liquid investments, such as treasury bills.

3.4 Consultation. The Liquidating Trustee shall make reasonable efforts to consult with Beneficiaries upon request.

ARTICLE IV

DISTRIBUTIONS FROM THE TRUST

4.1 Timing of Distributions. The Liquidating Trustee shall make distributions to Beneficiaries in its sole discretion, which may be in interim distributions or as a single distribution on such date that it chooses in its sole discretion.

4.2 Withholding from Distributions. The Liquidating Trustee may withhold from amounts distributable to any Beneficiary any and all amounts, determined in the sole and reasonable discretion of the Liquidating Trustee, to be required by any law, regulation, rule, ruling, directive or other governmental requirement.

4.3 Reserves. The Liquidating Trustee may retain a reserve in such amount as reasonably necessary to meet the contingent liabilities of the Liquidating Trust and to satisfy all other liabilities of the Trust and hold such amount back from any distribution.

4.4 Unclaimed and Undeliverable Distributions. In the event that any distribution made from the Trust on account of an Allowed General Unsecured Claim is returned as undeliverable or otherwise unclaimed, no distribution to such holder shall be made unless and until such holder has provided evidence satisfactory to the Liquidation Trustee of such holder's then current address, at which time such distribution shall be made to such holder without interest; provided, however, that such distribution shall be deemed unclaimed property at the expiration of 90 days after such distribution. After such date, all unclaimed property or interests in property shall revert back to the Trust to be redistributed to Allowed General Unsecured Claim holders as if the Claim underlying such unclaimed distribution had been disallowed without need for a further order by the Court (notwithstanding any applicable federal, provincial, or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any holder to such property or interest in property shall be discharged and forever barred from seeking distribution on account of such Claim.

4.5 Tax Identification Numbers. The Liquidating Trustee shall require any Beneficiary to furnish to the Liquidating Trustee his, her or its social security number or employer or taxpayer identification number (collectively, "TIN") as assigned by the IRS. The Liquidating Trustee shall condition any distribution to any Beneficiary upon the receipt of such TIN, and the Liquidating Trustee shall be entitled in its sole discretion to withhold any distributions to a holder of an Allowed Claim that fails to provide such TIN upon written request within thirty (30) days of the Liquidating Trustee request for such TIN. Any such Beneficiary that does not provide his, her or its TIN within thirty (30) days of the Liquidating Trustee written request for such TIN shall have his, her or its claim treated as unclaimed property under Section

4.4 hereof without further order of the Court or action by the Liquidating Trustee and shall be deemed to have waived his, her or its entitlement to distribution on account of its applicable Allowed General Unsecured Claim.

4.6 Priorities of Distribution. The Liquidating Trustee must pay the operating expenses of the Liquidating Trust before approving distributions to or for the benefit of the Beneficiaries.

4.7 De Minimis Distributions; Charitable Donation. The Liquidating Trustee shall not be required to make a distribution to any Creditor if the dollar amount of the distribution is less than \$25 in the aggregate. The Liquidating Trustee shall not be required to make a distribution to Beneficiaries if the distribution is so small that the cost of making that Distribution exceeds the dollar amount of such Distribution. On or about the time that the final Distribution is made, the Liquidating Trustee may make a charitable donation with undistributed funds if, in the reasonable judgment of the Liquidating Trustee, the cost of calculating and making the final Distribution of the remaining funds is excessive in relation to the benefits to the or holders of Claims who would otherwise be entitled to such Distributions, and such charitable donation is provided to an entity not otherwise related to the Liquidating Trustee.

ARTICLE V

BENEFICIARIES

5.1 Interest Beneficial Only. The ownership of a beneficial interest in the Trust shall not entitle any Beneficiary to any title in or to the Trust Assets or to any right to call for a

partition or division of such assets or to require an accounting, except as specifically provided herein.

5.2 Ownership of Beneficial Interests Hereunder. Each Beneficiary shall own a beneficial interest herein equal in proportion to the pro rata share of such Beneficiary's Allowed Claim in accordance with the Plan.

