

# **EXHIBIT 1**

## **TRUSTEE'S PLAN OF LIQUIDATION**

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9  
10 UNITED STATES BANKRUPTCY COURT  
11 DISTRICT OF OREGON

12 In re  
13 Lumber Products, an Oregon Corporation,  
14 Debtor.

Case No. 12-32729-elp11  
**TRUSTEE'S PLAN OF  
LIQUIDATION (AUGUST 30, 2012)**

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TRUSTEE'S PLAN OF LIQUIDATION (AUGUST 30, 2012)

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1 Edward C. Hostmann, the Chapter 11 Trustee (the "Trustee") for the estate of  
2 Lumber Products, an Oregon Corporation ("Debtor"), proposes the following Plan of  
3 Liquidation pursuant to the provisions of Chapter 11 of the Bankruptcy Code.

4 A Disclosure Statement has been provided with this Plan to assist you in  
5 understanding the Plan and making an informed decision whether to vote for or against the  
6 Plan.

## 7 SECTION 1

### 8 DEFINITIONS

9 1.1. Defined Terms. Definitions of certain terms used in the Plan are set forth  
10 below. Other terms are defined in the text of the Plan or in the text of the Disclosure  
11 Statement. In either case, when a defined term is used, the first letter of each word in the  
12 defined term is capitalized. Terms used and not defined in the Plan or Disclosure Statement  
13 shall have the meanings given in the Bankruptcy Code or Bankruptcy Rules, or otherwise as  
14 the context requires. The meanings of all terms shall be equally applicable to both the  
15 singular and plural, and masculine and feminine, forms of the terms defined. The words  
16 "herein," "hereof," "hereto," "hereunder," and others of similar import, refer to the Plan as a  
17 whole and not to any particular article, section, subsection, or clause contained in the Plan.  
18 Captions and headings to articles, sections, and exhibits are inserted for convenience of  
19 reference only and are not intended to be part of or to affect the interpretation of the Plan.  
20 The rules of construction set forth in Section 102 of the Bankruptcy Code shall apply. In  
21 computing any period of time prescribed or allowed by the Plan, the provisions of  
22 Bankruptcy Rule 9006(a) shall apply.

23 1.1.1 Administrative Expense Claim means a Claim that is entitled to  
24 priority under Sections 503(b) and 507(a)(2) of the Bankruptcy Code.

25 1.1.2 Allowed Amount means: (a) with reference to any Claim (other  
26 than an Administrative Expense Claim): (i) if the holder thereof has not filed a proof of

1 claim with the Court within the applicable period of limitation fixed pursuant to Bankruptcy  
2 Rule 3003(c)(3), the amount of the Claim that is listed in Debtor's schedules, as they may  
3 from time to time be amended in accordance with Bankruptcy Rule 1009, as not disputed,  
4 contingent, or unliquidated; or (ii) if the holder thereof has filed a proof of claim with the  
5 Court within the applicable period of limitation fixed pursuant to Bankruptcy  
6 Rule 3003(c)(3), (a) the amount stated in such proof of claim, if no objection to such proof of  
7 claim has been interposed within any applicable period of limitation fixed by this Plan or a  
8 Final Order; (b) such amount as shall be fixed by Final Order if an objection has been timely  
9 interposed; (c) with reference to an Administrative Expense Claim that requires Court  
10 approval as precondition to payment, such amount as shall be fixed by Final Order; (d) with  
11 reference to any Claim arising from the recovery of property under Sections 550 or 553 of  
12 the Bankruptcy Code, or from the denial or avoidance of an interest in property of the Estate  
13 (i) if, within 30 days after the judgment for the recovery of money or property, or after the  
14 judgment that denies or avoids any such interest, becomes a Final Order, the holder thereof  
15 fully satisfies such judgment, (a) the amount so paid to the Estate pursuant to such judgment  
16 (whether or not such holder files a proof of claim with the Court respecting such Claim)  
17 and/or (b) such additional amount as shall be fixed by a Final Order, but only if a proof of  
18 claim therefor is filed with the Court and served on Debtor within 30 days after such  
19 judgment becomes a Final Order; or (ii) if, in response to a demand for payment and before  
20 an adversary proceeding or other legal action is commenced with regard to such matters, the  
21 holder thereof complies with such a demand, the amount so paid to the Estate pursuant to  
22 such demand (whether or not such holder files a proof of claim with the Court respecting  
23 such Claim); or (e) any Claim allowed under or pursuant to the terms of this Plan; provided,  
24 however, that the Allowed Amount shall not include interest, penalties, or other charges  
25 accruing on a Claim after the Petition Date except as specifically provided for in this Plan or  
26 in the Confirmation Order.

1 1.1.3 Allowed Claim means a Claim for which an Allowed Amount has  
2 been determined.

3 1.1.4 Assets at any particular time means, collectively, all right, title, and  
4 interest of the Estate in and to the property described in Section 541 of the Bankruptcy Code,  
5 and includes all Avoidance Actions.

6 1.1.5 Available Cash at any particular time means all Cash held by or for  
7 Debtor that the Plan Agent in its sole discretion, after consultation with the Committee,  
8 determines is then available for distribution to holders of Class 7 Claims.

9 1.1.6 Avoidance Action means any claim or cause of action of the Estate  
10 that arises under Chapter 5 of the Bankruptcy Code.

11 1.1.7 Ballot means a ballot submitted by a holder of a Claim to accept or  
12 reject this Plan.

13 1.1.8 Bankruptcy Code means Title 11 of the United States Code, and  
14 any amendments thereto, applicable to this Chapter 11 case as in effect on the Confirmation  
15 Date.

16 1.1.9 Bankruptcy Rules means the Federal Rules of Bankruptcy  
17 Procedure.

18 1.1.10 Case or Chapter 11 Case means the case under Chapter 11 of the  
19 Bankruptcy Code with respect to Debtor pending in the District of Oregon, administered as  
20 *In re Lumber Products, an Oregon Corporation*, Case No. 12-32729-elp11.

21 1.1.11 Cash means cash, cash equivalents, and other readily marketable  
22 direct obligations of the United States of America.

23 1.1.12 Claim means (a) any right to payment from Debtor arising before  
24 the Effective Date, whether or not such right is reduced to judgment, liquidated, unliquidated,  
25 fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or  
26 unsecured; or (b) any right to an equitable remedy against Debtor arising before the Effective

1 Date for breach of performance if such breach gives rise to a right of payment from Debtor,  
2 whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent,  
3 matured, unmatured, disputed, undisputed, secured, or unsecured.