5.3 Register of Beneficiaries. The Trust shall maintain at all times the Register of the names, distribution addresses, amounts of Allowed Claims, and the ratable interests in the Liquidating Trust of the Beneficiaries. The initial Register shall be delivered to the Liquidating Trustee by the Debtors in electronic format and shall be based on the list of holders of Claims maintained by the Debtors' Claims Agent as of the Effective Date. All references in this Agreement to holders of beneficial interests in the Liquidating Trust shall be read to mean holders of record as set forth in the Register maintained by the Liquidating Trustee and shall exclude any beneficial owner not recorded on such Register.

5.4 Evidence of Beneficial Interest. Ownership of a beneficial interest in the Trust Assets shall not be evidenced by any certificate, security, or receipt or in any other form or manner whatsoever, except as maintained on the Register of the Trust by the Liquidating Trustee.

5.5 Exemption from Registration. The rights of the Beneficiaries arising under this Trust Agreement may be deemed "securities" under applicable law. However, such rights have not been defined as "securities" under the Plan because (i) the parties hereto intend that such rights shall not be securities, and (ii) if the rights arising under this Agreement in favor of the Beneficiaries are deemed to be "securities," the exemption from registration under Section 1145

of the Bankruptcy Code is intended to be applicable to such securities. No party to this Agreement shall make a contrary or different contention.

ARTICLE VI

SELECTION, REMOVAL AND COMPENSATION OF LIQUIDATING TRUSTEE

6.1 Initial Liquidating Trustee. The initial Liquidating Trustee shall be _____.

6.2 Term of Service. The Liquidating Trustee shall serve until (a) the completion of all the Liquidating Trustee's duties, responsibilities and obligations under this Agreement and the Plan; (b) termination of the Trust in accordance with the terms of this Agreement and the Plan; or (c) the Liquidating Trustee's resignation, death, incapacity or removal.

6.3 Removal of Liquidating Trustee. Any person serving as the Liquidating Trustee may be removed by order of the Bankruptcy Court at any time for cause, and any Beneficiary shall have the standing and right to seek such relief from the Bankruptcy Court.

6.4 Resignation of Liquidating Trustee. The Liquidating Trustee may resign at any time. In the event of a resignation, the resigning Liquidating Trustee shall render to the Beneficiaries a full and complete accounting of monies and assets received, disbursed, and held during the term of office of that Liquidating Trustee. The resignation shall be effective on the later of (i) the date specified in the notice delivered to the Bankruptcy Court; (ii) the effective date of the appointment of a successor Liquidating Trustee and such successor's acceptance of such appointment in accordance with the terms of the Plan.

6.5 Appointment of Successor Liquidating Trustee. Upon the resignation, death, incapacity, or removal of a Liquidating Trustee, counsel to the Liquidating Trustee shall have the

right to seek appointment of a Successor Liquidating Trustee upon notice (“Successor Liquidating Trustee Notice”) filed with the Bankruptcy Court or the Bankruptcy Court may appoint a Successor Liquidating Trustee, provided that the Bankruptcy Cases are still open. If the Bankruptcy Cases are closed, the Successor Liquidating Trustee Notice shall be served on the parties to this Agreement and the United States Trustee. If no objection is filed or served to a Successor Liquidating Trustee Notice within fourteen (14) days of such date of filing, the Successor Liquidating Trustee shall be deemed so appointed. Any Successor Liquidating Trustee so appointed shall consent to and accept in writing the terms of this Agreement and agree that the provisions of this Agreement shall be binding upon and inure to the benefit of the Successor Liquidating Trustee and all of his heirs and legal and personal representatives, successors or assigns.

6.6 Powers and Duties of Liquidating Trustee. A Successor Liquidating Trustee shall have all the rights, privileges, powers, and duties of his predecessor under this Agreement and the Plan.

6.7 Trust Continuance. The resignation, death, incapacitation or removal of the Liquidating Trustee shall not terminate the Trust or revoke any existing agency created pursuant to this Agreement or invalidate any action theretofore taken by the Liquidating Trustee.

6.8 Compensation of the Liquidating Trustee and Costs of Administration. The Liquidating Trustee shall receive reasonable compensation of (i) \$_____; and (iii) reimbursement for actual and necessary costs for the Liquidating Trustee services, which shall be a charge against and paid out of the Trust. All costs, expenses, and obligations incurred by the Liquidating Trustee (or professionals who may be employed by the Liquidating Trustee in

administering the Trust, in carrying out their other responsibilities under this Agreement, or in any manner connected, incidental, or related thereto) shall be paid by the from the Trust.

6.9 Annual Reporting and Filing Requirements.

A. Upon request of any Beneficiary, but not sooner than 180 days after the end of each calendar year, the Liquidating Trustee shall furnish a report to the Beneficiaries of all assets received by the Trust, all assets disbursed to Beneficiaries, and all assets held by the Trust during the preceding calendar year.

B. Pursuant to and in accordance with the terms of the Plan and this Agreement, the Liquidating Trustee shall file tax returns for the Trust as a grantor trust pursuant to Treasury Income Tax Regulation Section 1.671-4(a).

C. The Liquidating Trustee may, in the Liquidating Trustee's sole discretion, determine the best way to report for tax purposes any reserve for Disputed General Unsecured Claims, including (i) filing a tax election to treat any and all reserves for Disputed General Unsecured Claims as a "Disputed Ownership Fund" ("DOF") within the meaning of Treasury Regulation section 1.468B-9 for federal income tax purposes rather than to tax such reserve as a part of the Trust or (ii) electing to report as a separate trust or sub-trust or other entity. If an election is made to report any reserve for disputed claims as a DOF, the Trust shall comply with all federal and state tax reporting and tax compliance requirements of the DOF, including but not limited to the filing of a separate federal tax return for the DOF and the payment of federal and/or state income tax due.

ARTICLE VII

GENERAL PROVISIONS

7.1 Books and Records. The Liquidating Trustee shall maintain books and records containing a description of all property from time to time constituting the Liquidating Trust Assets, the management thereof, all transactions undertaken by the Liquidating Trustee, all expenses incurred by or on behalf of the Liquidating Trust, and all disbursements. Said books shall be open to inspection by any Beneficiary at any reasonable time at the offices of the Liquidating Trustee, or such other location identified by the Liquidating Trustee, during normal business hours.

7.2 Sharing of Books and Records. The Debtors shall transfer and assign to the Liquidating Trustee full title to, and the Trust shall be authorized to take possession of, all of the books and records of the Debtors necessary for the resolution of the Beneficiaries' Claims or the Debtors and the Liquidating Trustee shall enter into a document records sharing agreement, which may occur post Effective Date.

7.3 Change of Address. A Beneficiary may, after the Effective Date, select an alternative distribution address by filing a notice with the Bankruptcy Court or by written notice under penalty of perjury (copy served on the Liquidating Trustee) identifying such alternative distribution address. Absent such notice, the Liquidating Trustee shall not recognize any such change of distribution address. Such notification shall be effective only upon written receipt by the Liquidating Trustee satisfactory to the Liquidating Trustee accompanied by sufficient evidence of a change of address.

7.4 No Bond Required. Notwithstanding any state law to the contrary, the Liquidating Trustee (including any successor) shall be exempt from giving any bond or other security in any jurisdiction.

7.5 Indemnification. The Trustee, and its respective firm, company, affiliates, partners, officers, directors, members, employees, professionals, advisors, attorneys, financial advisors, disbursing agents and agents, and any of such parties' successors and assigns (collectively, the "Indemnified Parties" and, each, an "Indemnified Party") shall, to the fullest extent permitted by applicable law, be defended, held harmless, and indemnified by the Trust from time to time and receive reimbursement from and against any and all loss, liability, expense (including reasonable counsel fees) or damage of any kind, type or nature, whether sounding in tort, contract or otherwise, that the Indemnified Parties may incur or sustain in connection with the exercise or performance of any of the Trust's or Trustee's powers and duties under this Agreement or the Plan or in rendering services by the Indemnified Party to the Trust or Trustee (the "Indemnified Conduct"), including, without limitation, the costs of counsel or others in investigating, preparing, defending or settling any action or claim (whether or not litigation has been initiated against the Indemnified Party) or in enforcing this Agreement (including its indemnification provisions), except if such loss, liability, expense or damage is finally determined by a Final Order of a court of competent jurisdiction to result directly and primarily from the fraud, gross negligence, or willful misconduct of the Indemnified Party asserting this provision. All indemnification liabilities of the Trust shall be an expense of the Trust. The amounts necessary for such indemnification and reimbursement shall be paid by the Trust out of the available Trust Assets after reserving for all actual and anticipated expenses and liabilities of

the Trust. The Trustee shall not be personally liable for the payment of any Trust expense or claim or other liability of the Trust, and no Person shall look to the Trustee or other Indemnified Parties personally for the payment of any such expense or liability.