4 1.1.13 Claiming Period means, with respect to any particular Distribution  
5 made by Debtor pursuant to this Plan, a period of 90 days following such Distribution.

6 1.1.14 Class means a category of Claims or Equity Interests that is  
7 substantially similar to each other, as classified pursuant to the Plan.

8 1.1.15 Collateral means, with respect to any Secured Claim, the property,  
9 or interest in property, of the Estate that secures such Claim.

10 1.1.16 Committee means the Official Committee of Unsecured Creditors  
11 of Debtor appointed by the United States Trustee pursuant to Section 1102 of the Bankruptcy  
12 Code, as such Committee may be constituted from time to time.

13 1.1.17 Confirmation Date means the date of entry of the Confirmation  
14 Order.

15 1.1.18 Confirmation Order means the Court order confirming the Plan  
16 pursuant to Section 1129 of the Bankruptcy Code.

17 1.1.19 Convenience Claim means any Unsecured Claim that is equal to or  
18 less than \$14,000, or that has been reduced by election in writing to \$14,000, provided that  
19 such written election shall be served on Debtor no later than the first date fixed by the  
20 Bankruptcy Court for the filing of acceptances or rejections of the Plan.

21 1.1.20 Court or Bankruptcy Court means (a) the United States District  
22 Court for the District of Oregon having jurisdiction over this Chapter 11 case and, to the  
23 extent of any reference made pursuant to 28 U.S.C. § 157, the United States Bankruptcy  
24 Court for the District of Oregon and any court having competent jurisdiction to hear appeals  
25 therefrom and (b) any other court having competent jurisdiction with respect to matters  
26 described in this Plan.



1.1.21 Creditor means a holder of a Claim.

1.1.22 Debtor means Lumber Products, an Oregon Corporation.

1.1.23 Disallowed Amount means, with respect to a particular Disputed Claim, that amount which is equal to the difference, if any, between the Face Amount of such Claim and the Allowed Amount thereof.

1.1.24 Disclosure Statement means Debtor's disclosure statement pertaining to the Plan, as amended, modified, supplemented, or restated from time to time.

1.1.25 Disputed Amount means, with respect to a particular Disputed Claim, that amount which is equal to the difference, if any, between the Face Amount of such Claim and the amount of the Claim that Debtor concedes.

1.1.26 Disputed Claim means any Claim for which an Allowed Amount has not yet been determined and with respect to which Debtor or the Committee has an objection (whether or not a written objection has been filed with the Court) or to which an objection has been filed with the Court.

1.1.27 Distribution means a payment of Cash by Debtor under this Plan to a holder of an Allowed Claim.

1.1.28 Distribution Date means any date on which the Plan Agent, after consultation with the Committee, makes a distribution to holders of Class 7 Claims under the Plan.

1.1.29 Effective Date means the first day of the first month after the Confirmation Date on which (a) all conditions precedent specified in the Plan have been satisfied or waived and (b) no stay of the Confirmation Order is in effect.

1.1.30 Equity Interest means any capital stock or other ownership interest in Debtor, however denominated and whether or not transferable, and any option, warrant, or right to purchase, sell, or subscribe for an ownership interest in or other equity security of Debtor.

1 1.1.31 Estate means the estate of Debtor created by Section 541 of the  
2 Bankruptcy Code.

3 1.1.32 Face Amount means (a) with reference to any Claim (other than an  
4 Administrative Expense Claim) (i) if the holder thereof has not filed a proof of claim with the  
5 Court within the applicable period of limitation fixed pursuant to Bankruptcy  
6 Rule 3003(c)(3), the amount of the Claim that is listed in Debtor's schedules, as they may  
7 from time to time be amended in accordance with Bankruptcy Rule 1009, as not disputed,  
8 contingent, or unliquidated; or (ii) if the holder thereof has filed a proof of claim with the  
9 Court within the applicable period of limitation fixed pursuant to Bankruptcy  
10 Rule 3003(c)(3), the amount stated in such proof of claim; or (b) with reference to an  
11 Administrative Expense Claim of a professional for which an application for allowance of  
12 compensation or reimbursement of expenses is filed within such time as may be fixed by the  
13 Court, the net amount to which the applicant would be entitled if the application was to be  
14 granted in full.

15 1.1.33 Filed means filed with the Bankruptcy Court in the Chapter 11  
16 Case.

17 1.1.34 Final Distribution Date means the date the Plan Agent, after  
18 consultation with the Committee, determines, in its good faith discretion, that no further  
19 payments or distributions are likely to be required by Debtor under this Plan.

20 1.1.35 Final Order means a judgment, order, or other decree issued and  
21 entered by the Court so long as no stay thereof is in effect, or a stipulation or other agreement  
22 entered into which is intended by the parties thereto to have the same effect with like finality.

23 1.1.36 GE Settlement Order means the Court's "Order Approving  
24 Settlement Agreement (GE)" [Dkt. #\_\_\_\_], a copy of which is attached hereto as **Exhibit 1**.

25 1.1.37 General Unsecured Claim means any Unsecured Claim not  
26 otherwise treated or classified under this Plan.

1 1.1.38 Other Priority Claim means any Claim for an amount entitled to  
2 priority in right of payment pursuant to Section 507(a) of the Code other than a Priority Tax  
3 Claim or an Administrative Expense Claim.

4 1.1.39 Petition Date means April 11, 2012.

5 1.1.40 Plan means this Chapter 11 plan and all exhibits and schedules  
6 hereto, which are incorporated by reference as amended, modified, restated, or supplemented  
7 from time to time.

8 1.1.41 Plan Agent means Edward Hostmann Inc. or any successor  
9 designated by the Court to serve from and after the Effective Date as Debtor's sole director  
10 and officer for purposes of effectuating this Plan.

11 1.1.42 Priority Tax Claim means an Allowed Unsecured Claim entitled to  
12 priority under Section 507(a)(8) of the Bankruptcy Code.

13 1.1.43 Pro Rata at any particular time means, with respect to any Allowed  
14 Claim in a Class, the same proportion that the Allowed Amount of such Claim bears to the  
15 aggregate of (a) the Allowed Amount of all Claims in such Class, plus (b) the Face Amounts  
16 of all Disputed Claims in such Class, as reduced from time to time as and to the extent the  
17 Disallowed Amounts of such Claims are determined.

18 1.1.44 Property Tax Claim means the Secured Claim of any governmental  
19 unit for *ad valorem* property taxes or similar impositions that are secured by statutory liens  
20 on any of Debtor's real or personal property.

21 1.1.45 Rejection Claim means a Claim arising from the rejection of an  
22 unexpired executory contract pursuant to this Plan or a Final Order.

23 1.1.46 Scheduled Amounts means the amount of Claims stated in the  
24 Schedules.

1 1.1.47 Schedules means the Schedules of Assets and Liabilities Filed by  
2 Debtor pursuant to Section 521 of the Bankruptcy Code, as amended, modified, restated, or  
3 supplemented from time to time.

4 1.1.48 Secured Claim means a Claim to the extent such Claim constitutes  
5 a secured claim under Sections 506(a) or 1111(b) of the Bankruptcy Code.

6 1.1.49 Sterling Stipulated Order means the Court's Stipulated Order  
7 Terminating Automatic Stay [Dkt. #621], a copy of which is attached hereto as **Exhibit 2**.

8 1.1.50 Unclaimed Property at any particular time means the Cash,  
9 exclusive of any interest earned thereon, held by or for Debtor that is unclaimed by a  
10 Creditor following a Distribution made by or for Debtor pursuant to the Plan (including  
11 property attributable to checks that have been returned as undeliverable without a proper  
12 forwarding address, checks that have not been cashed, and checks that were not mailed or  
13 delivered because of the absence of a proper address to which to mail or deliver such  
14 property).

15 1.1.51 Unsecured Claim means a Claim that is not an Administrative  
16 Expense Claim, a Priority Tax Claim, an Other Priority Claim, a Property Tax Claim, or a  
17 Secured Claim.

18 1.1.52 Wells Fargo Settlement Order means the Court's "Order Approving  
19 Settlement Agreement (Wells Fargo Bank)" [Dkt. #\_\_\_\_], a copy of which is attached hereto  
20 as **Exhibit 3**.

21 1.2. Other Terms. Terms used and not defined in this Plan that are defined in the  
22 Bankruptcy Code or in the Bankruptcy Rules shall have the meanings ascribed to them in the  
23 Bankruptcy Code or in the Bankruptcy Rules, as applicable.

24 1.3. Interpretation; Application of Definitions; and Rules of Construction.  
25 Wherever from the context it appears appropriate, each term stated in either the singular or  
26 the plural shall include both the singular and the plural, and pronouns stated in the masculine,

1 feminine, or neuter gender shall include the masculine, feminine, and neuter. For purposes of  
2 the Plan (a) any reference in the Plan to a contract, instrument, release, indenture, or other  
3 agreement or document being in a particular form or on particular terms and conditions  
4 means that such document shall be substantially in such form or substantially on such terms  
5 and conditions; (b) any reference in the Plan to an existing document or exhibit filed or to be  
6 filed means such document or exhibit as it may have been or may be amended, modified, or  
7 supplemented; and (c) unless otherwise specified, all references in the Plan to Sections and  
8 Exhibits are references to Sections and Exhibits of or to the Plan. The words "herein,"  
9 "hereof," "hereto," "hereunder," "hereunto" and other words of similar meaning refer to this  
10 Plan as a whole and not to any particular section, subsection, or clause contained in this Plan.  
11 The rules of construction contained in Section 102 of the Bankruptcy Code shall apply to the  
12 construction of this Plan. The headings in this Plan are for convenience of reference only  
13 and shall not limit or otherwise affect the provisions of this Plan. Unless otherwise indicated  
14 herein, all references to dollars means United States dollars.

## 15 SECTION 2

### 16 TREATMENT OF ADMINISTRATIVE 17 EXPENSE CLAIMS AND PRIORITY TAX CLAIMS

18 2.1. Administrative Expense Claims. Each holder of an Administrative Expense  
19 Claim shall receive payment of such Claim in full in Cash on the later of (a) the Effective  
20 Date or (b) the date on which such Claim becomes an Allowed Claim, unless such holder  
21 agrees to a different treatment of such Claim (including, without limitation, any different  
22 treatment that may be provided for in any documentation, statute, or regulation governing  
23 such Claim); provided, however, that Administrative Expense Claims representing  
24 obligations incurred in the ordinary course of business by Debtor during the Chapter 11 Case  
25 shall be paid by Debtor in the ordinary course of business and in accordance with any terms  
26 and conditions of the particular transaction, and any agreements relating thereto. Except as

1 otherwise ordered by the Court, Administrative Expense Claims shall be deemed disallowed,  
2 barred forever, and not enforceable against Debtor or any of the Assets unless a request for  
3 payment therefor is filed with the Court and served on Debtor within 30 days after the  
4 Confirmation Date.

5 2.2. Priority Tax Claims. Each holder of a Priority Tax Claim shall receive  
6 payment of such Claim in full in Cash on the later of (a) the Effective Date, or (b) the date on  
7 which such Claim becomes an Allowed Claim.

### 8 SECTION 3

#### 9 CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

10 3.1. Classification. All Claims (other than Administrative Expense Claims and  
11 Priority Tax Claims) and all Equity Interests are placed in the following Classes for all  
12 purposes. A Claim is classified in a particular Class only to the extent the Claim falls within  
13 the description of that Class and is classified in another Class only to the extent that any  
14 remainder of the Claim falls within the description of such other Class. A Claim is in a  
15 particular Class only to the extent the Claim is an Allowed Claim in that Class and has not  
16 been paid or otherwise satisfied prior to the Effective Date. Class 1 is unimpaired by the  
17 Plan. All other Classes are impaired by the Plan.

18 3.1.1 Class 1 (Other Priority Claims) consists of all Other Priority  
19 Claims.

20 3.1.2 Class 2 (Wells Fargo Bank) consists of all Claims of Wells Fargo  
21 Bank, National Association.

22 3.1.3 Class 3 (GE) consists of all Claims of GE Commercial Finance  
23 Business Property Corporation.

24 3.1.4 Class 4 (Secured Claim of Sterling Savings Bank) consists of the  
25 Secured Claim of Sterling Savings Bank.  
26

1                   3.1.5    Class 5 (Property Tax Claims) consists of all Property Tax Claims.  
2 Each Property Tax Claim shall be deemed placed in a separate subclass for purposes of this  
3 Plan.

4                   3.1.6    Class 6 (Convenience Claims) consists of all Convenience Claims.

5                   3.1.7    Class 7 (General Unsecured Claims) consists of all General  
6 Unsecured Claims.

7                   3.1.8    Class 8 (Equity Interests and Claims Arising Therefrom) consists  
8 of all Equity Interests and any and all Claims arising from or relating to such Equity Interests  
9 that are or would be subject to subordination under Section 510(b) of the Bankruptcy Code.

10           3.2.    Treatment. The Classes of Claims and Equity Interests shall receive the  
11 treatment described herein, which treatment shall be in full and complete satisfaction,  
12 settlement, release, and discharge of, and in exchange for, all such Claims and Equity  
13 Interests.

14                   3.2.1    Class 1 (Other Priority Claims). Each holder of a Class 1 Claim  
15 shall be paid the Allowed Amount of its Claim in full on the Effective Date.

16                   3.2.2    Class 2 (Wells Fargo Bank). The Class 2 Claim shall be treated in  
17 accordance with the Wells Fargo Bank Settlement Order, the terms of which are incorporated  
18 herein by this reference.

19                   3.2.3    Class 3 (GE). The Class 3 Claim shall be treated in accordance  
20 with the GE Settlement Order, the terms of which are incorporated herein by this reference.

21                   3.2.4    Class 4 (Secured Claim of Sterling Savings Bank). Sterling's  
22 Class 4 Claim will be paid with the proceeds from the sale of its Collateral in accordance  
23 with the terms of the Sterling Stipulated Order. Unless Sterling files a Proof of Claim by  
24 January 31, 2013 for any deficiency claim (General Unsecured Claim) it may have, then  
25 Sterling will have no General Unsecured Claim and any such deficiency claim will be forever  
26 barred.

1                   3.2.5    Class 5 (Property Tax Claims). Each holder of a Class 5 Claim  
2 will retain its security interest in its Collateral with the same priority to which it is entitled by  
3 law. Each holder of a Class 5 Claim shall be paid the Allowed Amount of its Claim in full  
4 upon any sale of the property securing its Class 5 Claim, but in no event later than any  
5 applicable time limits required by the Bankruptcy Code.

6                   3.2.6    Class 6 (Convenience Claims). Subject to the minimum  
7 Distribution provision set forth in Section 5.4.5 of this Plan, each holder of a Class 6 Claim  
8 shall receive within 90 days after the Effective Date a one-time Cash payment from Debtor in  
9 an amount equal to 10% of the Allowed Amount of its Class 6 Claim. Holders of Class 6  
10 Claims will receive no other distributions under this Plan.

11                   3.2.7    Class 7 (General Unsecured Claims). Subject to the minimum  
12 Distribution provision set forth in Section 5.4.5 of this Plan, on each Distribution Date  
13 Debtor shall make Pro Rata distributions of Available Cash to the holders of Allowed Claims  
14 in Class 7.

15                   A final Distribution shall be made to the holders of Allowed Claims in  
16 Class 7 promptly following the later to occur of (a) the date on which all Assets have been  
17 reduced to Cash or abandoned by Debtor, (b) the date on which all Disputed Claims have  
18 been withdrawn or resolved by Final Order, or (c) the date on which all required tax returns  
19 have been filed; provided, however, that in no event shall Debtor be obligated to make such a  
20 Distribution if the Plan Agent, in its sole discretion after consultation with the Committee,  
21 determines that there is insufficient Available Cash to make a cost efficient Distribution,  
22 taking into account the size of the Distribution to be made and the number of recipients of  
23 such Distribution, in which event such Available Cash shall, at the sole discretion of the Plan  
24 Agent, either be paid into the Court and disposed of under Chapter 129 of Title 28 of the  
25 United States Code or donated to one or more Section 501(c)(3) organizations, which shall  
26



1 be selected by the Plan Agent in its sole discretion. In no event shall the foregoing impair the  
2 right of Debtor to use such excess funds to satisfy the costs of administering this Plan

3 3.2.8 Class 8 (Equity Interests and Claims Arising Therefrom). On the  
4 Effective Date, all Equity Interests shall be deemed cancelled. No holder of a Class 8 Claim  
5 or Equity Interest shall receive or retain on account of such Class 8 Claim or Equity Interest  
6 any distributions, money, or other consideration on account of such Claim or Equity Interest  
7 under this Plan.

#### 8 SECTION 4

#### 9 DISPUTED CLAIMS; OBJECTIONS TO CLAIMS

10 4.1. Disputed Claims; Objections to Claims. Only Claims that are Allowed  
11 Claims shall be entitled to distributions under this Plan. No Cash or other property shall be  
12 distributed under this Plan on account of any Disputed Claim, or a portion of any such Claim,  
13 unless and until such Disputed Claim becomes an Allowed Claim. Debtor reserves the right  
14 to contest and object to any Claims and previously Scheduled Amounts, including, without  
15 limitation, those Claims and Scheduled Amounts that are specifically referenced herein; are  
16 not listed in the Schedules; are listed therein as disputed, contingent and/or unliquidated in  
17 amount; or are listed therein at a different amount than Debtor currently believes is validly  
18 due and owing. Unless otherwise ordered by the Bankruptcy Court, all objections to Claims  
19 and Scheduled Amounts (other than Administrative Expense Claims) shall be Filed and  
20 served upon the holder of the Claim objected to on or before the later of (a) 45 days after the  
21 Effective Date or (b) 60 days after the date (if any) on which a Proof of Claim is Filed in  
22 respect of a Rejection Claim. The last day for filing objections to Administrative Expense  
23 Claims shall be set pursuant to a further order of the Bankruptcy Court. All Disputed Claims  
24 shall be resolved by the Bankruptcy Court.

25 4.2. Subsequent Allowance of Disputed Claims. The holder of a Disputed Claim  
26 that becomes an Allowed Claim in full or in part subsequent to the Effective Date shall

1 receive Cash distributions (including any make-up distributions) on the next applicable  
2 distribution date following the allowance of such Disputed Claim.

3 **SECTION 5**

4 **MEANS FOR IMPLEMENTATION OF THE PLAN**

5 5.1. Funding Plan Obligations and Ongoing Expenses. Debtor will fund its Plan  
6 obligations and its ongoing expenses and liabilities from Cash on hand as of the Effective  
7 Date and Cash available to Debtor from and after the Effective Date from, among other  
8 things, the liquidation of Assets.

9 5.2. Continuation of Debtor; Winding Up Affairs; Dissolution. From and after  
10 the Effective Date, Debtor shall continue in existence solely for purposes of (a) administering  
11 this Plan and winding up its affairs as expeditiously as reasonably possible; (b) liquidating,  
12 by conversion to Cash or other methods, the Assets as expeditiously as reasonably possible;  
13 (c) enforcing and prosecuting all claims and causes of action, including Avoidance Actions,  
14 and other rights, interests and privileges respecting the Assets, and compromising and  
15 settling such claims, causes of action, rights, interests, and privileges; (d) reconciling Claims  
16 and resolving Disputed Claims; (e) filing appropriate tax returns; (f) winding up the ESOP  
17 and 401(k) Plan, and paying all fees and expenses associated therewith; and (g) taking such  
18 other actions as may be necessary or appropriate in connection with any of the above or to  
19 otherwise effectuate this Plan. Debtor may incur and pay any and all reasonable and  
20 necessary expenses in performing the foregoing functions, and may hire agents and  
21 professionals to assist with the foregoing functions. On the Final Distribution Date, Debtor  
22 shall be deemed dissolved under applicable law without the need for any corporate or other  
23 actions, consents, or approvals other than filing articles of dissolution with the Oregon  
24 Secretary of State. In addition, on or promptly following the Final Distribution Date, Debtor  
25 may, without the need for any further actions, consents, or approvals, dispose of or destroy  
26 any and all records maintained by Debtor.

1           5.3.     Post-Effective Date Management; Plan Agent.

2                   5.3.1     Plan Agent as Sole Shareholder, Director, and Officer. From and  
3 after the Effective Date, Debtor shall be managed by a one-person Board of Directors (the  
4 "Plan Agent"). The Plan Agent shall be, without any required corporate or other action, the  
5 sole shareholder, director, and officer of Debtor, and shall serve in such capacity until this  
6 Plan has been fully effectuated and Debtor's affairs have been fully wound up. The Plan  
7 Agent will take over the duties performed pre-Effective Date by the Trustee. The initial Plan  
8 Agent shall be Edward Hostmann Inc. ("EHI"). EHI shall continue to serve as the Plan  
9 Agent until the earlier of (a) the date on which the Plan has been fully effectuated and  
10 Debtor's affairs have been fully wound up or (b) the date on which EHI resigns or is unable  
11 to serve as Plan Agent. In the event EHI (or any future Plan Agent) resigns or is unable to  
12 serve as Plan Agent, the Committee shall name the replacement Plan Agent without the need  
13 for Court approval or any corporate action.

14                   5.3.2     Duties and Rights of Plan Agent. The Plan Agent shall use its best  
15 efforts to cause Debtor to fulfill all of its duties and obligations under this Plan. Without  
16 limiting the rights set forth in Section 5.3.1 above, the Plan Agent shall have broad and  
17 exclusive power to manage Debtor. The Plan Agent shall have full power, authority, and  
18 responsibility to take any and all such actions as the Plan Agent in its good faith discretion  
19 deems necessary or appropriate to cause Debtor to fulfill its duties and obligations under this  
20 Plan. In addition to all rights and powers given to the Plan Agent under this Plan, the Plan  
21 Agent shall have all of the rights and powers given to directors and officers under Oregon  
22 law and shall have all rights and powers of a trustee appointed pursuant to Section 1104 of  
23 the Bankruptcy Code. Without limiting any rights the Plan Agent may have pursuant to law  
24 or this Plan, the Plan Agent is empowered, on behalf of Debtor, to (a) sell, hold, manage,  
25 administer, and distribute the Assets in accordance with this Plan or any Orders entered by  
26 the Court, and take such actions as may be necessary or appropriate to effect Distributions to

1 be made by Debtor under this Plan or any Orders entered by the Court; (b) wind up the ESOP  
2 and 401(k) Plan and pay all fees and expenses associated therewith; (c) establish bank  
3 accounts; (d) engage and pay professionals, including attorneys, accountants, actuaries,  
4 appraisers, brokers, and others, to assist Debtor in fulfilling its obligations under this Plan,  
5 including winding up the 401(k) Plan and ESOP (such professionals may include, but are not  
6 limited to, any professionals engaged by Debtor or the Trustee at any time prior to the  
7 Effective Date); (e) object to Claims and resolve Disputed Claims; (f) terminate all benefit  
8 plans; (g) initiate and pursue all claims and causes of action retained by Debtor under this  
9 Plan (including any Avoidance Action), and compromise and settle such claims and causes of  
10 action; (h) obtain and pay for directors' and officers' liability insurance in such amounts and  
11 with such carriers as determined by the Plan Agent in its good faith discretion; (i) obtain and  
12 pay for liability insurance policies, including polices providing errors and omissions  
13 coverage (including "tail" coverage) to the Plan Agent and any agents employed by the Plan  
14 Agent or Debtor; (j) exercise, post-Confirmation, any post-Confirmation duties or obligations  
15 imposed on Debtor or the Trustee pursuant to any agreements entered into by the Trustee in  
16 connection with the Case or any Orders entered by this Court, including any orders  
17 approving settlements with Debtor's lenders; and (k) exercise such other powers and take  
18 such other actions that the Plan Agent, in its discretion, deems reasonably necessary or  
19 appropriate to effectuate this Plan or Orders entered by this Court.

20           5.3.3    Compensation of Plan Agent. The Plan Agent shall receive, as  
21 compensation for its services hereunder, reasonable fees based upon its customary hourly  
22 rates in effect when services are performed, plus reimbursement of reasonable out-of-pocket  
23 costs and expenses incurred in connection with performing such services. The fees, costs,  
24 and expenses of the Plan Agent shall be paid by on a monthly basis in arrears out of the  
25 Assets. Prior to making any payment to itself under this Plan, the Plan Agent shall submit its  
26 invoice for such payment to the Committee, which shall have 10 days to object to the invoice

1 (or any portion thereof). If no objection is made within such 10 day period, the Plan Agent  
2 may make the payment. Any objections of the Committee which cannot be resolved by the  
3 Plan Agent and the Committee shall be resolved by the Court.

4 5.3.4 Limitation on Compensation of Plan Agent. Unless the  
5 Committee agrees in writing, the total fees paid to the Plan Agent under this Plan shall be  
6 limited such that the total fees paid to the Plan Agent pursuant to this Plan, when combined  
7 with the total fees paid to the Trustee for its services during the Case, do not exceed the  
8 limits on compensation of trustees set forth in Sections 326(a) and (c) of the Bankruptcy  
9 Code.

10 5.3.5 Fees and Expenses of Agents and Professionals. From the Assets,  
11 the Plan Agent shall pay the reasonable fees and expenses of all professional persons and  
12 agents employed by the Plan Agent in connection with this Plan, as well as the reasonable  
13 post-Confirmation fees and expenses of any attorney employed by the Committee in  
14 connection with this Plan. Any such professional person or agent seeking a payment from  
15 the Plan Agent shall submit an invoice to the Plan Agent, which (absent an objection by the  
16 Plan Agent), the Plan Agent shall promptly pay. Any objection which cannot be resolved by  
17 the Plan Agent and the party seeking such payment shall be resolved by the Court.

18 5.3.6 Bond. Within 15 business days after the Confirmation Date, the  
19 Plan Agent shall obtain a fiduciary bond, evidence of which shall be filed with the Court and  
20 which shall remain in place (or a substitute bond for any successor Plan Agent) until the  
21 resignation or removal of the Plan Agent or until the final Distribution Date. The face  
22 amount of the bond shall at all times be in an amount no less than 125% of the total amount  
23 of Cash under the Plan Agent's control. The cost of such bond shall be paid out of the  
24 Assets.

25 5.3.7 Standard of Care. The Plan Agent shall exercise the rights and  
26 powers granted to it by this Plan in the same manner, and use the same degree of care and

1 skill in its exercise, as a prudent person would exercise and use under the circumstances in  
2 the conduct of his or her own affairs having due regard for the purposes of this Plan. The  
3 Plan Agent shall not be liable or responsible for any misconduct or negligence of any  
4 attorney, accountant, or other professional employed or selected by the Plan Agent. The Plan  
5 Agent shall not be liable for any, and shall be discharged from all, liability to Debtor, all  
6 Creditors, and all Equity Interest holders for any and all acts or omissions of the Plan Agent,  
7 except for gross negligence or willful misconduct.

8           5.3.8    Reporting. The Plan Agent shall provide such reports to the  
9 Committee from time to time as the Committee reasonably requests.

10           5.4.    Distributions by Plan Agent.

11           5.4.1    Form of Payments. Distributions to be made under this Plan shall  
12 be made by check drawn on a domestic bank or by wire transfer from a domestic bank, at the  
13 sole election of the Plan Agent.

14           5.4.2    Delivery of Distributions. Except as otherwise agreed to by the  
15 Plan Agent in writing, Distributions to be made pursuant to this Plan may be delivered by  
16 regular mail, postage prepaid, in an envelope addressed as directed in a written request  
17 served on the Plan Agent, but if no such request is made, to the address shown in Debtor's  
18 Schedules, as they may from time to time be amended in accordance with Bankruptcy  
19 Rule 1009, or, if a different address is stated in a proof of claim duly filed with the Court, to  
20 such address stated in the proof of claim.

21           5.4.3    Unclaimed Property. During the Claiming Period applicable to  
22 any particular Distribution made pursuant to this Plan, Unclaimed Property with respect to  
23 such Distribution shall be distributed to the holders of Allowed Claims entitled thereto upon  
24 presentment to the Plan Agent of satisfactory proof of entitlement. After the expiration of the  
25 Claiming Period (subject to the right of the Plan Agent, in its sole discretion, to waive the  
26 provisions of this sentence, in whole or in part): (a) holders of Allowed Claims previously

1 entitled to such Unclaimed Property shall no longer be entitled thereto; (b) such Claims shall  
2 be deemed disallowed for all purposes; and (c) the then-remaining Cash constituting  
3 Unclaimed Property with respect to such Distribution shall be redesignated as and become  
4 Available Cash (but without impairing the right of Debtor to use such redesignated funds to  
5 satisfy the costs of administering this Plan).

6 5.4.4 Time Bar to Cash Payments. Checks issued in respect of Allowed  
7 Claims shall be null and void if not negotiated within 90 days after the date of issuance  
8 thereof. Any requests for reissuance of any check shall be made to the Plan Agent prior to  
9 the expiration of such 90-day period. After such date (subject to the right of the Plan Agent,  
10 in its sole discretion, to waive the provisions of this sentence, in whole or in part), (a) the  
11 holder of any such Claim who has failed to make a timely request for reissuance of such a  
12 voided check shall not be entitled to any other or further Distribution under this Plan on  
13 account of such voided check and (b) the Unclaimed Property held on account of such voided  
14 check shall be redesignated as and become Available Cash (but without impairing the right of  
15 Debtor to use such funds to satisfy the costs of administering this Plan).

16 5.4.5 Minimum Distributions. If any Distribution to be made to any  
17 holder of an Allowed Claim under this Plan (including any Pro Rata Distribution) is \$10 or  
18 less, then, notwithstanding any contrary provision in this Plan, the Plan Agent shall not be  
19 obligated to make such Distribution to such holder. Distributions withheld pursuant to this  
20 section shall become unrestricted Available Cash (but without impairing the right of the Plan  
21 Agent to use such funds to satisfy the costs of administering this Plan).

## 22 SECTION 6

### 23 TREATMENT OF EXECUTORY CONTRACTS

24 6.1. General Rejection of Executory Contracts. Except as otherwise specifically  
25 provided in this Plan or in the Confirmation Order, effective as of the Effective Date, all  
26 executory contracts of Debtor not previously rejected by operation of law or by Court order

1 (excluding only those that are assumed pursuant to Court order entered prior to the  
2 Confirmation Date and those that are the subject of a motion to assume filed prior to the  
3 Confirmation Date) shall be deemed to be automatically rejected by Debtor as of the  
4 Confirmation Date. The Confirmation Order shall constitute a Court order approving such  
5 rejections pursuant to the provisions of Sections 365 and 1123(b)(2) of the Bankruptcy Code.

6 6.2. Claims for Rejection Damages. A Claim for damages arising by reason of  
7 the rejection of an executory contract shall be classified and treated as a Class 6 or Class 7  
8 Claim, as appropriate; provided, however, that any such Claim shall be deemed disallowed,  
9 barred forever, and not enforceable against Debtor or any property of the Estate unless a  
10 proof of claim therefor is filed with the Court and served on Debtor within 30 days after the  
11 Effective Date.

## 12 SECTION 7

### 13 EFFECT OF PLAN CONFIRMATION

14 7.1. Effect of Confirmation. The effect of confirmation shall be as set forth in  
15 Section 1141 of the Bankruptcy Code.

16 7.2. Revesting; Operation of Business. Except as otherwise expressly provided  
17 in this Plan, on the Effective Date all property and assets of the estate of Debtor shall revest  
18 in Debtor, free and clear of all claims, liens, encumbrances, charges, and other interests of  
19 Creditors arising on or before the Effective Date; and Debtor may operate, from and after the  
20 Effective Date, free of any restrictions imposed by the Bankruptcy Code or the Bankruptcy  
21 Court.

## 22 SECTION 8

### 23 RETENTION OF JURISDICTION

24 8.1. Jurisdiction of the Bankruptcy Court. Notwithstanding the entry of the  
25 Confirmation Order, the Court shall retain jurisdiction of the Chapter 11 Case pursuant to  
26 and for the purposes set forth in Sections 1127(b) and 1141-1146 of the Code to enforce the



1 provisions of this Plan and to ensure that the intent and purposes of this Plan are carried out  
2 and given effect. Without limiting the preceding, the Court shall retain jurisdiction to:

3 8.1.1 Classify the Claim or interest of any Creditor, reexamine Claims or  
4 interests that have been allowed for voting purposes, and determine any objections that may  
5 be filed to Claims or interests;

6 8.1.2 Determine requests for payment of Claims entitled to priority  
7 under Section 507(a) of the Bankruptcy Code, including compensation and reimbursement of  
8 expenses in favor of professionals employed at the expense of the Estate;

9 8.1.3 Avoid transfers or obligations to subordinate Claims under  
10 Chapter 5 of the Bankruptcy Code;

11 8.1.4 Approve the assumption, assignment, or rejection of an executory  
12 contract or unexpired lease pursuant to this Plan;

13 8.1.5 Resolve controversies and disputes regarding the interpretation or  
14 enforcement of this Plan;

15 8.1.6 Implement the provisions of this Plan and enter orders in aid of  
16 confirmation;

17 8.1.7 Approve settlements entered into by the Plan Agent;

18 8.1.8 To the extent the Court has jurisdiction, adjudicate adversary  
19 proceedings and contested matters pending or hereafter commenced in the Chapter 11 Case;  
20 and

21 8.1.9 Enter a final decree closing the Chapter 11 Case.

22 8.2. Failure of Bankruptcy Court to Exercise Jurisdiction. If the Bankruptcy  
23 Court abstains from exercising, or declines to exercise, jurisdiction over any matter arising  
24 under, arising in, or related to the Chapter 11 Case, this section shall not prohibit or limit the  
25 exercise of jurisdiction by any other court having competent jurisdiction with respect to such  
26 subject matter.

**SECTION 9**

**ADMINISTRATIVE PROVISIONS**

1  
2  
3 9.1. Bankruptcy Fees. Fees payable by Debtor under 28 U.S.C. § 1930, or to the  
4 Clerk of the Bankruptcy Court, will be paid in full in Cash on the Effective Date. After  
5 confirmation, Debtor shall continue to pay quarterly fees of the Office of the United States  
6 Trustee, and shall file monthly disbursement reports with the Office of the United States  
7 Trustee and the Bankruptcy Court until this Case is closed by the Bankruptcy Court,  
8 dismissed, or converted. This requirement is subject to any amendments to 28 U.S.C.  
9 § 1930(a)(6) that Congress makes retroactively applicable to confirmed Chapter 11 cases.

10 9.2. Modification of the Plan. Debtor may alter, amend, or modify the Plan  
11 pursuant to Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 at any time  
12 prior to the time the Bankruptcy Court has signed the Confirmation Order. After such time,  
13 and prior to the substantial consummation of the Plan, Debtor may, so long as the treatment  
14 of holders of Claims and interests under the Plan is not adversely affected, institute  
15 proceedings in Bankruptcy Court to remedy any defect or omission or to reconcile any  
16 inconsistencies in the Plan, Disclosure Statement, or Confirmation Order, and any other  
17 matters as may be necessary to carry out the purposes and effects of the Plan.

18 9.3. Revocation or Withdrawal of Plan

19 9.3.1 Right to Revoke. The Trustee reserves the right to revoke or  
20 withdraw the Plan at any time prior to the Effective Date.

21 9.3.2 Effect of Withdrawal or Revocation. If the Trustee revokes or  
22 withdraws the Plan prior to the Effective Date, then the Plan shall be deemed null and void.  
23 In such event, nothing contained herein shall be deemed to constitute a waiver or release of  
24 any claims by or against Debtor, or to prejudice in any manner the rights of Debtor in any  
25 further proceeding involving Debtor.  
26

1 9.3.3 Nonconsensual Confirmation. The Trustee may request that the  
2 Bankruptcy Court confirm the Plan pursuant to Section 1129(b) of the Bankruptcy Code if  
3 the requirements of all provisions of Section 1129(a) of the Bankruptcy Code, except  
4 Subsection 1129(a)(8), are met.

5 9.3.4 Conditions of Effectiveness. The Effective Date will not occur and  
6 the Plan will not become effective unless and until the Bankruptcy Court shall have entered a  
7 Confirmation Order in form and substance reasonably acceptable to the Trustee.

8 9.3.5 Compromise of Controversies. Pursuant to Bankruptcy Rule 9019,  
9 and in consideration for the classification, distributions, and other benefits provided under the  
10 Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all  
11 Claims or controversies that are resolved pursuant to the Plan. The entry of the Confirmation  
12 Order shall constitute the Court's approval of each of the compromises and settlements  
13 provided for in the Plan, and the Court's findings shall constitute its determination that such  
14 compromises and settlements are in the best interests of Debtor.

15 **SECTION 10**

16 **MISCELLANEOUS PROVISIONS**

17 10.1. Continuation of Creditors' Committee. Notwithstanding the entry of the  
18 Confirmation Order, so long as any members of the Committee are willing to serve, the  
19 Committee shall continue until it is dissolved by action of the members thereof or until the  
20 Final Distribution Date, whichever occurs first. Neither the Committee nor any of its past,  
21 present, or future members (nor any of the respective past, present, or future officers,  
22 directors, employees, or agents of such members) shall have or incur any liability to any  
23 holder of a Claim or Equity Interest or to any other entity for any act or omission in  
24 connection with or arising out of the Chapter 11 Case, or the negotiation and pursuit of  
25 confirmation of this Plan, or the consummation of this Plan, or the administration of this  
26 Plan, or the property to be distributed under this Plan

1           10.2.    Retention of Causes of Action. Debtor shall retain any and all claims and  
2 causes of action whatsoever (whether known, unknown, liquidated, unliquidated, fixed,  
3 contingent, matured, unmatured, disputed, or undisputed, and whether asserted or assertable  
4 directly, indirectly, or derivatively, at law, in equity, or otherwise), including, but not limited  
5 to, all Avoidance Actions. The Plan Agent shall have the discretion to pursue or not to  
6 pursue any claims or causes of action belonging to the Estate.

7           10.3.    Utility Deposits. All utilities holding a utility deposit obtained as a result of  
8 this Bankruptcy Case shall immediately after the Effective Date return or refund such utility  
9 deposit to Debtor. At the sole option of Debtor, Debtor may apply any such utility deposit  
10 that has not been refunded to Debtor in satisfaction of any payments due or to become due  
11 from Debtor to a utility holding such a utility deposit.

12           10.4.    Governing Law. Except to the extent the Bankruptcy Code, the Bankruptcy  
13 Rules, or other federal laws are applicable, the laws of the State of Oregon shall govern the  
14 construction and implementation of the Plan, and all rights and obligations arising under the  
15 Plan.

16           10.5.    Withholding and Reporting Requirements. In connection with the Plan and  
17 all instruments issued in connection therewith and distributions thereon, Debtor shall comply  
18 with all withholding, reporting, certification, and information requirements imposed by any  
19 federal, state, local, or foreign taxing authorities, and all distributions hereunder shall, to the  
20 extent applicable, be subject to any such withholding, reporting, certification, and  
21 information requirements. Entities entitled to receive distributions hereunder shall, as a  
22 condition to receiving such distributions, provide such information and take such steps as  
23 Debtor may reasonably require to ensure compliance with such withholding and reporting  
24 requirements, and to enable Debtor to obtain the certifications and information as may be  
25 necessary or appropriate to satisfy the provisions of any tax law.  
26

1           10.6.    Section 1146(c) Exemption. Pursuant to Section 1146(c) of the Bankruptcy  
2 Code, the issuance, transfer, or exchange of any security under the Plan; or the execution,  
3 delivery, or recording of an instrument of transfer pursuant to, in implementation of, or as  
4 contemplated by the Plan; or the revesting, transfer, or sale of any real property of Debtor  
5 pursuant to, in implementation of, or as contemplated by the Plan; shall not be taxed under  
6 any state or local law imposing a stamp tax, transfer tax, or similar tax or fee. Consistent  
7 with the foregoing, each recorder of deeds or similar official for any city, county, or  
8 governmental unit in which any instrument hereunder is to be recorded shall, pursuant to the  
9 Confirmation Order, be ordered and directed to accept such instrument without requiring the  
10 payment of any documentary stamp tax, deed stamps, transfer tax, intangible tax, or similar  
11 tax.

12           10.7.    Severability. In the event any provision of this Plan is determined to be  
13 unenforceable, such determination shall not limit or affect the enforceability and operative  
14 effect of any other provisions of this Plan. To the extent any provision of this Plan would, by  
15 its inclusion in this Plan, prevent or preclude the Bankruptcy Court from entering the  
16 Confirmation Order, the Bankruptcy Court, on the request of Debtor, may modify or amend  
17 such provision, in whole or in part, as necessary to cure any defect or remove any  
18 impediment to the confirmation of this Plan existing by reason of such provision.

19           10.8.    Binding Effect. The provisions of this Plan shall bind Debtor and all  
20 holders of Claims and Equity Interests, and their respective successors, heirs, and assigns.

21           10.9.    Recordable Order. The Confirmation Order shall be deemed to be in  
22 recordable form, and shall be accepted by any recording officer for filing and recording  
23 purposes without further or additional orders, certifications, or other supporting documents.

24           10.10. Plan Controls. In the event and to the extent any provisions of this Plan are  
25 inconsistent with the provisions of the Disclosure Statement, or any other instrument or  
26

1 agreement contemplated to be executed pursuant to this Plan, the provisions of this Plan shall  
2 control and take precedence.

3 10.11. Effectuating Documents and Further Transactions. Debtor shall execute,  
4 deliver, file, or record such contracts, instruments, assignments, and other agreements or  
5 documents, and take or direct such actions as may be necessary or appropriate to effectuate  
6 and further evidence the terms and conditions of this Plan.

7 10.12. Saturday, Sunday or Legal Holiday. If any payment or act under this Plan is  
8 required to be made or performed on a date that is not a business day, then the making of  
9 such payment or the performance of such act may be completed on the next succeeding  
10 business day, but shall be deemed to have been completed as of the required date.

11 10.13. Timing of Distributions. Notwithstanding anything to the contrary herein,  
12 (a) any distribution required by this Plan to be made on the Effective Date in respect of a  
13 Claim shall be made as soon as practicable after (but in any event within 30 days of) the later  
14 of (i) the Effective Date or (ii) the date on which such Claim becomes Allowed and any other  
15 conditions to distribution with respect to such Claim shall have been satisfied; and (b) any  
16 distribution required by this Plan or any instrument issued pursuant to this Plan to be made  
17 on a date subsequent to the Effective Date shall be made on the later of (i) such date or (ii) as  
18 soon as practicable after (but in any event within 30 days of) the date on which the pertinent  
19 Claim becomes Allowed and any other conditions to distribution with respect to such Claim  
20 shall have been satisfied.

21 10.14. Final Order. Any requirement in this Plan for a Final Order may be waived  
22 by Debtor; provided, however, that nothing contained herein shall prejudice the right of any  
23 party-in-interest to seek a stay pending appeal with respect to such Final Order.

24 10.15. Event of Default; Remedy. Except as otherwise provided in this Plan or in  
25 the Confirmation Order, in the event Debtor shall default in the performance of its  
26 obligations under this Plan, and shall not have cured such default within 10 days after receipt

1 of written notice of default from the Creditor to whom the performance is due, then such  
2 Creditor may exercise its remedies on default. An event of default occurring with respect to  
3 one Creditor or Claim shall not be an event of default with respect to any other Creditor or  
4 Claim.

5 10.16. Amendments to Claims. No Claim may be amended by the holder thereof at  
6 any time after the date that is 30 days after the Effective Date (the "Claim Amendment Bar  
7 Date") other than to reduce the amount of the Claim, unless such period is extended by Court  
8 order on a motion filed with the Court and served on Debtor within such 30-day period.

9 Objections to any Claim that is timely amended by the holder thereof after the Effective Date  
10 shall be filed no later than 60 days after proof of such amended Claim is filed with the Court.

11 10.17. Setoff, Recoupment and Defenses. Nothing contained in this Plan shall  
12 constitute a waiver or release by Debtor of any rights of setoff or recoupment, or of any  
13 defense it may have with respect to any Claim (including, without limitation, rights under  
14 Section 502(d) of the Bankruptcy Code). Debtor may, but shall not be required to, set off  
15 against any Claim and the distributions to be made pursuant to this Plan in respect of such  
16 Claim, any claims of any nature whatsoever that Debtor may have against the holder of such  
17 Claim, but neither the failure to do so nor the allowance of any Claim hereunder shall  
18 constitute a waiver or release of any such claim Debtor may have against such holder.

19 10.18. No Retiree Benefits. Debtor has no retiree benefit plan, fund, or program, as  
20 defined in Section 1114 of the Bankruptcy Code, for the purpose of providing or reimbursing  
21 payments for retired employees and their spouses and dependents, for medical, surgical, or  
22 hospital care benefits, or benefits in the event of sickness, accident, disability, or death under  
23 any plan, fund, or program (through the purchase of insurance or otherwise), and no such  
24 payments or benefits shall be made by Debtor pursuant to this Plan or otherwise.