ARTICLE VIII

DURATION OF TRUST

8.1 Duration. The Trust shall become effective upon the Effective Date of the Plan. Thereupon, the Liquidating Trust and its provisions herein shall remain and continue in full force and effect until the Trust is terminated.

8.2 Termination Upon Distribution of All Liquidating Trust Distributable Cash. The Liquidating Trust shall terminate when the Liquidating Trustee has performed all of its duties under the Plan and this Agreement, including the final distribution of all the property of the Trust in respect of Allowed Claims of the Beneficiaries, which date shall not be more than five (5) years after the Effective date; provided, however, the Bankruptcy Court may upon good cause shown order the Liquidating Trust to remain open so long as it may be necessary to liquidate and distribute all its property. Upon termination of the Liquidating Trust, the Liquidating Trustee shall have no further responsibility in connection therewith.

ARTICLE IX

MISCELLANEOUS

9.1 Limitation on Transferability. It is understood and agreed that the beneficial interests herein shall be non-assignable during the term of this Agreement except by operation of law. An assignment by operation of law shall not be effective unless and until appropriate

notification and proof thereof is submitted to the Liquidating Trustee, and the Liquidating Trustee may continue to pay all amounts to or for the benefit of the assigning Beneficiaries until receipt of proper notification and proof of assignment by operation of law. The Liquidating Trustee may rely upon such proof without the requirement of any further investigation.

9.2 Notices. All notices to be given to Beneficiaries may be given by ordinary mail, or may be delivered personally, at the addresses appearing on the books kept by the Liquidating Trustee. Any notice or other communication which may be or is required to be given, served, or sent to the Liquidating Trustee shall be in writing and shall be sent by registered or certified United States mail, return receipt requested, postage prepaid, or transmitted by hand delivery or facsimile (if receipt is confirmed) addressed as follows:

If to the Debtors:

IPC International Corp.
2111 Waukegan Road
Bannockburn, IL 60015
Attn: CEO

with a copy to:

Proskauer Rose LLP
Paul Possinger
Brandon Levitan
70 West Madison, Suite 3800
Chicago, IL 60602
Facsimile: (312) 962-3551

If to the Liquidating Trust:

[TO COME]

and

Pachulski Stang Ziehl & Jones LLP

Bradford Sandler, Esq.
919 North Market Street, 17th Floor
Wilmington, DE 19801
Facsimile: (302) 652-4400

or to such other address as may from time to time be provided in written notice by the Liquidating Trustee.

9.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

9.4 Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

9.5 Particular Words. Reference in this Agreement to any Section or Article is, unless otherwise specified, to that such Section or Article under this Agreement. The words “hereof,” “herein,” and similar terms shall refer to this Agreement and not to any particular Section or Article of this Agreement.

9.6 No execution. All funds in the Liquidating Trust shall be deemed *in custodia legis* until such times as the funds have actually been paid to or for the benefit of a Beneficiary, and no Beneficiary or any other Person can execute upon, garnish or attach the Liquidating Trust Assets or the Liquidating Trust in any manner or compel payment from the Liquidating Trust except by Final Order of the Bankruptcy Court. Payments will be solely governed by the Plan and this Agreement.

9.7 Amendment. This Agreement may be amended upon agreement of the parties hereto.

9.8 Severability. If any term, provision covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

9.9 Counterparts. This Agreement may be executed simultaneously in counterparts and each such counterpart shall be deemed an original, all of which counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement (or are deemed to have so executed this Agreement) as of the day and year written above.

**IPC INTERNATIONAL CORPORATION and
THE SECURITY NETWORK HOLDINGS
CORPORATION**

By: _____
Name: Howard Kaplan
Title: President and Sole Director

[LIQUIDATING TRUSTEE]

By: _____
Name:
Title: