

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF FLORIDA  
MIAMI DIVISION  
[www.flsb.uscourts.gov](http://www.flsb.uscourts.gov)

In re:

Chapter 11 Cases

MAGUIRE GROUP HOLDINGS, INC.,  
*et al.*,<sup>1</sup>

Case No. 11-39347-BKC-RAM  
(Jointly Administered)

Debtors.

\_\_\_\_\_ /

**DISCLOSURE STATEMENT FOR THE PLAN  
PROPONENTS' PLAN OF REORGANIZATION  
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Dated: March 6, 2012

BERGER SINGERMANN LLP  
James D. Gassenheimer, Esq.  
Christopher A. Jarvinen, Esq.  
1450 Brickell Avenue, Suite 1900  
Miami, Florida 33131  
Tel: (305) 755-9500  
Fax: (305) 714-4340

Counsel for Debtors and  
Debtors-in-Possession

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: (i) Maguire Group Holdings, Inc. (3582); (ii) The Maguire Corporation (0930); (iii) Maguire Group Inc. (8211); (iv) East Atlantic Casualty Company, Ltd. (7441); and (v) Maguire Group, Architects, Engineers, Planners, Ltd. (1520). The address for all of the Debtors is 13940 S.W. 136th Street, Suite 100, Miami, Florida 33186.



**TABLE OF CONTENTS**

	<b><u>Page</u></b>
I. INTRODUCTION .....	3
A. Holders of Claims Entitled to Vote.....	4
B. Voting Procedures.....	5
C. Confirmation Hearing .....	6
II. SUMMARY OF PLAN .....	6
III. DEFINITIONS.....	12
A. Defined Terms .....	12
B. Other Terms .....	12
C. Exhibits .....	12
IV. GENERAL INFORMATION.....	13
A. Overview of Chapter 11.....	13
B. Corporate Structure.....	13
C. Business Background.....	14
i. Description of the Chapter 11 Debtors’ Business.....	14
ii. Employees, Directors and Officers.....	14
iii. Pending Litigation, Known Claims and Potential Claims .....	15
D. Significant Prepetition Indebtedness.....	16
E. Assets.....	16
V. EVENTS LEADING TO CHAPTER 11 FILING .....	17
VI. THE CHAPTER 11 CASES .....	21
A. Commencement of the Cases.....	21
B. First Day Orders.....	21
C. Miscellaneous Administrative Matters .....	22
D. Retention of Professionals .....	23
i. Restructuring Counsel.....	23
ii. Other Professionals.....	23
E. Cash Collateral.....	24
F. Utility Procedures; Utility Orders.....	24
G. Debtor-in-Possession Financing: Carlos Duart.....	25
H. Payroll, Expense Reimbursements and Related Matters .....	25
I. Critical Obligations.....	25
J. Creditors Committee.....	26
K. Schedules .....	26
L. Bar Dates.....	26
VII. THE PLAN OF REORGANIZATION.....	27

**TABLE OF CONTENTS**  
**(Cont'd)**

	<u>Page</u>
A. Payment of Administrative Expense Claims and Priority Tax Claims .....	27
i. Payment of Allowed Administrative Expense Claims; Administrative Expense Claims Bar Date .....	27
ii. Professional Claims Bar Date .....	27
iii. Priority Tax Claims.....	27
iv. U.S. Trustee; Claims for Statutory Fees; Quarterly Reports .....	28
B. Classification of Claims and Equity Interests .....	28
i. Generally.....	28
ii. Summary .....	28
C. Impairment and Treatment of Claims and Equity Interests .....	29
i. Class 1.....	29
ii. Class 2.....	29
iii. Class 3.....	30
iv. Class 4.....	30
v. Class 5.....	31
vi. Class 6.....	33
vii. Class 7.....	33
D. Acceptance, Rejection, Amendment and Revocation or Withdrawal of the Plan .....	33
i. Classes Entitled to Vote.....	33
ii. Acceptance by Class of Claims .....	33
iii. Nonconsensual Confirmation .....	33
iv. Revocation or Withdrawal; No Admissions .....	34
v. Amendment of Plan Documents .....	34
vi. Removal of Debtors.....	34
E. Means of Implementing the Plan .....	34
i. Procedural Substantive Consolidation .....	34
ii. Source of Funding for Plan Distributions .....	38
iii. Section 1146 Exemption.....	38
iv. Corporation Action .....	38
v. Vesting of Assets in the Reorganized Debtors .....	38
vi. Distributions .....	39
vii. Surrender and Cancellation of Notes, Instruments, Certificates and Other Documents Evidencing Claims or Equity Interests .....	39
viii. Issuance of New Equity .....	39

**TABLE OF CONTENTS****(Cont'd)**

	<b><u>Page</u></b>
ix. Continued Corporate Existence of the Reorganized Debtors .....	39
x. Amendment of the Reorganized Debtors' Governance Documents .....	39
xi. Directors, Officers, Members and Managers of the Reorganized Debtors.....	40
xii. Effectuating Documents and Further Transactions.....	40
xiii. Section 1145 Determination .....	41
xiv. Preservation of Causes of Action.....	41
xv. Prosecution and Settlement of Causes of Action.....	43
F. Distributions.....	43
i. Manner of Distributions Under the Plan.....	43
ii. Timing of Distributions .....	43
iii. Entity Making Distributions .....	43
iv. Record Date .....	44
v. Delivery of Distributions .....	44
vi. No Interest Unless Otherwise Provided.....	44
vii. De Minimis Distributions .....	44
viii. Fractional Cents .....	44
ix. Taxpayer Identification Number.....	44
x. Compliance With Tax Requirements.....	45
xi. Effect of Pre-Confirmation Distributions .....	45
xii. Setoffs and Recoupments.....	45
xiii. Distributions in Satisfaction; Allocation.....	45
xiv. Unclaimed Property .....	45
G. Procedures for Resolving and Treating Disputed Claims .....	46
i. Objections to Claims; Prosecution of Disputed Claims.....	46
ii. Administration of Disputed Claims; Disputed Claims Reserve.....	46
iii. Estimation.....	47
iv. Objections to Impaired Claims .....	48
v. Disallowance of Claims .....	48
H. Executory Contracts and Unexpired Leases .....	48
i. General Treatment; Rejected if not Previously Assumed.....	48
ii. Bar to Claims Arising from Rejection, Termination or Expiration .....	48
iii. Assumption of Executory Contracts and Unexpired Leases.....	49

**TABLE OF CONTENTS****(Cont'd)**

	<b><u>Page</u></b>
iv. Insurance Policies and Agreements .....	50
I. Conditions Precedent .....	50
i. Conditions Precedent to Effectiveness of Plan .....	50
ii. Effect of Failure of Conditions to Effective Date .....	51
iii. Notice of Confirmation of the Plan.....	51
J. Effect of Confirmation.....	51
i. Vesting of Assets .....	51
ii. Title to Assets; Discharge of Liabilities.....	51
iii. Binding Effect.....	52
iv. Discharge of Claims and Termination of Equity Interests.....	52
v. Discharge of the Debtors .....	52
vi. Injunction.....	53
vii. Terms of Injunctions or Stays .....	53
viii. Injunction Against Interference With Plan of Reorganization.....	53
ix. Exculpation.....	53
x. Releases .....	54
xi. Government Releases .....	54
xii. Limitations on Exculpation and Releases of and Releases of Representatives .....	54
K. Retention of Jurisdiction .....	55
i. Retention of Jurisdiction.....	55
ii. Abstention and Other Courts .....	57
L. Other Provisions .....	57
i. Modification of the Plan .....	57
ii. Rights of Action.....	57
iii. Plan Documents .....	57
iv. Compliance with Tax Requirements.....	58
v. Expedited Determination of Postpetition Taxes .....	58
vi. Section 1125 and 1126 of the Bankruptcy Code .....	58
vii. No Res Judicata Effect.....	58
viii. Bankruptcy Rule 9019 Request; Impact .....	58
ix. Cramdown.....	59
VIII. FINANCIAL PROJECTIONS.....	59
A. Responsibility for and Purpose of the Financial Projections .....	59

**TABLE OF CONTENTS****(Cont'd)**

	<b><u>Page</u></b>
B. Pro Forma Financial Projections.....	59
IX. CERTAIN FACTORS AFFECTING THE DEBTORS .....	62
A. Certain Bankruptcy Law Considerations .....	62
i. Failure to Satisfy Vote Requirement .....	62
ii. Non-Consensual Confirmation .....	62
iii. Risk of Delay in Confirmation of the Plan .....	63
iv. Risk of Non-Confirmation of the Plan.....	63
v. The Debtors Have No Duty to Update.....	64
vi. Allowed Claims in Class 4, And/Or Other Classes, May Exceed Estimates.....	64
B. Additional Factors to Be Considered.....	64
i. Financial Projections and Other Forward-Looking Statements Are Not Assured, and Actual Results Are Likely to Vary.....	64
ii. No Representations Outside This Disclosure Statement Are Authorized .....	65
iii. No Legal or Tax Advice is Provided to You by This Disclosure Statement .....	65
iv. No Admission Made .....	65
C. Certain Tax Matters .....	65
X. CONFIRMATION OF THE PLAN OF REORGANIZATION .....	65
A. Confirmation Hearing .....	65
B. Requirements for Confirmation of the Plan of Reorganization .....	66
i. Requirements of Section 1129(a) of the Bankruptcy Code .....	66
ii. Requirements of Section 1129(b) of the Bankruptcy Code .....	69
XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN.....	70
A. Liquidation Under Chapter 7 .....	70
B. Alternative Plan of Reorganization.....	71
XII. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN.....	71
A. U.S. Federal Income Tax Consequences to the Debtors.....	72
i. Cancellation of Indebtedness Income .....	72
ii. Gain or Loss on Transfer/Sale of Debtors' Assets.....	73
B. U.S. Federal Income Tax Consequences to an Investor Typical of the Holders of Claims and Equity Interests .....	73
i. Gain or Loss Recognition on the Satisfaction of Claims and Character of Gain or Loss .....	73
ii. Holders of Disputed Claims.....	73

**TABLE OF CONTENTS**

(Cont'd)

	<b><u>Page</u></b>
iii. Information Reporting and Backup Withholding .....	74
C. Importance of Obtaining Professional Tax Assistance .....	74
D. Additional Circular 230 Disclaimer.....	74
XIII. CONCLUSION.....	75

**EXHIBITS**

EXHIBIT A	The Plan
EXHIBIT B	The Bankruptcy Court's Disclosure Statement Approval and Solicitation Order
EXHIBIT C	The Debtors' Pre-Petition Organizational Chart
EXHIBIT D	The Debtors' Pre-Petition Consolidated Cash Management System
EXHIBIT E	The Projected Financial Information
EXHIBIT F	The Liquidation Analysis

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES OF THE PLAN PROPONENTS'<sup>2</sup> PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, DATED MARCH \_\_, 2012 (THE "PLAN"), AND MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. NO SOLICITATION OF VOTES TO ACCEPT THE PLAN MAY BE MADE EXCEPT PURSUANT TO SECTION 1125 OF TITLE 11 OF THE UNITED STATES CODE.

ALL CREDITORS ARE ADVISED AND ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND THE PLAN ***IN THEIR ENTIRETY*** BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. ALL HOLDERS OF CLAIMS SHOULD CAREFULLY READ AND CONSIDER FULLY THE RISK FACTORS SET FORTH IN SECTION IX OF THIS DISCLOSURE STATEMENT ("CERTAIN FACTORS AFFECTING THE DEBTORS") BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. A COPY OF THE PLAN IS ANNEXED HERETO AS EXHIBIT "A". PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ANNEXED TO THE PLAN AND THIS DISCLOSURE STATEMENT, INCLUDING THE DEFINITIONS OF TERMS CONTAINED IN SUCH DOCUMENTS. 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. IN THE EVENT OF ANY CONFLICT BETWEEN THE DESCRIPTION SET FORTH IN THIS DISCLOSURE STATEMENT AND THE TERMS OF THE PLAN, THE TERMS OF THE PLAN WILL GOVERN.

THE DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE UNITED STATES BANKRUPTCY CODE AND RULE 3016(b) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT NECESSARILY IN ACCORDANCE WITH OTHER NON-BANKRUPTCY LAW.

AS TO ANY 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 WILL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING INVOLVING THE DEBTORS OR ANY OTHER PARTY, NOR WILL 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, THE DEBTORS AND DEBTORS-IN-POSSESSION IN THESE CHAPTER 11 CASES.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED HEREIN, AND THE DELIVERY OF THIS DISCLOSURE STATEMENT SHALL NOT CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION STATED SINCE THE DATE HEREOF.

---

<sup>2</sup> Unless otherwise defined, capitalized terms used herein shall have the meaning ascribed to such terms in the Plan.



THIS DISCLOSURE STATEMENT AND THE PLAN ARE THE ONLY DOCUMENTS AUTHORIZED BY THE BANKRUPTCY COURT TO BE USED IN CONNECTION WITH THE SOLICITATION OF VOTES ACCEPTING THE PLAN. NO REPRESENTATIONS HAVE BEEN AUTHORIZED BY THE BANKRUPTCY COURT CONCERNING THE DEBTORS OR THE PLAN, EXCEPT AS EXPLICITLY SET FORTH IN THE DISCLOSURE STATEMENT. APPROVAL OF THIS DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT DOES NOT INDICATE THAT THE BANKRUPTCY COURT RECOMMENDS EITHER ACCEPTANCE OR REJECTION OF THE PLAN NOR DOES SUCH APPROVAL CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT OF THE FAIRNESS OR MERITS OF THE PLAN OR OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT.

EXCEPT WHERE SPECIFICALLY NOTED, THE FINANCIAL INFORMATION CONTAINED HEREIN HAS NOT BEEN AUDITED BY A CERTIFIED PUBLIC ACCOUNTANT AND MAY NOT HAVE BEEN PREPARED IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES.

ALTHOUGH THE ATTORNEYS, ADVISORS AND OTHER PROFESSIONALS EMPLOYED BY THE DEBTORS HAVE ASSISTED IN PREPARING THIS DISCLOSURE STATEMENT BASED UPON FACTUAL INFORMATION AND ASSUMPTIONS RESPECTING FINANCIAL, BUSINESS, AND ACCOUNTING DATA FOUND IN THE BOOKS AND RECORDS OF THE DEBTORS, THEY HAVE NOT INDEPENDENTLY VERIFIED SUCH INFORMATION AND MAKE NO REPRESENTATIONS AS TO THE ACCURACY THEREOF. THE ATTORNEYS, ADVISORS AND OTHER PROFESSIONALS EMPLOYED BY THE DEBTORS SHALL HAVE NO LIABILITY FOR THE INFORMATION IN THE DISCLOSURE STATEMENT.

**THE DEBTORS BELIEVE THAT THE PLAN PROVIDES THE BEST POSSIBLE RESULT FOR ALL HOLDERS OF CLAIMS AND INTERESTS. THE DEBTORS ALSO BELIEVE THAT THE PLAN WILL ENABLE THEM TO REORGANIZE SUCCESSFULLY AND ACCOMPLISH THE OBJECTIVES OF CHAPTER 11 AND THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS AND THEIR CREDITORS.**

**THE DEBTORS STRONGLY URGE THEIR CREDITORS TO VOTE TO ACCEPT THE PLAN.**

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

## I. INTRODUCTION

Maguire Group Holdings, Inc. ("Maguire Holdings"), The Maguire Corporation ("Maguire Corp."), Maguire Group Inc. ("MGI"), East Atlantic Casualty Company, Ltd. ("East Atlantic"), and Maguire Group, Architects, Engineers, Planners, Ltd. ("Maguire AEP"), debtors and debtors in possession in the above-captioned Chapter 11 Cases (collectively, the "Debtors") and Carlos Duarte ("Duarte" or "Carlos Duarte" and together with the Debtors, collectively, the "Plan Proponents"), submit this *Disclosure Statement for the Plan Proponents' Plan of Reorganization Under Chapter 11 of the Bankruptcy Code*, dated March \_\_, 2012 (the "Disclosure Statement") pursuant to section 1125 of the Bankruptcy Code to the holders of Claims and Equity Interests in connection with (i) the solicitation of acceptances of the Plan filed by the Plan Proponents with the Bankruptcy Court, and (ii) the hearing to consider confirmation of the Plan (as defined, the "Confirmation Hearing") scheduled for [\_\_\_\_\_, 2012] at \_\_\_ a.m. (prevailing Eastern Time). Pursuant to Local Rule 2002-1(8) ("Notice of Chapter 11 Disclosure Statement and Confirmation Hearings and Continued Hearings"), the date of the Confirmation Hearing may be adjourned from time to time without further notice except for an in-court announcement at the Confirmation Hearing of the date and time as to which the Confirmation Hearing has been adjourned.

Annexed as Exhibits to this Disclosure Statement are copies of the following documents:

- (1) The Plan (Exhibit "A");
- (2) The Bankruptcy Court's Order (I) Approving Disclosure Statement; (II) Setting Hearing on Confirmation of Plan; (III) Setting Hearing on Fee Applications; (IV) Setting Various Deadlines; and (V) Describing Plan Proponents' Obligations [D.E. #\_\_]<sup>3</sup> (the "Disclosure Statement Approval and Solicitation Order"), approving, among other things, this Disclosure Statement and establishing certain procedures with respect to the solicitation and tabulation of votes to accept or reject the Plan (Exhibit "B");
- (3) The Debtors' Prepetition Organizational Structure (Exhibit "C");
- (4) The Consolidated Cash Management System (Exhibit "D");
- (5) The Projected Financial Information (Exhibit "E"); and
- (6) The Liquidation Analysis (Exhibit "F").

ALL EXHIBITS TO THE DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN.

A Ballot for the acceptance or rejection of the Plan is enclosed with this Disclosure Statement mailed to the holders of Claims that the Debtors believe may be entitled to vote to accept or reject the Plan.

On [\_\_\_\_\_, 2012], after notice and a hearing, the Bankruptcy Court signed the Disclosure Statement Approval and Solicitation Order, approving this Disclosure Statement as containing adequate information of a kind and in sufficient detail to enable a hypothetical investor in the

<sup>3</sup> References to "D.E." mean the "docket entry" in the Chapter 11 Cases for the particular order of the Bankruptcy Court.

relevant classes to make an informed judgment whether to accept or reject the Plan. APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT, HOWEVER, CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLAN.

The Disclosure Statement Approval and Solicitation Order, a copy of which is annexed hereto as Exhibit “B”, sets forth in detail, among other things, the deadlines, procedures and instructions for voting to accept or reject the Plan and for filing objections to confirmation of the Plan and the record date for voting purposes and the applicable standards for tabulating Ballots. In addition, voting instructions accompany each Ballot. Each holder of a Claim entitled to vote on the Plan should read this Disclosure Statement, the Plan, the Disclosure Statement Approval and Solicitation Order and the instructions accompanying the Ballots in their entirety before voting on the Plan. These documents contain important information concerning the classification of Claims and Equity Interests. No solicitation of votes to accept the Plan may be made except pursuant to section 1125 of the Bankruptcy Code.

**A. Holders of Claims Entitled to Vote.**

Pursuant to the provisions of the Bankruptcy Code, only holders of allowed claims or equity interests in classes of claims or equity interests that are impaired and that are not deemed to have rejected a proposed plan are entitled to vote to accept or reject such proposed plan. Classes of claims or equity interests in which the holders are unimpaired under a Chapter 11 plan are deemed to have accepted such plan and are not entitled to vote to accept or reject the plan. For a detailed description of the treatment of Claims and Equity Interests under the Plan, see Section VII.C of this Disclosure Statement (“Impairment and Treatment of Claims and Equity Interests”).

Under the Plan, Claims in Class 4 (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) and Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”) of the Plan, are impaired and, to the extent Claims in such Classes are Allowed, the holders of such Claims may receive distributions under the Plan. As a result, holders of Claims in those Classes are entitled to vote to accept or reject the Plan.

Claims in Class 1 (“Priority Claims”), Class 2 (“Secured Claims of Regions Bank”) and Class 3 (“Other Secured Claims”) of the Plan are unimpaired. As a result, holders of Claims in those Classes are conclusively presumed to have accepted the Plan.

The Bankruptcy Code defines “acceptance” of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds in dollar amount and more than one-half in number of the claims that cast ballots for acceptance or rejection of the plan. For a more detailed description of the requirements for confirmation of the Plan, see Section X.B of this Disclosure Statement (“Requirements for Confirmation of the Plan of Reorganization”).

If a Class of Claims entitled to vote on the Plan rejects the Plan, the Debtors reserve the right to amend the Plan or request confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code or both, in accordance with the provisions of the Plan. Section 1129(b) of the Bankruptcy Code permits the confirmation of a plan of reorganization notwithstanding the rejection of such plan by one or more impaired classes of claims or equity interests. Under section 1129(b), a plan may be confirmed by a bankruptcy court if it does not “discriminate unfairly” and is “fair and equitable” with respect to each rejecting class. For a more detailed description of the requirements for confirmation of a nonconsensual plan, see Section X.B of this Disclosure Statement (“Requirements for Confirmation of the Plan of Reorganization”).

Holders of Claims in Class 6 (“Subordinated Unsecured Claims”) and holders of existing Equity Interests in Class 7 (“Equity Interests”) will not receive any distribution under the Plan and are therefore deemed to have rejected the Plan. With respect to the Classes that are deemed to have rejected the Plan, *i.e.*, Classes 6 and 7, the Debtors intend to request confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code.

**CLASS 1 (“PRIORITY CLAIMS”), CLASS 2 (“SECURED CLAIM OF REGIONS BANK”) AND CLASS 3 (“OTHER SECURED CLAIMS”) OF THE PLAN ARE EACH DEEMED TO HAVE ACCEPTED THIS PLAN. THE PLAN PROPONENTS WILL NOT SOLICIT VOTES FROM HOLDERS OF CLAIMS IN CLASSES 1, 2 AND 3. CLASS 6 (“SUBORDINATED UNSECURED CLAIMS”) AND CLASS 7 (“EQUITY INTERESTS”) OF THE PLAN ARE DEEMED TO HAVE REJECTED THE PLAN. THE PLAN PROPONENTS WILL NOT SOLICIT VOTES FROM HOLDERS OF CLAIMS IN CLASSES 6 AND 7.**

**CLASS 4 (“GENERAL UNSECURED CLAIMS NECESSARY FOR THE CONTINUED OPERATION OF THE REORGANIZED DEBTORS”) AND CLASS 5 (“GENERAL UNSECURED CLAIMS NECESSARY FOR THE CONTINUED OPERATION OF THE REORGANIZED DEBTORS”) ARE IMPAIRED. THE PLAN PROPONENTS WILL SOLICIT THE VOTES FROM HOLDERS OF CLAIMS IN CLASSES 4 AND 5.**

**THE DEBTORS RECOMMEND THAT HOLDERS OF CLAIMS IN CLASS 4 (“GENERAL UNSECURED CLAIMS NECESSARY FOR THE CONTINUED OPERATION OF THE REORGANIZED DEBTORS”) AND CLASS 5 (“GENERAL UNSECURED CLAIMS NOT NECESSARY FOR THE CONTINUED OPERATION OF THE REORGANIZED DEBTORS”) VOTE TO ACCEPT THE PLAN.**

The Debtors’ legal advisor is Berger Singerman LLP, and their financial advisor is Berkowitz Dick Pollack & Brant Certified Public Accountants & Consultants, LLP. They can be contacted at:

Berkowitz Dick Pollack & Brant  
Certified Public Accountants & Consultants, LLP  
200 S. Biscayne Boulevard, Sixth Floor  
Miami, FL 33131-2310  
Tel: 305-379-7000  
Attn: Richard A. Pollack  
Scott M. Bouchner

Berger Singerman LLP  
1450 Brickell Avenue  
Suite 1900  
Miami, FL 33131  
Tel: 305-755-9500  
Attn: James D. Gassenheimer, Esq.  
Christopher A. Jarvinen, Esq.

**B. Voting Procedures.**

If you are entitled to vote to accept or reject the Plan, a Ballot is enclosed for the purpose of voting on the Plan. If you hold Claims in more than one Class and you are entitled to vote Claims in more than one Class, you will receive separate Ballots, which must be used for each separate Class of Claims. Ballots should be returned to the Debtors’ solicitation agent in the Chapter 11 Cases at:

Maguire Ballot Processing Center  
c/o Kurtzman Carson Consultants, LLC  
2335 Alaska Avenue  
El Segundo, California 90245

**Do not return any other documents with your Ballot.**

**TO BE COUNTED, YOUR BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE PLAN MUST BE RECEIVED BY NO LATER THAN \_\_\_ P.M. (PREVAILING EASTERN TIME) ON \_\_\_\_\_, 2012. ANY EXECUTED BALLOT RECEIVED THAT DOES NOT INDICATE EITHER AN ACCEPTANCE OR A REJECTION OF THE PLAN SHALL BE COUNTED AS AN ACCEPTANCE.**

Any Claim in an impaired Class as to which an objection or request for estimation is pending, or filed by the Debtors prior to the deadline to submit votes indicating acceptance or rejection of the Plan, or which is listed on the Schedules as unliquidated, disputed or contingent, is not entitled to vote unless the holder of such Claim has obtained an order of the Bankruptcy Court temporarily allowing such Claim for the purpose of voting on the Plan.

Pursuant to the Disclosure Statement Approval and Solicitation Order, the Bankruptcy Court set \_\_\_\_\_, 2012 as the record date for holders of Claims entitled to vote on the Plan. Accordingly, only holders of record as of the applicable record date that otherwise are entitled to vote under the Plan will receive a Ballot and may vote on the Plan.

If you are a holder of a Claim entitled to vote on the Plan and you did not receive a Ballot, received a damaged Ballot or lost your Ballot or if you have any questions concerning this Disclosure Statement, the Plan or the procedures for voting on the Plan, please call Kurtzman Carson Consultants, LLC at (866) 381-9100.

### **C. Confirmation Hearing.**

Pursuant to section 1128 of the Bankruptcy Code, the Confirmation Hearing will be held on \_\_\_\_\_, 2012 at \_\_\_\_\_ am/pm (prevailing Eastern Time) before the Honorable Robert A. Mark, United States Bankruptcy Judge, United States Bankruptcy Court, 51 S.W. 1st Avenue, Courtroom 1406, Miami, FL 33130. The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan must be served and filed so that they are received on or before \_\_\_\_\_, 2012 at \_\_\_\_\_ am/pm (prevailing Eastern Time) in the manner described in Section X.A of this Disclosure Statement (“Confirmation Hearing”). Pursuant to Local Rule 2002-1(8) (“Notice of Chapter 11 Disclosure Statement and Confirmation Hearings and Continued Hearings”), the date of the Confirmation Hearing may be adjourned from time to time without further notice except for an in-court announcement at the Confirmation Hearing of the date and time as to which the Confirmation Hearing has been adjourned.

## **II. SUMMARY OF PLAN**

Prior to and since commencing these Chapter 11 Cases, the Debtors have focused on the formulation of a plan of reorganization that would allow them to emerge quickly from Chapter 11 and preserve their value as a going concern and position as a competitive player in the architectural, engineering, planning and construction management business industry. Those efforts have resulted in a Plan that the Debtors believe provide maximum recoveries and distributions to creditors. The United States Trustee disagrees with this statement. The Debtors recognize that in the highly competitive market in which they operate, a lengthy and uncertain Chapter 11 process may detrimentally affect confidence in the Debtors, impair the Debtors’ financial condition, and imperil the Debtors’ prospects for a successful reorganization. The terms of the Plan are based on, among other things, the Debtors’ assessment of their ability to successfully restructure, make the distributions contemplated under the Plan, and pay their continuing obligations in the ordinary course of the Reorganized Debtors’ business.

While the architectural, engineering, planning and construction management business forming the base of the Debtors' operation remains fundamentally sound, in the current business environment, the operations of that business are simply insufficient to support the extensive claims that exist against the Debtors. The Chapter 11 Debtors' foremost potential general unsecured liability consists of the combined amount of known and potential litigation-related unsecured claims, including claims against the Debtors in pending lawsuits, that have been listed on the Debtors' Schedules in the amount of approximately \$36.1 million. The Debtors dispute the vast majority of such known and potential litigation-related claims and believe that, after the claims objection process has concluded by the Debtors or the Reorganized Debtors, as the case may be, the allowed amount of such unsecured claims will be significantly lower in amount. The second largest category of unsecured claims against the Debtors, totaling approximately \$5.6 million, arose pursuant to the 2009 Transaction (explained below) and subsequent related transactions pertaining to the former owners and management of certain of the Debtors. Again, the Debtors dispute a significant amount of the claims related to the 2009 Transaction and believe that the Debtors and their estates possess significant claims against such former owners and management. The Debtors or the Reorganized Debtors, as the case may be, intend to object to many of the unsecured claims related to the 2009 Transaction. The third largest category of claims arise from sub-consultants employed by the Debtors that are critical to the ability of the Debtors to reorganize and are included in Class 4 of the Plan ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors"). The combined amount of the unsecured claims of these Class 4 sub-consultants total approximately \$3.2 million.

Based on the Debtors' views as to the value of their estates and their projected cash flows, the Debtors concluded that they would be unable to pay anywhere near the total of either of the known and potential litigation-related unsecured claims or unsecured claims arising from the 2009 Transaction and subsequent related transactions. On the other hand, given the fundamental importance of the sub-consultants in Class 4 of the Plan ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors") to the Debtors' future, the Debtors believe that it is absolutely necessary to pay the allowed claims of such Class 4 sub-consultants in full over a brief period of time. Accordingly, the Debtors' restructuring efforts focused on creating a stand-alone Chapter 11 plan that would provide (i) the sub-consultant appearing in Class 4 of the Plan ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors") a distribution totaling 100% of their allowed claims, to be paid over nine (9) months from the Effective Date, and (ii) a distribution to the holders of allowed remaining unsecured claims not necessary for the Debtors' reorganization that have been placed in in Class 5 of the Plan ("General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors"), including the holders of known and potential litigation-related unsecured claims and other unsecured claims arising from the 2009 Transaction and subsequent related transactions, equal to a pro rata share of cash from a "pot plan" distribution (i.e., a fixed amount of cash to be shared by holders of allowed claims).

In terms of funding, the Plan contemplates that the combination of a necessary and substantial contribution by Carlos Duart (in the amount of \$350,000), along with the Debtors' cash on hand, together with the cash flow from the Debtors' future operations and a guaranty of payment to be provided by Carlos Duart with respect to the payment of all allowed claims under the Plan, will be sufficient and used to (i) pay all unclassified claims, including Allowed Administrative Expense Claims (including Professional Claims), Priority Tax Claims and Statutory Fees, (ii) fund the Disputed Claims Reserve, and (iii) make distributions to the holders of allowed claims in each of the classes that will (or could) receive distributions under the Plan, including Class 1 ("Priority Claims"), Class 3 ("Other Secured Claims"), Class 4 ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors"), and Class 5 ("General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors"). In this manner, the Debtors believe that the Plan will maximize

recoveries to their various creditor constituencies and bring a successful conclusion to the Chapter 11 Cases.

The Plan contemplates and is predicated upon the substantive consolidation of all the Debtors for the purposes of voting on, making distributions under and administering the Plan. This means that the Debtors propose to satisfy the claims of all their respective creditors from a common pool comprised of their collective assets. The Debtors believe that substantive consolidation is warranted in these cases for numerous reasons. Please refer to Section VII.E of this Disclosure Statement (“Means of Implementing the Plan”) for a detailed explanation of the rationale supporting substantive consolidation.

The Plan further contemplates that all of the property of the Debtors shall vest in the Reorganized Debtors clear of claims, liens, encumbrances, charges and other interests, including, without limitation, any and all claims, liens, encumbrances and any and all right, title, interests related thereto of governmental entities relating to any tax liabilities or similar liabilities. As a result of consummation of the Plan, and pursuant to the Plan, the Reorganized Debtors shall not assume, incur or be responsible for any claims or liabilities of the Debtors or any of their affiliates, except for those claims of the type referred to in clause (iii)(1) of the definition of “Allowed” in the Plan incurred in the ordinary course of business, and neither the Reorganized Debtors nor the Plan Proponents shall be successors of the Debtors nor incur any successor or transferee liability of any kind, nature or character, including, without limitation, in relation to (1) the liabilities arising or resulting from or relating to the transactions contemplated by the Plan and (2) any and all claims, liens, encumbrances, and any and all right, title, and interests related thereto, of government entities relating to any tax or similar liabilities.

The Plan provides for the continued ownership and operation of the property of the Debtors’ Estates, by and through the Reorganized Debtors in accordance with the Plan. The Plan Proponents (or their designee(s)) will receive 100% of the Reorganized Debtors’ equity. The Reorganized Debtors plan to operate the business that is the subject of the Plan immediately after the Effective Date under the management and operational control of the Plan Proponents (or their designee(s)), as described in further detail in this Disclosure Statement and the Plan. Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, as of the Effective Date, the managers, members, officers and directors of each Debtor immediately prior to the Effective Date shall be deemed to be the officers and directors of the Reorganized Debtor without any further action by any party. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors disclose herein the identity and affiliation of any individuals proposed to serve as the initial managers, members, officers and directors of the Reorganized Debtors.

As of the Effective Date, the Reorganized Debtors may operate its businesses and use, acquire, and dispose of their property, free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order. All privileges with respect to the property of the Debtors’ Estates, including the attorney/client privilege, to which the Debtors are entitled shall automatically vest in, and may be asserted by or waived on behalf of, the Reorganized Debtors.

In the event that any class of Claims that is entitled to vote does not accept the Plan, the Debtors will request that the Bankruptcy Court confirm the Plan pursuant to section 1129(b) of the Bankruptcy Code and in such event, the Debtors reserve the right, with the consent of the Plan Proponents, to make modifications to the Plan to the extent necessary to comply with the requirements of section 1129(b) of the Bankruptcy Code.

Accordingly, the Debtors believe that:

- The Plan provides the best available result for the holders of Claims;
- With respect to each Impaired Class of Claims, the distributions under the Plan are not less than the amounts that would be received if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code; and
- Acceptance of the Plan is in the best interests of holders of Claims.

The following table briefly summarizes the classification and treatment of those Claims and Equity Interests classified under the Plan:

Class	Type of Claim or Equity Interest	Treatment	Impaired / Unimpaired	Entitled to Vote	Estimated Amount of Allowed Claims / Approx. Percentage Recovery
1	Priority Claims	Each holder of an Allowed Priority Claim shall be paid in full, in Cash, on the later of the Effective Date or as soon as practicable after the date on which such Priority Claim becomes Allowed, in full settlement, satisfaction, release and discharge of an Allowed Priority Claim.	Unimpaired	No	\$0 / 100%
2	Secured Claim of Regions Bank	The holder of the Secured Claim of Regions Bank has been satisfied in full during the Chapter 11 Cases, in full settlement, satisfaction, release and discharge of the Allowed Secured Claim of Regions Bank. As of the Effective Date, the Regions Loan Documents (including, any notes and any obligations of the Debtors thereunder) shall be discharged and be of no further forced or effect against the Debtors or any property that secured the Regions Loan, and the holder thereof shall have no rights against the Debtors or the property that secured the Regions Loan; provided, however, that this Section shall not affect the pursuit of any Cause of Action by the Debtors or the Reorganized Debtors, as the case may be.	Unimpaired	Yes	\$950,000 / 100%



Class	Type of Claim or Equity Interest	Treatment	Impaired / Unimpaired	Entitled to Vote	Estimated Amount of Allowed Claims / Approx. Percentage Recovery
3	Other Secured Claims	On the Effective Date, or as soon thereafter as practicable, each holder of an Allowed Other Secured Claim, except to the extent that the holder of such Claim agrees to a less favorable treatment, shall receive, on account of its Claim against the Debtors, one of the following Distributions in full settlement, satisfaction, release and discharge of an Allowed Other Secured Claim: (i) the payment of such holder's Allowed Other Secured Claim in full in Cash; (ii) the sale or disposition proceeds of the property securing any Allowed Other Secured Claim to the extent of the value of its interest in such property; (iii) the surrender to the holder of any Allowed Other Secured Claim of the property securing such Claim; or (iv) such other Distributions as shall be necessary to satisfy the requirements of Chapter 11 of the Bankruptcy Code. The manner and treatment of each Allowed Other Secured Claim (if any) shall be determined by the Debtors and transmitted in writing to the holder of such Allowed Other Secured Claim prior to the Effective Date of the Plan.	Unimpaired	No	\$0 / 100%
4	General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors	100% of the Allowed Class 4 Claim paid in Cash, without interest from the Effective Date until paid, payable by the Reorganized Debtors on the Class 4 Payment Dates during the Class 4 Distribution Period until paid in full. The Reorganized Debtors will begin to make Distributions to the holders of Allowed Class 4 Claims only after the Debtors or the Reorganized Debtors, as the case may be, have received payment from the relevant Project Authority for the	Impaired	Yes	\$3.2 million / 100%

Class	Type of Claim or Equity Interest	Treatment	Impaired / Unimpaired	Entitled to Vote	Estimated Amount of Allowed Claims / Approx. Percentage Recovery
		<p>Project on which a particular Allowed Class 4 Claim arose and which pertains to the particular Allowed Class 4 Claim. The Debtors will make their best efforts to make the monthly Distributions to holders of Allowed Class 4 Claims in line with the Financial Projections; provided, however, the Debtors reserve the right to modify the timing of the Distributions to holders of Allowed Class 4 Claims during the Class 4 Distribution Period (but all such Distributions will be made prior to the expiration of the Class 4 Distribution Period) based upon the Debtors' actual cash flow, including accelerating payments to the holders of Allowed Class 4 Claims. Distributions in respect of Allowed Class 4 Claims may be made from the Duart Contribution and the Cash Flow, but are not limited to those sources of payment, and are personally guaranteed by Duart pursuant to the Duart Guaranty.</p>			
5	General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors	Each holder of an Allowed Class 5 Claim as of the Effective Date shall receive a lump sum payment in Cash from the Reorganized Debtors on the Effective Date representing such holder's Pro-Rata Share of the Class 5 Claims Distribution. The Class 5 Claims Distribution will be funded by the Duart Contribution and is personally guaranteed by Duart pursuant to the Duart Guaranty.	Impaired	Yes	<p>\$4 million - \$42.8 million / &lt; 1% - 100%</p> <p>Percentage recovery is conditioned on future events</p>
6	Subordinated Unsecured Claims	No distribution shall be made under the Plan from the Estates in respect of the Subordinated Unsecured Claims.	Impaired	No	<p>\$2.19 million / 0%</p>

Class	Type of Claim or Equity Interest	Treatment	Impaired / Unimpaired	Entitled to Vote	Estimated Amount of Allowed Claims / Approx. Percentage Recovery
7	Equity Interests	No distribution shall be made under the Plan from the Estates in respect of the existing Equity Interests. On the Effective Date, the certificates that previously evidenced ownership of the Equity Interests shall be canceled and shall be null and void, the holders thereof shall no longer have any rights in respect of the Equity Interests, and such certificates shall not evidence any rights under the Plan.	Impaired	No	0%

The preceding summaries of the material provisions of the Plan do not purport to be complete and are qualified in their entirety by reference to all of the provisions of the Plan, including all exhibits thereto and the Plan Supplement, all documents described therein and the definitions therein of certain terms used above. For a more detailed description of the Plan, see Article VII of this Disclosure Statement (“The Plan of Reorganization”). For detailed projected financial information, see Article VIII of this Disclosure Statement (“Financial Projections”) and Exhibit “E” (“The Projected Financial Information”) attached to this Disclosure Statement.

### III. DEFINITIONS

#### A. Defined Terms.

Capitalized terms not otherwise defined in this Disclosure Statement shall have the meanings ascribed to them in the Plan (see Exhibit “A”).

#### B. Other Terms.

Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, the feminine, and the neuter.

#### C. Exhibits.

All exhibits to this Disclosure Statement are annexed hereto.

#### IV. GENERAL INFORMATION

##### A. Overview of Chapter 11.

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under Chapter 11, a debtor is authorized to reorganize its business for the benefit of itself, its creditors and its equity interest holders. In addition to permitting the rehabilitation of a debtor, another goal of Chapter 11 is to promote equality of treatment for similarly situated creditors and similarly situated equity interest holders with respect to the distribution of a debtor's assets. The commencement of a Chapter 11 reorganization case creates an estate that is comprised of all of the legal and equitable interests of the debtor as of the Commencement Date. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a "debtor in possession".

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

Certain holders of claims against a debtor are permitted to vote to accept or reject a plan of reorganization. Prior to soliciting acceptances of a proposed plan, however, section 1125 of the Bankruptcy Code requires a debtor to prepare, and obtain bankruptcy court approval of, a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable hypothetical investors of the relevant classes to make an informed judgment regarding the plan. The Debtors are submitting this Disclosure Statement to holders of Claims against the Debtors to satisfy the requirements of section 1125 of the Bankruptcy Code.

##### B. Corporate Structure.

Maguire Holdings was incorporated in Florida in October, 2008. The chart attached hereto as Exhibit "C" ("The Debtors' Prepetition Organizational Structure") illustrates the Debtors' organization structure. Maguire Holdings was formed for the purpose of acquiring in 2009 the Maguire Corp. and its subsidiaries, including MGI and Maguire AEP (together, Maguire Corp., MGI, and Maguire AEP, collectively, the "Maguire Group"). Out of the total capital stock of Maguire Holdings, 95% is owned by Duart and the remaining 5% is owned by Roberto A. Linares. During 2009, Maguire Holdings purchased the majority of the issued and outstanding shares of the Maguire Corp. (the "2009 Transaction"). In December 2009, the Maguire Corp. redeemed all remaining shares from the minority shareholders, and the Maguire Corp. became a wholly owned subsidiary of Maguire Holdings.

Today, Maguire Holdings is the holding company of the Maguire Corp. and has no other operations. Maguire Holdings owns one hundred percent (100%) of the capital stock of the Maguire Corp. In turn, Maguire Corp. is the parent of its subsidiaries, MGI, East Atlantic and Maguire AEP. The Maguire Corp. owns one hundred percent (100%) of the capital stock of each of these three subsidiaries. MGI is the operating company for essentially all of the Debtors' day-to-day business operations. East Atlantic, located in Bermuda, is a captive insurer which partially insured the professional risks of the Debtors for claims made on or before 2004. Maguire AEP, a non-operating subsidiary formed in Rhode Island, was created for the limited purpose of permitting the Debtors to provide certain architectural services in Rhode Island.

### C. Business Background.

#### i. Description of the Chapter 11 Debtors' Business.

Founded over 70 years ago as a small civil engineering firm, the Maguire Group has become a full-service, nationally recognized architectural, engineering, planning and construction management organization. The Debtors' headquarters are located in Miami, Florida and the Debtors maintain their primary offices located in: (i) Boston, Massachusetts; (ii) Providence, Rhode Island; (iii) Portsmouth New Hampshire; (iv) Rocky Hill, Connecticut; and (v) Pittsburgh, Pennsylvania. The Debtors also have an office located in the Virgin Islands.

Throughout its history, the Maguire Group has played an important role in the planning, design and construction management of the infrastructure used in daily life for thousands of private and public clients – from small towns to Fortune 500 companies – across the country and around the world. That role continues today as a strategic partner of non-debtor Metric Engineering, Inc. (“MEI”), a leading U.S. engineering, architectural, construction and emergency management organization. For much of its 70 year history, the Maguire Group name was synonymous with quality and consistency and the company represented a source of reliability for many clients who understand and appreciate the value of hard work, a spirit of innovation, a commitment to client satisfaction, and a diversity of services that can be brought to bear on projects of any size and scope.

The Debtors provide their services through the following six reporting segments: (i) Transportation Design; (ii) Construction Management; (iii) Civil Group; (iv) Buildings; (v) Environmental; and (vi) Owners Project Management. The primary source of the Debtors' annual revenue of approximately \$24.7 million is generated from contracts with the federal, state, and local government agencies. In particular, the Debtors generate revenues by providing fee-based professional and technical services. As a result, the Debtors' professional and technical services are primarily labor intensive. To derive income from their revenues, the Debtors strive to effectively manage their costs and projects.

#### ii. Employees, Directors and Officers.

The Debtors' revenues are dependent upon their ability to attract and retain qualified and productive employees, identify business opportunities, allocate the company's labor resources to profitable markets, secure new contracts, execute existing contracts, and maintain existing client relationships. Significantly, as a professional services company, the quality of the Debtors' work generated by their employees is integral to the company's revenue generation. The Debtors' offices are staffed with people who have experience in the areas in which the Debtors do business. The Debtors' goal is to have their local offices operate as if they were small firms focused solely on their local clients, but they are backed by the resources of our entire firm's capabilities. What has set the Debtors' approach to business apart from its competitors since the 2009 Transaction is the pride that the Debtors take in the relationships the Debtors have with the Debtors' clients and the Debtors' pledge to exceed their expectations in the work that the Debtors do for them.

As of the Petition Date, MGI (the operating company) employed approximately 170 employees (collectively, the “Employees”), who, together provide a myriad of services to the Debtors throughout the country. The Employees serve national and international operations in the States of Florida, Connecticut, Massachusetts, New Hampshire, Pennsylvania and Rhode Island and in the Virgin Islands. As of the Petition Date, approximately 154 of the Employees were full-time (the “Full-Time”

Employees”), while 16 of the Employees were part-time (the “Part-Time Employees”).<sup>4</sup> In addition, the Debtors utilize the services of highly-skilled independent contractors, all of whom are paid as vendors through the Debtors’ normal accounts payable system and not through the normal payroll systems, as are discussed herein. As of the Petition Date, approximately 82 of all Employees were hourly wage earners (the “Hourly Employees”) while the remaining 72 were salaried personnel (the “Salaried Employees”). None of the Debtors’ employees are covered under collective bargaining agreements.

Carlos Duart (as defined in the Plan, “Duart”) serves as the president of Maguire Holdings, MGI, East Atlantic and Maguire AEP and president and CEO of Maguire Corp. He was appointed President and/or Chief Executive Officer of each of the Debtors in 2009, and has served in such senior capacity continuously for more than two years. In addition to his position as an officer of each of the Debtors, he is also a director of each of the Debtors.

The following individuals currently serve as officers and/or directors of each of the Debtors:

- (1) Maguire Holdings. Regina Duart (Vice President and Director (insider)); and Andre Duart (Vice President and Director (insider)).
- (2) MGI. Richard Bernardo (Chief Executive Officer and Director); George Delegas (Vice President and Director); Sherrill Papalia (Secretary); Thomas Stockhausen (Senior Vice President); Anthony DiLuzio (Vice President); Matthew Macey (Vice President); Michael Moorman (Vice President); David Morrow (Vice President); Louis Rocchini (Vice President); David Stock (Vice President); and Peter Morrison (Director).
- (3) Maguire Corp. Andre Duart (Chief Administrative Officer and Director (insider)); Sherrill Papalia (Secretary); James V. Fazio, Jr. (Director); and Douglas K. Cauley (Director).
- (4) East Atlantic. Sherrill Papalia (Vice President and Director); Joaquin Lopez (Treasurer and Director); Malcolm S. Mitchell (Secretary and Alternate Director); Christopher Garrod (Director); Robert Paton (Director); James B. Fritz (Director); and Paul Sikuku Nyongesa (Alt. Director).
- (5) Maguire AEP. Peter Morrison (Vice President and Director); James Fritz (Treasurer and Director); and Sherrill Papalia (Secretary).

Pursuant to the Plan, each of these individuals will continue to serve, on and after the Effective Date, as officers and/or directors of each of the Reorganized Debtors. Except for Carlos Duart (per the terms of the Plan), and unless otherwise stated in the Plan Supplement, the remaining officers and directors listed above will continue to be compensated in the manner that they had been compensated immediately prior to the Effective Date.

*iii.* Pending Litigation, Known Claims and Potential Claims.

The Chapter 11 Debtors are the subject to various known and potential litigation-related claims, and pending lawsuits, the vast majority of which are based upon alleged actions that arose prior to

<sup>4</sup> “Part-Time Employees” are defined as those Employees who are normally scheduled to work less than 36 hours per week for an indefinite period.

the 2009 Transaction. Although the outcome of any individual claim or action cannot be predicted with certainty, the Debtors believe that any adverse outcome with respect to any of a number of such known and potential litigation-related claims, and pending lawsuits, could have a material adverse effect on the Debtors' financial position, results of operations and cash flows.

**D. Significant Prepetition Indebtedness.**

Pursuant to a Loan Agreement, dated July 31, 2009 (the "Original Loan Agreement") and Promissory Note of the same date (the "Original Promissory Note"), each between and among Regions Bank (the "Lender"), Maguire Corp. and non-Debtor Metric Engineering Inc. (as defined in the Plan, "MEI", together with Maguire Corp., collectively, the "Borrowers"), the Lender established a revolving credit facility in favor of the Borrowers in an amount of up to \$ 1 million. The amounts obtained under the revolving credit facility have been used solely by the Debtors with respect to funding their operations.

Under the terms of a Security Agreement, dated July 31, 2009 (the "Original Security Agreement"), the Borrowers granted the Lender a security interest in essentially all of the personal property of the Borrowers, including accounts, goods, inventory, equipment, instruments and deposit accounts (collectively, the "Regions Bank Collateral"). Pursuant to the terms of a Continuing Guaranty, dated July 31, 2009 (the "Original Guaranty"), Carlos Duart (the "Guarantor"), personally guaranteed the indebtedness of the Borrowers to the Lender under the Original Loan Agreement.

On January 28, 2011, the Lender and Borrowers entered into (i) an Amended and Restated Revolving Loan Agreement (the "Amended Loan Agreement", together with the Original Loan Agreement, the "Loan Agreement") by which the parties renewed and extended the maturity date of the original revolving credit facility, (ii) a Promissory Note (the "Renewal Promissory Note", together with the Original Promissory Note, collectively, the "Promissory Note"), (iii) an additional Security Agreement (the "Additional Security Agreement", together with the Original Security Agreement, collectively, the "Security Agreement") whereby the Borrowers provided additional Regions Bank Collateral to secure the indebtedness under the Loan Agreement in the form of a certificate of deposit opened at Regions Bank in the principal amount of \$60,000, and (iv) a Reaffirmation of Continuing Guaranty of the Guarantor (the "Continuing Guaranty," together with the Original Guaranty, collectively, the "Guaranty") (together, the Loan Agreement, Promissory Note, Security Agreement, Guaranty, and related documents, collectively, the "Loan Documents").

As of the Petition Date, Regions Bank was owed the principal amount of \$950,000. During late November, 2011, and without any advance knowledge on the part of the Debtors, Regions Bank unilaterally off-set funds held by MEI (the non-debtor, co-borrower under the Loan Documents) at Regions Bank in the amount of \$950,000. As a result of such action, the Debtors believe that any claim by Regions Bank against the Debtors has been fully satisfied during the Chapter 11 Cases. In an abundance of caution, however, the Plan includes Class 2 ("Secured Claim of Regions Bank"), an unimpaired class of claims.

The other liabilities of the Debtors are detailed above in Article II ("Summary of Plan") and in Exhibit E attached hereto ("The Projected Financial Information").

**E. Assets.**

As of the Petition Date, the combined amount of the Debtors' assets totals approximately \$6.5 million, per the Schedules [D.E. ##111-115], as follows:

Name of Debtor	Assets
Maguire Group Holdings, Inc.	\$391.00 <sup>5</sup>
The Maguire Corporation	\$0.00
Maguire Group Inc.	\$6,526,196.93 <sup>6</sup>
East Atlantic Casualty Company, Ltd.	\$317.95 <sup>7</sup>
Maguire Group Architects, Engineers, Planners, Ltd.	\$0.00

The vast majority of the Debtors' assets are accounts receivable in the approximate amount of approximately \$5.0 million. The second largest asset listed on the Debtors' Schedules is the Debtors' fifty (50%) percent interest in 200 Main Street Associates, LLC ("200 Main Street Associates"), an entity that owns real property located at 200 Main Street, New Britain, Connecticut (the "200 Main Street Property"). Based upon the tax records maintained by New Britain, Connecticut, the Debtors estimated their interest in 200 Main Street Associates in the amount of approximately \$1.1 million. The Debtors are currently a defendant in litigation initiated against the Debtors by Capstone Properties, Inc., the manager of the 200 Main Street Property, regarding amounts allegedly due by the Debtors (in the amount of \$351,257.77) allegedly arising from a lease entered into by the pre-2009 Transaction management under which the Debtors previously leased certain space at the 2009 Main Street Property. It is the Debtors' intention to sell the 200 Main Street Property. During the Debtors' bankruptcy cases, the Debtors have approached Newstone, the other 50% member in 200 Main Street Associates, to sell the 200 Main Street Property, but, to date Newstone has refused to move forward with a consensual sale process. Newstone also asserts that, in the event that the 200 Main Street Property is sold, any sale proceeds that would otherwise inure to the benefit of the Debtors are subject to setoff or recoupment in favor of 200 Main, Capstone and Newstone. The Debtors dispute Newstone's contention. In the financial projections attached as Exhibit "E" to the Disclosure Statement, the Debtors have estimated a projected recovery range totaling between \$400,000 to \$600,000 if the Property is sold during 2012. Newstone LLC ("Newstone"), the other 50% member in 200 Main Street Associates, believes that the value of the Debtors' interest in the 200 Main Street Property is worth significantly less than the estimated recovery range of \$400,000 to \$600,000. The Debtors dispute Newstone's contention.

Additional information concerning the assets of the Debtors may be found in Exhibit E attached hereto ("The Projected Financial Information").

## V. EVENTS LEADING TO CHAPTER 11 FILING

At the time of the 2009 Transaction, the Maguire Group's revenues had been declining for several years. Despite the adverse impact of the decrease in annual revenues, the new owners of the Maguire Group were confident in their ability to stabilize the Maguire Group's operations and reverse the then recent trend of declining revenues and return the company to the prominence it enjoyed for most of

<sup>5</sup> This amount represents \$391 in a checking account located at Capital Bank

<sup>6</sup> This amount represents \$4,288.08 in petty cash, \$132,760.55 in an operating account located at Regions Bank, \$4,294.18 in a payroll account located at Regions Bank, \$60,000 in a CD located at Regions Bank, \$173,169.93 in interests in insurance policies, \$1,130,900 as a 50% interest in 200 Main Street Associates, and \$5,020,784.19 in accounts receivable.

<sup>7</sup> This amount represents \$40.67 in a checking account located at Regions Bank and \$277.28 located at HSBC Bank of Bermuda.



its 70-year history. Under the original purchase agreement and related documents that the Debtors entered into as a part of the 2009 Transaction, the Debtors were willing to accept all financial obligations put in place on the Maguire Group by its previous owners as disclosed, even as the company had been experiencing the decline in revenues dating back to 2006.

Recently, and prior the Petition Date, the Debtors discovered that certain financial relationships the former owners had entered into with third-parties prior to the 2009 Transaction, as well as a variety of significant litigation risks, were either not disclosed or were inadequately disclosed by the former owners at the time of the acquisition of the Maguire Group by its current owners.

For example, in 2005, four years prior to the 2009 Transaction in which the Maguire Group was acquired by the Debtors, the Maguire Group was involved in a major lawsuit with the Connecticut Department of Transportation (“ConnDoT”), known as the I-84 project, in which the Maguire Group was providing construction inspection and supervision. The Maguire Group was suspended from the project with ConnDoT. Due to the adverse publicity with a public agency, the Debtors believe that other municipalities and government agencies followed suit in not renewing or selecting the Maguire Group on any projects until the case was settled under the prior owners in June, 2009. The Connecticut office of the Maguire Group, which once was generating annual revenues of \$6 million, was reduced to annual revenues of only \$1.0 to \$1.5 million.

Recently, and prior to the Petition Date, the Debtors have received notice from the U.S. Department of Transportation of new federal claims relating to the I-84 project that the Debtors had been informed were already covered by the settlement by the prior owners. The claims being pursued by the U.S. Department of Transportation could amount to more than \$8 million. The Debtors dispute the amounts claimed owed. However, due to the initiation of the claims by the U.S. Department of Transportation related to the I-84 project, the Debtors have had to devote enormous time and financial resources to respond to the myriad of issues arising from this matter. The Debtors believe that, at most, \$300,000 in insurance coverage may exist to cover the relevant claims.

In addition, other litigations commenced against the Maguire Group as a result of actions that allegedly took place under the ownership of its former owners recently, and unexpectedly, required the Debtors to devote additional significant resources. Prior to the Petition Date, the Debtors were being burdened with hundreds of thousands of dollars a year in litigation-related fees and expenses that imposed a fundamental financial burden on the revenues generated by the Debtors’ business, as well as created a tremendous need for the Debtors’ management and personnel to respond, almost daily, to the barrage of issues arising from such litigations. A sampling of current major litigation and litigation-related claims against the Debtors include, but are not limited to, the following:

*Allie Champney and Susan Champney v. University of New Hampshire, Maguire Group Inc., et al.*

- This case is pending in the Court of Common Pleas in Cumberland County, Pennsylvania.
- The plaintiffs’ claims are based on a maintenance worker’s injury in a steam manhole.
- The damages sought by the plaintiffs exceed \$10 million.
- This case continues to be in a discovery and trial preparation stage.

*State of Connecticut v. Bacon Construction Co., Inc., Maguire Group Inc., et al.*

- This case is pending in Superior Court in Hartford, Connecticut.

- The claims asserted in the lawsuit relate to the renovation of the York Women's Correctional Institute on the basis of alleged construction defects.
- The damages sought by the plaintiffs exceed \$15 million.
- This case is in the discovery and pleadings stage.

*United States Department of Transportation (USDOT)*

- The USDOT has asserted a potential claim against the Debtor(s) relating to CONNDOT Project #151-274/94.
- Project #151-274/94 involved the widening and performing of interchange improvements to I-84 in Cheshire/Waterbury, Connecticut.
- This claim could exceed \$8 million.

*Rhode Island Department of Transportation v. Maguire Group, Inc., et al.*

- This case is pending in the Superior Court in Providence, Rhode Island.
- The claims asserted in the lawsuit relate to improvements to I-195 (project #17724, Contract 4) and alleged defects in the improvements.
- The damages sought by the plaintiff are approximately \$3 million.
- This case is in the pleadings and discovery stage.

*Connecticut Department of Transportation (CONNDOT)*

- CONNDOT has asserted a potential claim against the Debtor(s) relating to Project #15741.
- Project #15741 involved the rehabilitation and widening of bridge numbers 01152, eastbound and westbound, over Peter Road in the town of Southbury.
- This claim could exceed \$1.3 million.

*Town of Grafton v. The Carell Group, Inc., Maguire Group Inc. and AP Whitaker & Sons, Inc.*

- This case is pending in the Superior Court in Worcester, Massachusetts.
- The plaintiffs brought a multiparty lawsuit in which they assert that there are certain construction defects relating to a project that MGI managed. The causes of action include negligence and breach of contract.
- The damages asserted are unspecified but could exceed \$500,000.
- This case is in the pleading and discovery stage.

*Maurice Fox and Laurence Parnoff v. Town of Stratford, Maguire Group Inc., et al.*

- This case is pending in the Fairfield/Bridgeport Superior Court in Connecticut.
- The plaintiffs assert claims for trespassing and nuisance on the basis that a state road construction project that MGI provided design services in connection with caused flooding on the Plaintiffs' abutting property.
- The damages sought by the plaintiffs exceed \$525,000.
- This case is in a pleadings stage, specifically a motion to dismiss.

*200 Main Street Associates, LLC v. Maguire Group Inc.*

- This case is pending in the Superior Court in New Britain, Connecticut.

- The claims asserted in the lawsuit relate to an alleged breach of a commercial lease. The suit is being brought by an entity in which MGI owns a 50% interest.
- The plaintiff seeks approximately \$352,000 in damages.
- This case is in the discovery and pleadings stage.

*L-C Associates, Inc. v. Maguire Group Inc.*

- This case is pending in the Superior Court in Providence, Rhode Island.
- This lawsuit is a collection action arising out of a case in which the Rhode Island Department of Transportation sued MGI, Paul C. Aldinger, Inc. and L-C Associates, Inc.
- The plaintiff seeks approximately \$279,891.06 plus 12% statutory interest since 2004.
- This case is in the discovery and pleadings stage.

*Mary G. Rendini and Enzo Rendini v. Maguire Group Inc.*

- This case is pending in the Superior Court in Norfolk County, Massachusetts.
- Former employees have sued MGI to enforce a purported settlement agreement.
- The plaintiffs' claim \$50,000 a year for Mary Rendini for the rest of her life. Additionally, if Mary Rendini predeceases her husband Enzo, then the claim is \$25,000 per year for life for Enzo Rendini.
- This case is in a pleadings stage, specifically with regard to a motion to dismiss and motion for judgment.

*Invensys*

- This former landlord has asserted a potential claim against the Debtor(s) relating to an alleged breach of a lease relating to MGI's lease of a Foxboro, Massachusetts commercial property.
- This claim could exceed \$362,000.

After the closing of the 2009 Transaction and prior to the Petition Date, the Debtors became aware of other omissions and misrepresentations of the financial affairs and obligations of the Maguire Group by its prior owners which the Debtors intend to deal with as a part of the Chapter 11 process in one forum in which all pending claims against the Debtors can be addressed in an efficient manner. Considering the burdensome costs associated with legal expenses, and more importantly the continued irreparable harm to the Debtors' business, the Debtors determined that the filing of these Chapter 11 Cases represented the only viable option in order to protect the Debtors' business as a going-concern.

## VI. THE CHAPTER 11 CASES

### A. Commencement of the Cases.

On the Petition Date, each of the Debtors commenced with the Bankruptcy Court for the Southern District of Florida a voluntary case under Chapter 11.

### B. First Day Orders.

On the Petition Date, the Debtors filed a series of motions and applications seeking various relief from the Bankruptcy Court designed to minimize any disruption to the Debtors' business operations and to facilitate the Debtors' reorganization.

On October 26 and 28, 2011, the Bankruptcy Court conducted hearings on several motions filed by the Debtors seeking what is commonly referred to as "first day" relief. This first day relief is designed to meet the goals of: (1) continuing the Debtors' operations in Chapter 11 with as little disruption and loss of productivity as possible; (2) maintaining the confidence and support of customers, employees and certain other key constituencies; (3) attempting to obtain post-petition financing and use of cash collateral; and (4) establishing procedures for the smooth and efficient administration of the Chapter 11 Cases.

The relief granted by the Bankruptcy Court at the first day hearings, including administrative-type relief granted prior to that hearing, included:

- Joint administration of the Debtors' bankruptcy cases [D.E. #24];<sup>8</sup>
- Ability to file a consolidated Case Management Summary [D.E. #25];
- Ability to pay certain prepetition wages, employee obligations and authorizing the Debtors to maintain their prepetition employee benefit programs [D.E. #45];
- Authority, on an interim basis, to continue use of the Debtors' bank accounts, continued use of existing business forms, continued use of the Debtors' existing cash management system, and waiver of certain investment guidelines [D.E. #46];
- Approval, on an interim basis, of the Debtors' application to retain Berger Singerman, as general bankruptcy counsel to the Debtors [D.E. #48];
- Authority, on an interim basis, to use cash collateral [D.E. #49];
- Authority, on an interim basis, to obtain debtor in possession financing from Carlos Duart [D.E. #52];
- Extending the Debtors' time to file the Schedules [D.E. #58];
- Approval of Debtors' application to retain Kurtzman Carson Consultants, LLC ("KCC") as claims, notice and ballot agent for the Court [D.E. #59];

---

<sup>8</sup> References to "D.E." mean the "docket entry" in the Chapter 11 Cases for the particular order of the Bankruptcy Court.

- Approval, on an interim basis, of Debtors' application to retain Rasky Baerlein Strategic Communications ("Rasky") as the Debtors' communications consultants [D.E. #60];
- Ability to pay prepetition sales, use, trust fund and other taxes and similar obligations [D.E. #62];
- Authority to pay certain prepetition claims of, and honoring, certain contracts with outside storage providers and shippers [D.E. #63];
- Approval of monthly and interim compensation and reimbursement of expenses procedures [D.E. #64];
- Approval of the form and manner of notice of commencement of the Chapter 11 Cases and deadlines for the filing of proofs of claim [D.E. #65];
- Authority to employ professionals utilized in the ordinary course of business [D.E. #66];
- Approval, on an interim basis, of the Debtors' request to continue to administer their insurance policies and related agreements [D.E. #68]; and
- Prohibiting utility providers from altering or discontinuing services and establishing procedures to determine requests for additional assurances of payment of utility bills [D.E. #69].

The Debtors are authorized to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code

**C. Miscellaneous Administrative Matters.**

By Order dated October 25, 2011 [D.E. #24], the Bankruptcy Court, prior to the first-day hearing conducted on October 26, 2011, authorized on an *ex parte* basis the joint administration of the Debtors' Chapter 11 Cases for procedural purposes only. Joint administration of these Chapter 11 Cases eliminates the need, and the resulting time and expense, to file the same motion in each of the five Chapter 11 Cases.

By Order dated October 25, 2011 [D.E. #25], the Bankruptcy Court authorized on an *ex parte* basis the Debtors to file a consolidated Case Management Summary ("CMS") containing basic information about the Debtors subject to the right of the U.S. Trustee to request that a CMS be filed for each Debtor. The ability to file a consolidated CMS allowed the Debtors to provide the required information in an economical fashion. Later that day, the Debtors filed the consolidated CMS [D.E. #42].

By Order dated November 1, 2011 [D.E. #65], the Bankruptcy Court approved the form and manner of notice of the commencement of these Chapter 11 Cases and the bar dates by which persons or entities must file proofs of claim. The Bankruptcy Court approved, among other things, the form of the notice of commencement of these Chapter 11 Cases, and the manner in which notice will be provided, so as to afford all parties-in-interest with as much notice as possible to be able to have notice and the opportunity to be heard regarding any matter(s) that will or may affect their substantive rights.

By Orders dated October 26, 2011 [D.E. #46], November 28, 2011 [D.E. #118] and January 11, 2012 [D.E. #157], the Bankruptcy Court authorized, on interim and final bases, the Debtors to continue use of their pre-Petition Date bank accounts and cash management systems, and for an extension of time to comply with the requirement in section 345 of the Bankruptcy Code that all bank accounts be held at approved depositories. This relief allowed for a smooth and efficient transition into Chapter 11 and has facilitated an economic administration of these Chapter 11 Cases.

By Orders dated October 31, 2011 [D.E. #58] and November 22, 2011 [D.E. #98], the Bankruptcy Court extended the time for each of the Debtors to file their respective Schedules. On November 22-23, 2011, each of the Debtors filed their Schedules [D.E. ##101-115]. The Schedules includes detailed lists filed by each Debtor showing such Debtor's assets, liabilities, other financial information, sources of income, transfers of property, lawsuits by creditors and other related information.

**D. Retention of Professionals.**

*i. Restructuring Counsel.*

By Orders dated October 27, 2011 [D.E. #48] and November 28, 2011 [D.E. #117], the Bankruptcy Court granted the Debtors' application to retain Berger Singerman LLP as general restructuring counsel to the Debtors in the Chapter 11 Cases. Berger Singerman LLP received and maintains a \$50,000 pre-Petition Date retainer. If and to the extent that final fees and expenses incurred by Berger Singerman LLP are less than the retainer provided to it, then such excess amounts, if any, shall be turned over by Berger Singerman LLP to the Reorganized Debtors.

*ii. Other Professionals.*

By Order dated November 1, 2011 [D.E. #59], the Bankruptcy Court granted the Debtors' application for approval of KCC as claims, notice and ballot agent for the Court. KCC received a \$15,000 pre-Petition Date retainer. Pursuant to the order approving KCC's retention, KCC was required to apply, and did so, the pre-Petition Date retainer to the initial fees and expenses it incurred in the Chapter 11 Cases.

By orders dated November 1, 2011 [D.E. #60] and January 9, 2012 [ D.E. #154], the Bankruptcy Court granted the Debtors' application to retain Rasky Baerlein Strategic Communications, Inc. (as defined above, "Rasky"), as communications consultant for the Debtors. Rasky received a \$25,000 pre-Petition Date retainer. Pursuant to the order approving Rasky's retention, Rasky was required to apply, and did so, the pre-Petition Date retainer to the initial fees and expenses it incurred in the Chapter 11 Cases.

By Order dated November 28, 2011 [D.E. #119], the Bankruptcy Court approved the retention of Berkowitz Dick Pollack & Brant, Certified Public Accountants & Consultants LLP ("Berkowitz"), as financial advisors to the Debtors. Berkowitz did not receive any retainer as a part of the terms of its retention.

By Order dated November 11, 2011 [D.E. #64], the Bankruptcy Court approved monthly and interim compensation and reimbursement of expense procedures for professionals retained by the Estates. The procedures have provided an orderly mechanism to compensate professionals and provide reimbursement of out-of-pocket expenses on a monthly basis, comparable to those established in other complex Chapter 11 cases in this and other districts. In this way, the Bankruptcy Court and parties in interest have been more effectively able to monitor the fees incurred, and the Debtors have been able to

spread out their payments of professional fees, rather than suffer larger depletions to their cash on an irregular basis.

**E. Cash Collateral.**

On the Petition Date, the Debtors filed the *Debtors' Emergency Motion for Order (I) Authorizing the Debtors (A) to Use Cash Collateral on an Interim Basis Pursuant to 11 U.S.C. § 363, and (B) to Grant Adequate Protection in Connection Therewith Pursuant to 11 U.S.C. §§ 361, 363 and 507, and (II) Scheduling a Final Hearing Under Bankruptcy Rule 4001* [D.E. #9] (the "Cash Collateral Motion").

By Interim Orders dated October 27, 2011 [D.E. #49], November 28, 2011 [D.E. #122] and January 9, 2012 [D.E. #155], the Bankruptcy Court approved the Cash Collateral Motion and authorized the Debtors to use cash on hand to pay their ordinary and necessary business expenses as set forth in the budget attached to such interim orders. As adequate protection for the use of cash on hand, the Bankruptcy Court granted Regions Bank, the lender under the Regions Loan to the Maguire Corp. and non-debtor MEI, a replacement lien on all post-petition property of Debtor Maguire Corp. that was of the same nature and type as the lender's pre-petition collateral. As of the Petition Date, Debtor Maguire Corp. owed Regions Bank a principal amount of \$950,000 under the Regions Loan.

During late November, 2011, and without any advance knowledge on the part of the Debtors, Regions Bank unilaterally off-set funds MEI (the non-debtor, co-borrower under the Regions Loan) held by MEI at Regions Bank in the amount of \$950,000. As a result of such action, the Debtors believe that any claim by Regions Bank against the Debtors has been fully satisfied in the Chapter 11 Cases.

At hearings held by the Bankruptcy Court on November 21, 2011 and December 20, 2011, counsel for MEI (the non-debtor, co-borrower under the Regions Loan) requested certain language be added to the Interim Orders approving the Debtors' use of cash collateral. In particular, the language requested by counsel for MEI, as further amended at the request of the U.S. Trustee and the Debtors, appears as follow in the Interim Order January 9, 2012 [D.E. #155 n.3],

Pursuant to statements made on the record at the hearing held by the Court on November 21, 2011, non-Debtor Metric Engineering, Inc. ('MEI') asserted an interest in the cash collateral covered by this Interim Order. Although this Interim Order makes no findings with respect to MEI's assertions, to the extent applicable, the term 'Lender' in this Interim Order shall include MEI. All parties in interest reserve the right to object to MEI's entitlement to treatment as a Lender and nothing in this Interim Order waives any such right by any interested party.

Other than requesting that certain language be added to the Interim Orders, MEI has not made any other request of the Debtors with respect to the use of cash collateral.

**F. Utility Procedures; Utility Orders.**

The Debtors rely on utility services from various utility companies for water, sewer service, electricity, gas, telephone service, internet service, cable service and waste management. By interim and final orders dated November 3, 2011 [D.E. #69] and January 17, 2012 [D.E. #159], the Bankruptcy Court authorized a prohibition on utility providers from altering or discontinuing services on account pre-Petition Date invoices, approved a deposit in the amount of two weeks' of the estimated monthly utility bills on a going forward basis as constituting adequate assurance of payment of future

utility bills subject to objections by utility providers and, upon the assertion of such an objection, procedures whereby such an objection shall be resolved by the parties or failing that, the Court.

**G. Debtor-in-Possession Financing: Carlos Duarte.**

Due to the fact that the Debtors were experiencing a tight liquidity position at the beginning of the Debtors' Chapter 11 Cases, on the Petition Date, the Debtors filed the *Emergency Motion for Entry of Interim and Final Orders Pursuant to Sections 361, 363, and 364(c) of the Bankruptcy Code and Rule 4001 of the Federal Rules of Bankruptcy Procedure Authorizing (A) Debtors in Possession to Obtain Senior Secured Post-Petition Financing, (B) Granting Certain Liens, (C) Approving Agreements Relating to the Foregoing, (D) Modifying the Automatic Stay, (E) Granting Super-Priority Administrative Claim Status, (F) Scheduling a Final Hearing, and (G) Prescribing Form and Manner of Notice with Respect Thereto* [D.E. 13] (the "DIP Financing Motion"). The primary goal of the DIP Financing Motion was to permit Carlos Duarte to provide funds to the Debtors, principally to pay payroll and benefits to the Debtors' employees, in the event that the Debtors' available cash was insufficient to cover such expenses.

By Interim Orders dated October 27, 2011 [D.E. #52] and November 28, 2011 [D.E. #121], the Bankruptcy Court approved the DIP Financing Motion and authorized the Debtors to obtain secured post-petition financing from Carlos Duarte on a superpriority secured and priming basis, (ii) approved modification of the automatic stay provisions of section 362(a) of the Bankruptcy Code in favor of Carlos Duarte, (iii) granted interim relief; and (iv) scheduled a final hearing under Bankruptcy Rule 4001(b). Pursuant to the facility approved by the Court, the Debtors were authorized to obtain loans in an initial aggregate amount up to \$150,000 with an option to increase the amount of financing to \$250,000.

Pending a final hearing, the Bankruptcy Court authorized the Debtors to borrow funds pursuant to the DIP Financing Motion pending a final hearing pursuant to Bankruptcy Rule 4001(b)(2) and (c)(2) in the amount of \$150,000. Subsequent to the approval of the DIP Financing Motion, the Debtors did not borrow funds. In order to conserve the resources of the Bankruptcy Court, on December 22, 2011, the Debtors filed a notice withdrawing the motion [D.E. #148], without prejudice to the Debtors' right to refile the DIP Financing Motion at a later time.

**H. Payroll, Expense Reimbursements and Related Matters.**

As stated above, the Debtors' revenues are dependent upon their ability to attract and retain qualified and productive employees. In order to ensure that the Employees remained with the Debtors during their Chapter 11 Cases, and in order to maintain Employee morale and productivity and continuous service to their customers, the Debtors filed a motion on the Petition Date [D.E. #10] to pay, in the ordinary course of the Debtors' businesses, certain accrued and unpaid wages as of the Petition Date. The Debtors believed payment of the amounts described in the motion would encourage the Employees to continue to work for the Debtors, thereby avoiding potential disruption in the Debtors' businesses and its service to customers, promoting the prospects for a successful reorganization, and, ultimately, enhancing potential recoveries for the Debtors' creditors. By order dated October 26, 2011 [D.E. #45], the Bankruptcy Court granted the relief requested in the motion.

**I. Critical Obligations.**

Initially on an interim basis and, later, on a final basis, the Bankruptcy Court authorized the Debtors to, among other things, honor:

- Their obligations under their insurance policies [D.E. #68];



- Their obligations for prepetition taxes [D.E. #62]; and
- Their obligations to outside storage providers and shippers [D.E. #63].

Additionally, on November 14, 2011, the Debtors filed their *Motion of Debtors and Debtors-in-Possession for an Order Authorizing Payment of Prepetition Claims of Critical Vendors* [D.E. #85]. In the motion, the Debtors sought authority to pay only fifty (50%) percent of the prepetition claims of twenty (20) vendors that are critical to the Debtors' business operations, nine of which are classified as "Disadvantaged Business Enterprises". On November 28, 2011, the Bankruptcy Court entered an order granting the Debtors' initial critical vendor motion [D.E. #120]. On December 22, 2011, the Debtors filed their *Second Motion of Debtors and Debtors-in-Possession for an Order Authorizing Payment of Prepetition Claims of Critical Vendors* [D.E. #149]. In the motion, the Debtors sought authority to pay only fifty (50%) percent of the prepetition claims of nine vendors that are critical to the Debtors' business operations, five of which are classified as "Disadvantaged Business Enterprises". On January 24, 2012, the Bankruptcy Court entered an order granting the Debtors' second critical vendor motion [D.E. #170].

As stated in each critical vendor motion, the critical vendors who received payments through the motions will be able to assert unsecured claims against the Debtors' estates for the remaining amount of their prepetition unsecured claims.

#### **J. Creditors Committee.**

On November 30, 2011 [D.E. #129], the U.S. Trustee filed a notice with the Bankruptcy Court stating that, until further notice, the U.S. Trustee would not appoint a committee of creditors under section 1102 of the Bankruptcy Code. As of the date of the filing of this Disclosure Statement, no Creditors Committee has been appointed in the Chapter 11 Cases.

#### **K. Schedules.**

On November 22-23, 2011, each of the Debtors filed their Schedules [D.E. ##111-115]. The Schedules includes detailed lists filed by each Debtor showing such Debtor's assets, liabilities, other financial information, sources of income, transfers of property, lawsuits by creditors and other related information. As of the Petition Date, and as described in detail above, the vast bulk of the Debtors' assets totaling approximately \$6.5 million were comprised of (i) accounts receivable in the amount of approximately \$5.0 million, and a 50% interest in 200 Main Street Associates, valued per the local taxing authorities, for local real estate taxes, in the amount of \$1,130,900, and (iii) cash in various bank accounts totalling approximately \$200,000.

#### **L. Bar Dates.**

On November 1, 2011, the Bankruptcy Court entered an order [D.E. #65] establishing February 27, 2012 at 5:00 p.m. (prevailing Eastern Time) as the last date and time (as defined, the "Bar Date") for each person or entity (including without limitation, each individual, partnership, joint venture, corporation, estate, trust, but not Governmental Units (as defined in section 101(27) of the Bankruptcy Code)), to file a proof of claim based upon prepetition claims against the Debtors.

The Bankruptcy Court's order [D.E. #65] also set the Bar Date with respect to Government Units as April 23, 2012 at 5:00 p.m. (prevailing Eastern Time).

## VII. THE PLAN OF REORGANIZATION

After stabilizing their business and addressing other immediate challenges of the bankruptcy filing, the Chapter 11 Debtors and their advisors turned to the challenge of developing a chapter 11 plan that would protect and enhance the ability of the Debtors to continue as a going-concern.

### A. Payment of Administrative Expense Claims and Priority Tax Claims.

#### i. Payment of Allowed Administrative Expense Claims; Administrative Expense Claims Bar Date.

Each holder an Allowed Administrative Expense Claim (including Professional Claims) shall, in full satisfaction, settlement, discharge and release thereof, and in exchange thereof, be paid the Allowed amount of its Administrative Expense Claim, in full, in Cash, on the earlier of: (i) the Effective Date or five (5) Business Days after the date of a Final Order allowing such Administrative Expense Claim (or as soon as practicable thereafter); (ii) for Allowed Administrative Expense Claims that represent liabilities incurred by a Debtor in the ordinary course of business after the Petition Date, the date on which each such Claim becomes due in the ordinary course of such Debtor's business and in accordance with the terms and conditions of any agreement relating thereto; or (iii) at such later date or upon such other less favorable terms as may be mutually agreed upon between each such Creditor entitled to payment of an Allowed Administrative Expense Claim and the Reorganized Debtors.

With the exception of Professionals seeking the allowance and payment of Professional Claims, all requests for payment of Administrative Expense Claims shall be filed by the Administrative Expense Claims Bar Date established by the Bankruptcy Court; and if such requests for payment of Administrative Expense Claims are not so timely filed, the Claims will be Disallowed automatically and deemed forever barred and the holders of such Claims shall be forever barred, estopped and enjoined from asserting such Claims in any manner against the Debtors, the Estates or the Reorganized Debtors, and without the need for any objection by the Debtors or the Reorganized Debtors, as the case may be, and without any further notice or action, order or approval of the Bankruptcy Court.

The Debtors estimate that the amount of unpaid Allowed Administrative Expense Claims, comprised substantially of Professional Claims, as of the Effective Date will total approximately \$181,000, including the Professional Claims of: (i) Berger Singerman LLP (\$132,000); (ii) Rasky Baerlein Strategic Communications (\$9,000); (iii) Berkowitz Dick Pollack & Brant Certified Public Accountants & Consultants, LLP (\$30,000); and (iv) Kurtzman Carson Consultants LLC (\$10,000).

#### ii. Professional Claims Bar Date.

All requests for final allowances of Professional Claims shall be filed by the Bar Date for Professional Claims established by the Bankruptcy Court.

#### iii. Priority Tax Claims.

Each holder an Allowed Priority Tax Claim shall, in full satisfaction, settlement, discharge and release thereof, and in exchange thereof, be paid the Allowed amount of its Priority Tax Claim, in full, in Cash, including statutory interest, on the later of: (i) the Effective Date (or as soon as practicable thereafter) or five (5) Business Days after the date of a Final Order allowing such Priority Tax Claim; or (ii) upon such other dates and terms as may be agreed upon by the holder of any such Allowed Priority Tax Claim and the Reorganized Debtors.

The Debtors estimate that the amount of unpaid Allowed Priority Tax Claims as of the Effective Date will be total zero (\$0) dollars.

*iv. U.S. Trustee; Claims for Statutory Fees; Quarterly Reports.*

Within ten (10) days of the Confirmation Date, the Debtors shall pay the U.S. Trustee the appropriate sums required pursuant to 28 U.S.C. § 1930(a)(6) for the relevant period and provide an appropriate affidavit indicating cash disbursements for the relevant period. Until the earlier of the closing of the applicable Chapter 11 Case by the issuance of a final decree by the Bankruptcy Court, or upon entry of an order of the Bankruptcy Court dismissing the applicable Chapter 11 Case, or converting the applicable Chapter 11 Case to another chapter under the Bankruptcy Code, and notwithstanding anything contained herein to the contrary, the Reorganized Debtors shall (i) pay the U.S. Trustee the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) for post-confirmation periods for each Reorganized Debtor within the time periods set forth in 28 U.S.C. § 1930(a)(6) and (ii) within 45 days of the end of each fiscal quarter, file with the Bankruptcy Court and submit to the U.S. Trustee quarterly reports and affidavits setting forth all receipts and disbursements under the Plan as required by the U.S. Trustee guidelines. To date, the Debtors have paid all fees due and owing to the U.S. Trustee, and the Reorganized Debtors anticipate paying all such fees through confirmation of the Plan and thereafter as provided herein

The Statutory Fees paid by each Debtor to the U.S. Trustee and any fees paid by any Debtor to the Clerk of the Bankruptcy Court from the Petition Date through the Effective Date shall not be affected by the substantive consolidation proposed hereunder. In the event the Plan is confirmed and the Debtors are substantively consolidated, then such substantive consolidation as described herein shall not be retroactive to the Petition Date for the purpose of payment of Statutory Fees.

The Debtors estimate that the amount of unpaid Statutory Fees as of the Effective Date will total zero (\$0) dollars.

**B. Classification of Claims and Equity Interests.**

*i. Generally.*

All Claims and Equity Interests, except Administrative Expense Claims (including Professional Claims), Priority Tax Claims and Claims for Statutory Fees, are placed in Classes as summarized in Section 3.2 of the Plan (“Summary”) and described in Article IV of the Plan (“Impairment and Treatment of Claims and Equity Interests”). A Claim or Equity Interest is placed in a particular Class only to the extent that such Claim or Equity Interest is an Allowed Claim or Equity Interest in that Class and such Claim or Equity Interest has not been paid, released, or otherwise settled or paid prior to the Effective Date, and is classified in other Classes to the extent that any remainder of the Claim or Equity Interest qualifies within the description of such other Classes.

*ii. Summary.*

The following table designates the Classes of Claims against and Equity Interests in the Debtors and specifies which of those Classes are (a) Impaired or Unimpaired by the Plan and (b) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code.

<b>CLASS</b>	<b>DESIGNATION</b>	<b>STATUS</b>	<b>ENTITLED TO VOTE?</b>
Class 1	Priority Claims	Unimpaired	No; Deemed to Accept the Plan
Class 2	Secured Claim of Regions Bank	Unimpaired	No; Deemed to Accept the Plan
Class 3	Other Secured Claims	Unimpaired	No; Deemed to Accept the Plan
Class 4	General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors	Impaired	Yes
Class 5	General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors	Impaired	Yes
Class 6	Subordinated Unsecured Claims	Impaired	No; Deemed to Reject the Plan
Class 7	Equity Interests	Impaired	No; Deemed to Reject the Plan

**C. Impairment and Treatment of Claims and Equity Interests.**

*i. Class 1. Priority Claims.*

(a) Classification. Class 1 consists of the Allowed Priority Claims.

(b) Treatment. Each holder of an Allowed Priority Claim shall be paid in full, in Cash, on the later of the Effective Date or as soon as practicable after the date on which such Priority Claim becomes Allowed, in full settlement, satisfaction, release and discharge of an Allowed Priority Claim.

(c) Voting. Class 1 is Unimpaired. The holders of Claims in Class 1 are deemed to accept the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

*ii. Class 2. Secured Claim of Regions Bank.*

(a) Classification. Class 2 consists of the Allowed Secured Claim of Regions Bank.

(b) Treatment. The holder of the Secured Claim of Regions Bank has been satisfied in full during the Chapter 11 Cases, in full settlement, satisfaction, release and discharge of the Allowed Secured Claim of Regions Bank. As of the Effective Date, the Regions Loan Documents (including all notes and any obligations of the Debtors thereunder) shall be discharged and be of no further force or effect against the Debtors or any property that secured the Regions Loan, and the holder thereof shall have no rights against the Debtors or the property that secured the Regions Loan; provided, however, that this Section shall not affect the pursuit of any Cause of Action by the Debtors or the Reorganized Debtors, as the case may be.

(c) Voting. Class 2 is Unimpaired. The holder of the Claim in Class 2 is deemed to accept the Plan and, accordingly, is not entitled to vote to accept or reject the Plan.

*iii. Class 3. Other Secured Claims.*

(a) Classification. Class 3 consists of the Allowed Other Secured Claims.

(b) Treatment. On the Effective Date, or as soon thereafter as practicable, each holder of an Allowed Other Secured Claim, except to the extent that the holder of such Claim agrees to a less favorable treatment, shall receive, on account of its Claim against the Debtors, one of the following Distributions in full settlement, satisfaction, release and discharge of an Allowed Other Secured Claim: (i) the payment of such holder's Allowed Other Secured Claim in full in Cash; (ii) the sale or disposition proceeds of the property securing any Allowed Other Secured Claim to the extent of the value of its interest in such property; (iii) the surrender to the holder of any Allowed Other Secured Claim of the property securing such Claim; or (iv) such other Distributions as shall be necessary to satisfy the requirements of Chapter 11 of the Bankruptcy Code. The manner and treatment of each Allowed Other Secured Claim (if any) shall be determined by the Debtors and transmitted in writing to the holder of such Allowed Other Secured Claim prior to the Effective Date of the Plan.

(c) Voting. Class 3 is Unimpaired. The holders of Claims in Class 3 are deemed to accept the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

*iv. Class 4. General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors.*

(a) Classification. Class 4 consists of the Allowed General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors and are set forth on Exhibit 4.4 to the Plan.<sup>9</sup> The holders of Claims included in Class 4 are sub-consultants who have been retained by the Debtors to work on the Debtors' current projects. The estimated combined general unsecured claims in Class 4 total approximately \$3.2 million and the combined total amount of general unsecured claims in the Debtors' estates is approximately \$46 million.

(b) Treatment. On the Effective Date, or as soon thereafter as practicable, each holder of an Allowed General Unsecured Claim Necessary for the Continued Operation of the Reorganized Debtors, except to the extent that the holder of such Claim agrees to a less favorable treatment, shall receive, on account of its Claim against the Debtors, the following Distributions, in full settlement, satisfaction, release and discharge of an Allowed General Unsecured Claim Necessary for the Continued Operation of the Reorganized Debtors:

(i) 100% of the Allowed Class 4 Claim paid in Cash, without interest from the Effective Date until paid, payable by the Reorganized Debtors on the Class 4 Payment Dates during the Class 4 Distribution Period until paid in full. The Reorganized Debtors will begin to make Distributions to the holders of Allowed Class 4 Claims only after the Debtors or the Reorganized Debtors, as the case may be, have received payment from the relevant Project Authority for the Project on which a particular Allowed Class 4 Claim arose and which pertains to the particular Allowed Class 4 Claim. The Debtors will make their best efforts to make the monthly Distributions to holders of Allowed Class 4 Claims in line with the Financial Projections; provided, however, the Debtors reserve the right to modify the timing of the Distributions to holders of Allowed Class 4 Claims during the Class 4 Distribution Period (but all such Distributions will be made prior to the expiration of the Class 4 Distribution Period) based upon the Debtors' actual cash flow, including accelerating payments to the holders of Allowed Class 4 Claims.

---

<sup>9</sup> Exhibit 4.4 is subject to amendment and further revision.

Distributions in respect of Allowed Class 4 Claims may be made from the Duart Contribution and the Cash Flow, but are not limited to those sources of payment, and are personally guaranteed by Duart pursuant to the Duart Guaranty.

(ii) If a Class 4 Claim is Disputed, then on any Class 4 Payment Date (on and after the Effective Date), the Distribution to which such Disputed Class 4 Claim would be entitled if it were Allowed at such time shall be deposited in the Disputed Claims Reserve and held until such time as the claim is Allowed and thereafter paid by the Reorganized Debtors from the Disputed Claims Reserve. If any alleged Class 4 Claim remains Disputed on the next succeeding Class 4 Payment Date(s), then the additional payments that would otherwise be due on such Class 4 Payment Date(s) if such Claim was an Allowed Class 4 Claim shall also be deposited in the Disputed Claims Reserve and held until such time as the claim is Allowed and thereafter paid by the Reorganized Debtors from the Disputed Claims Reserve or otherwise distributed pursuant to the terms of the Plan.

(c) Net Recoveries from Causes of Action. Holders of Allowed Claims in Class 4 will not be entitled to any net recoveries obtained from Causes of Action.

(d) Avoidance Actions. Holders of Claims in Class 4 shall be released from any liability in respect of Avoidance Actions.

(e) Non-Consensual Confirmation. In the event that Class 4 rejects the Plan, the Debtors reserve the right to seek to confirm the Plan under section 1129(b) of the Bankruptcy Code, and, in such event, the Debtors reserve the right, pursuant to Sections 5.3 (“Nonconsensual Confirmation”) and 13.1 (“Modification of the Plan”) of the Plan, to alter, amend or modify the Plan, with the consent of the Plan Proponents, such consents not to be unreasonably withheld, to offer different treatment to Class 4, to the extent that the Debtors determine that such modifications are necessary to comply with the requirements of section 1129(b) of the Bankruptcy Code.

(f) Voting. Class 4 is Impaired. The holders of Claims in Class 4 are entitled to vote to accept or reject the Plan.

v. Class 5. General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors

(a) Classification. Class 5 consists of the Allowed General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors, and includes all Allowed General Unsecured Claims not otherwise included in Class 4 of the Plan, including, but not limited to, any Claims set forth on Exhibit 4.5 to the Plan that are Allowed Claims and any Allowed General Unsecured Claim that is a deficiency Claim related to any Allowed Secured Claim (if any), whether or not such Claim is set forth on Exhibit 4.5 of the Plan.<sup>10</sup> The estimated combined general unsecured claims in Class 5 total approximately \$42.8 million and combined total amount of general unsecured claims in the Debtors’ estates is approximately \$46 million.

(b) Treatment. On the Effective Date, or as soon thereafter as practicable, each holder of a General Unsecured Claim Not Necessary for the Continued Operation of the Reorganized Debtors, except to the extent that the holder of such Claim agrees to a less favorable treatment, shall receive, on account of its Claim against the Debtors, the following Distribution, in full settlement,

<sup>10</sup> Exhibit 4.5 is subject to amendment and further revision.

satisfaction, release and discharge of an Allowed General Unsecured Claim Not Necessary for the Continued Operation of the Reorganized Debtors:

(i) Each holders of an Allowed Class 5 Claim as of the Effective Date shall receive a lump sum payment in Cash from the Reorganized Debtors on the Effective Date representing such holder's Pro-Rata Share of the Class 5 Claims Distribution. The Class 5 Claims Distribution will be funded by the Duart Contribution and is personally guaranteed by Duart pursuant to the Duart Guaranty.

(ii) If a Class 5 Claim is Disputed on the Effective Date, the Reorganized Debtors shall deposit in the Disputed Claims Reserve the amount of such Disputed Class 5 Claim's Pro-Rata Share of the Class 5 Claims Distribution, and such amounts shall be held in the Disputed Claims Reserve until such time as the claim is Allowed and thereafter paid by the Reorganized Debtors from the Disputed Claims Reserve or otherwise distributed pursuant to the terms of the Plan. Once a Class 5 Claim becomes Allowed by Final Order or otherwise pursuant to the terms of the Plan, the holder of the Allowed Class 5 Claim shall receive a lump sum payment in Cash from the Reorganized Debtors representing such holder's Pro-Rata Share of the Class 5 Claims Distribution.

**The Plan Proponents are continuing to review and negotiate with certain creditors. It is possible that settlements may be reached or other events may occur which could result in a presently identified Class 5 Claim being reclassified as a Class 4 Claim. The Debtors will not seek to use possible reclassification of claims to obtain better business deals with holders of claims in Class 5.**

**However, no presently identified Class 5 Claim may be reclassified as a Class 4 Claim after the Confirmation Hearing commences. Additionally, no presently identified Class 5 Claim may be reclassified as a Class 4 Claim prior to the Confirmation Hearing without the consent of the Plan Proponents.**

(c) Net Recoveries from Causes of Action. Holders of Allowed Claims in Class 5 will be entitled to Pro Rata Shares of net recoveries, if any, obtained from Causes of Action.

(d) Non-Consensual Confirmation. In the event that Class 5 rejects the Plan, the Debtors reserve the right to seek to confirm the Plan under section 1129(b) of the Bankruptcy Code, and, in such event, the Debtors reserve the right, pursuant to Sections 5.3 ("Nonconsensual Confirmation") and 13.1 ("Modification of the Plan") of the Plan, to alter, amend or modify the Plan, with the consent of the Plan Proponents, such consents not to be unreasonably withheld, to offer different treatment to Class 5, to the extent that the Debtors determine that such modifications are necessary to comply with the requirements of section 1129(b) of the Bankruptcy Code.

(e) Voting. Class 5 is Impaired. The holders of Claims in Class 5 are entitled to vote to accept or reject the Plan.

vi. Class 6. Subordinated Unsecured Claims.

(a) Classification. Class 6 consists of the Allowed Subordinated Unsecured Claims and are set forth on Exhibit 4.6 to the Plan and include the Claims of (i) Duart, (ii) Victor Benitez (the father-in-law of Duart) and (iii) MEI.<sup>11</sup>

(b) Treatment. It is expected that each Allowed Subordinated Unsecured Claim shall receive nothing under the Plan. However, in the event that holders of Allowed Claims in Class 5 of the Plan are paid in full through Distributions from a combination of the Class 5 Distribution and the net recoveries, if any, obtained from Causes of Action, then the holders of Allowed Claims in Class 6 will be entitled to Pro Rata Shares of net recoveries, if any, obtained from Causes of Action.

(c) Voting. Class 6 is Impaired. Class 6 is Impaired. The holders of Claims in Class 6 are deemed to reject the Plan and, accordingly, are not entitled to vote to accept or reject the Plan..

vii. Class 7. Equity Interests.

(a) Classification. Class 7 consists of Equity Interests in each of the Debtors.

(b) Treatment. No Distribution shall be made under the Plan from the Estates in respect of the Equity Interests. On the Effective Date, the certificates that previously evidenced ownership of the Equity Interests shall be cancelled and shall be null and void, the holder(s) thereof shall no longer have any rights in respect of the Equity Interests, and such certificates shall not evidence any rights under the Plan.

(c) Voting. Class 7 is Impaired. The holders of Equity Interests in Class 7 are deemed to reject the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

**D. Acceptance, Rejection, Amendment and Revocation or Withdrawal of the Plan.**

i. Classes Entitled to Vote.

Each holder of a Claim, as of the Record Date, in an Impaired Class, other than those Classes that are deemed to reject the Plan, shall be entitled to vote to accept or reject the Plan, in its sole and absolute discretion, subject to applicable law. Classes 1 and 2 are deemed to have accepted the Plan, and Classes 6 and 7 are deemed to have rejected the Plan. Votes from holders of Claims in Classes 4 and 5 will be solicited.

ii. Acceptance by Class of Claims.

An Impaired Class of Claims shall be deemed to accept the Plan if (a) holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in dollar amount of the Allowed Claims actually voting in such Class have voted to accept the Plan and (b) the holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of more than one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

iii. Nonconsensual Confirmation.

---

<sup>11</sup> Exhibit 4.6 is subject to amendment and further revision.



In the event that any Class of Claims entitled to vote shall not accept the Plan by the requisite statutory majority required by section 1129(a) of the Bankruptcy Code, the Debtors reserve the right to (a) request that the Bankruptcy Court confirm the Plan in accordance with section 1129(b) of the Bankruptcy Code with respect to such non-accepting Class, in which case the Plan shall constitute a motion for such relief, or (b) alter, amend or modify the Plan in accordance with Sections 13.1 of the Plan (“Modification of the Plan”). The Debtors shall exercise the right to seek confirmation of the Plan under section 1129(b) of the Bankruptcy Code.

*iv. Revocation or Withdrawal; No Admissions.*

(a) *Right to Revoke or Withdraw.* The Plan may be revoked or withdrawn prior to the Confirmation Date by the Debtors in their sole discretion.

(b) *Effect of Withdrawal or Revocation; No Admissions.* If the Plan is revoked or withdrawn prior to the Confirmation Date, then the Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute a waiver or release of any claims or defenses or any admission or statement against interest by any Debtor or any other Person or to prejudice in any manner the rights of the Debtors or any Person in any further proceedings involving any Debtor.

*v. Amendment of Plan Documents.*

From and after the Effective Date, the authority to amend, modify, or supplement the Plan Supplement, the Exhibits to the Plan Supplement and the Exhibits to the Plan and any documents attached to such Plan Supplement, Exhibits to the Plan Supplement and Exhibits to the Plan shall be as provided in such Plan Supplement, Exhibits to the Plan Supplement and Exhibits to the Plan and their respective attachments.

*vi. Removal of Debtors.*

At the sole discretion of the Debtors, a Debtor may be removed from the Plan. In such event, the Plan will omit any treatment of the assets and liabilities of such Debtor, unless otherwise agreed. The removal of any Debtor from the Plan will not affect the Plan with respect to any other Debtor.

**E. Means of Implementing the Plan.**

*i. Procedural Substantive Consolidation.*

The Plan is premised upon the substantive consolidation of the Debtors solely for purposes of voting, confirmation and Distribution. On and after the Effective Date (i) all assets and liabilities of the Debtors shall be treated for purposes of the Plan as though they were merged, (ii) all guarantees of the Debtors of payment, performance or collection of obligations of any other of the Debtors shall be eliminated and cancelled, (iii) all joint obligations of two or more of the Debtors and all multiple Claims against such entities on account of such joint obligations, shall be considered a single Claim against the Debtors, (iv) all intercompany claims and obligations between one Debtor and any of the other Debtors, including as a result of the rejection of any executory contract or unexpired lease, shall be eliminated, extinguished and cancelled, and (v) any Claim filed against any of the Debtors shall be deemed filed against the consolidated Debtors and shall be one Claim against and a single obligation of the consolidated Debtors.

Except as otherwise provided in the Plan (i) all property of each Debtor shall vest in each respective Reorganized Debtor, free and clear of all Claims, Liens, encumbrances, charges or other interests and (ii) each Debtor shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect before the Effective Date. Consistent with the substantive consolidation of the Debtors provided for by the Plan, on the Effective Date, the consolidation of the Debtors' Estates shall be effective and effectuated pursuant to the Confirmation Order without any further action by the stockholders or directors of any of the Debtors.

The entry of the Confirmation Order shall constitute approval by the Bankruptcy Court, pursuant to sections 105(a) and 1123(a)(5)(C) of the Bankruptcy Code, effective as of the Effective Date, of the substantive consolidation of the Debtors' respective Estates, solely for purposes of voting on, confirmation of and Distributions hereunder, and for no other purpose.

Notwithstanding the substantive consolidation of the Debtors, respectively, as provided herein, the substantive consolidation shall be solely for purposes of voting on, confirmation of and Distributions hereunder and specifically shall not:

(i) affect the treatment proposed by a Debtor to any holder of an Allowed Secured Claim of Regions Bank or Allowed Other Secured Claim against such Debtor, and after the Effective Date, such claim shall be unaffected by such substantive consolidation;

(ii) affect any Liens that are maintained, recognized, or preserved hereunder shall be unaffected by the substantive consolidation;

(iii) affect any claims under or with respect to any insurance policy of any Debtor (or any right to the proceeds of any such policy or policies) which shall be unaffected by the substantive consolidation,

(iv) affect the legal and organizational structure of each such Debtor from and after the Effective Date;

(v) destroy or otherwise affect the separate corporate existence of each Debtor and the ownership interest in each Debtor; or

(vi) affect or change any Cause of Action or other claim that any Debtor would possess had any of the Chapter 11 Cases not been substantively consolidated as provided herein or any defenses that any defendant in respect of such Causes of Action would have in connection therewith;

(vii) divest any Debtor of any tax attributes; or

(viii) affect any Statutory Fees paid by, or accrued in respect of, any Debtor to the U.S. Trustee or the Clerk of the Bankruptcy Court from the Petition Date through the Effective Date.

The Plan shall be deemed to be a motion, pursuant to Bankruptcy Rule 9013, by the Debtors for limited and partial substantive consolidation with respect to the Plan as set forth herein. Any objection by an affected Creditor to such consolidation shall be treated as an objection to Confirmation and shall be determined by the Bankruptcy Court at the Confirmation Hearing. Failure to timely object to substantive consolidation may result in consolidation of the Debtors in accordance herewith, without further hearing.

Sections 105(a) and 1123(a)(5) of the Bankruptcy Code empower a bankruptcy court to authorize substantive consolidation pursuant to a Chapter 11 plan. See *In re Stone & Webster, Inc.*, 286 B.R. 532 (Bankr. D. Del. 2002).

The Eleventh Circuit Court of Appeals clearly articulated the standard for substantive consolidation in *Eastgroup Properties v. Southern Motel Ass'n Ltd.*, 935 F.2d 245 (11th Cir. 1991); see also *Reider v. Reider (In re Reider)*, 31 F.3d 1102 (11th Cir. 1994). “The basic criterion by which to evaluate a proposed substantive consolidation is whether ‘the economic prejudice of debtor separateness’ outweighs ‘the economic prejudice of consolidation.’” *Eastgroup*, 935 F.2d at 249 (citing *In re Snider Brothers, Inc.*, 18 B.R. 230, 234 (Bankr. D. Mass. 1982)). “[T]he proponent of substantive consolidation must show that (1) there is a substantial identity between the entities to be consolidated; and (2) consolidation is necessary to avoid some harm or to realize some benefit. *Id.* (adopting the test of the D.C. Circuit set forth in *Drabkin v. Midland-Ross Corp. (In re Auto-train Corp.)*, 810 F.2d 270, 276 (D.C. Cir. 1987)). This showing constitutes a prima facie case for substantive consolidation and “the burden shifts to an objecting creditor to show that (1) it has relied on the separate credit of one of the entities to be consolidated; and (2) it will be prejudiced by substantive consolidation.” *Id.* at 249 (citing *Auto-Train, Matter of Lewellyn*, 26 B.R. 246, 252 (Bankr. S.D. Iowa 1982) and *Snider Bros.*, 18 B.R. at 238). However, even if an objecting creditor makes this showing, substantive consolidation may still be ordered if the “demonstrated benefits of consolidation ‘heavily’ outweigh the harm.” *Id.*

Moreover, in appropriate circumstances, bankruptcy courts have the power to order limited or partial substantive consolidation, or to place conditions on the substantive consolidation, such as the preservation of avoidance claims by the formerly separate estates. *In re Avery*, 377 B.R. 264, 268 (Bankr. D. Alaska 2007) (“A bankruptcy court has discretion to order *nun pro tunc* consolidation [which] may enable a trustee to preserve fraudulent transfer and avoidance proceedings with regard to related entities which might otherwise be barred due to statutes of limitation.”); *Alexander v. Compton (In re Bonham)*, 229 F.3d 750, 763 (9th Cir. 2000); see also *In re Creditors Serv. Corp.*, 195 B.R. 680, 689 (Bankr. S.D. Ohio 1996) (“[s]ubstantive consolidation may be limited to certain classes of claims, specific property, or may be appropriately conditioned.”); *Matter of Steury*, 94 B.R. 553, 556 (Bankr. N.D. Ind. 1988). Pursuant to the terms of the Plan, the Plan Proponents seek to place certain conditions on substantive consolidation.

The Debtors believe that there is a substantial identity, extensive interrelationship, and interdependence between and among these Debtors. Maguire Holdings is the direct or indirect parent of each of its affiliated Debtors. As a result, Maguire Holdings is the ultimate parent of all of the Debtors. Attached hereto as Exhibit “C” (“The Debtors’ Prepetition Organizational Structure”) is the Debtors’ prepetition corporate chart showing the direct and indirect ownership of each Debtor. Each of the Debtors comprising the consolidated Debtors maintained the same corporate headquarters in Miami, Florida. All of the Debtors were in the same or substantially similar line of business. In fact, Maguire Holdings acquired all of the Debtors as a going concern in a transaction that occurred in mid-2009 (i.e., the 2009 Transaction). The acquisition of the Debtors included their entire infrastructure and most of their management team.

Each of the Debtors maintained consolidated financial operations and shared a common cash management system through which the Debtors paid bills in and from the same bank accounts and deposited receipts in the same bank accounts. In general, the Debtors also maintained consolidated financial statements and information. Further, the Debtors commingled their assets and cash by and among themselves, including in connection with the payment of liabilities. Attached hereto as Exhibit "D" ("The Debtors' Prepetition Consolidated Cash Management System") is a chart evidencing the manner in which Debtors' prepetition consolidated cash management system worked for each of the Debtors. The manner in which the Debtors managed their cash as reflected in their cash management systems is clear evidence of the extensive commingling of cash by such Debtors and the commingling and payment of liabilities by such Debtors. In essence, all cash from any source flowed through the same main bank accounts and was used to pay the liabilities of the respective Debtors. Once such cash was commingled in the respective cash management systems, it lost its character as a separate asset of any particular Debtor. Other connections include, but are not limited to, the following: (i) overlap between the various boards of directors and officers; (ii) all of the Debtors' Employees are employed by one of the Debtors (Maguire Group Inc.); and (iii) a significant, entangled intercompany claims exists among the Debtors. The proposed substantive consolidation of the Debtors will enable the Debtors to, among other things, effectuate equitable distributions to creditors, avoid the calculation, resolution and classification of intercompany claims. In addition, the substantive consolidation would reduce the administrative burden of tabulating separate votes with respect to each of the Debtors in the Debtors.

The second prong of the test for determining whether substantive consolidation of the Debtors is warranted is whether the benefits of consolidation will outweigh the potential prejudice to the Debtors' creditors. The Debtors believe this test is easily met as well. After giving effect to substantive consolidation, all of the Debtors' creditors will receive the benefit of distributions in satisfaction of their Claims from the assets of the Debtors. In addition, substantive consolidation will expedite the conclusion of the Chapter 11 Cases. Absent substantive consolidation, the Debtors would be required to attempt to disentangle their assets and liabilities and litigate the validity and priority of the intercompany claims. The reconciliation and resolution of the Debtors' intercompany claims, including the determination of whether one Debtor's "investment" in another Debtor is truly an investment or an intercompany claim, would undoubtedly be costly and could significantly delay the conclusion of the Chapter 11 Cases. Moreover, if the Chapter 11 Cases are not substantively consolidated and the intercompany claims (or "investments") were allowed against the respective Debtor's estate, the distribution to the holders of the Allowed Claims against each estate would likely receive no greater distribution than they would receive under a substantive consolidation of the Debtors' estates.

As stated above, as a result of the manner in which the Debtors' operated their financial and accounting systems, there are significant intercompany claims owed by and among the Debtors. These intercompany claims, however, are comprised of hundreds of "due tos" and "due froms" by and among each Debtor. Based on the review performed by the Debtors' advisors, the amount of the intercompany claim that each Debtor owes to each other Debtor cannot be readily or precisely quantified. Moreover, the Debtors' advisors believe that it will require the expenditure of such a significant amount of professional fees in order to recreate the many transactions between and among the Debtors that it is not practically and economically feasible to do so. However, even if the recreation of such intercompany claims were economically and practically feasible to do, it is highly doubtful that the results achieved would be reliable in any manner as there is substantial doubt as to whether the Debtors' books and records contain sufficient documentation to accurately reflect all of the intercompany transactions between and among the Debtors.

As is clear from the above analysis, the determination to seek substantive consolidation of the Debtors is well supported by the facts and the law.

ii. Source of Funding for Plan Distributions.

The Debtors or the Reorganized Debtors, as the case may be, will use the (i) Duart Contribution, (ii) available Cash on the Effective Date, (iii) Cash Flow on and after the Effective Date, or, where applicable, and (iv) Disputed Claims Reserve, to make all Distributions required to be made by the Debtors or the Reorganized Debtors, as the case may be, on and after the Effective Date under the Plan. In addition, the Distributions to all holders of Allowed Claims under the Plan are guaranteed by the Duart Guaranty. The Duart Contribution will be funded from Duart's personal resources. At the Confirmation Hearing, the Debtors will present evidence demonstrating Duart's financial wherewithal to provide the Duart Contribution and the Duart Guaranty from Duart's personal resources.

iii. Section 1146 Exemption.

Pursuant to section 1146 of the Bankruptcy Code, the issuance, distribution, transfer or exchange of any equity security or notes, or the creation, making, assignment delivery or recording of any mortgage, deed of trust, instrument of transfer, pursuant to, in implementation of or as contemplated by the Plan or any Plan Document, or the vesting, re-vesting, transfer or sale of any property of, by or in the Debtors or their Estates or Reorganized Debtors pursuant to, in implementation of or as contemplated by the Plan or any Plan Document, or any transaction arising out of, contemplated by or in any way related to the foregoing, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangible or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, sales and use Uniform Commercial Code filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local governmental officials or agents shall, by the Confirmation Order, be directed to forego the collection of any such tax or governmental assessment and to accept for filing and recording any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment. The United States Trustee believes that the proposed section 1146 exemption proposed by the Debtors in the Plan is overbroad. The Debtors dispute the United States Trustee's assertion.

iv. Corporation Action.

All actions contemplated to be performed by the Debtors or the Reorganized Debtors pursuant to the Plan, or any corporate action to be taken by or required of the Debtors or the Reorganized Debtors, shall, as of the Effective Date, be deemed to have occurred and be effective as provided herein, and shall be authorized and approved in all respects without any requirement for further action by the shareholders, partners, members or managers of the Debtors or the Reorganized Debtors. All Persons, the Reorganized Debtors, Governmental Units, title agencies, licensing agencies and offices of recordation may rely upon the authority vested in the Debtors' officers, or managers to act on the Debtors' behalf in order to effectuate the Plan and the transactions contemplated herein.

v. Vesting of Assets in the Reorganized Debtors.

Except as otherwise provided in the Plan or the other Plan Documents, pursuant to sections 1123(a)(5), 1123(b)(3) and 1141(b) and (c) of the Bankruptcy Code, on the Effective Date, all property of each Estate shall vest in the in each respective Reorganized Debtor free and clear of all Liens, Claims, charges, or other encumbrances. As of the Effective Date, the Reorganized Debtors may operate their businesses and use, acquire, and dispose of their property, free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order. All privileges with respect to the property of the Estates, including the attorney/client privilege, to which the Debtors are entitled shall automatically vest in, and may be asserted by or waived on behalf of, the Reorganized Debtors.

vi. Distributions.

The Distributions will be made in accordance with the Plan by the Debtors, the Reorganized Debtors, and/or the Distribution Agent.

vii. Surrender and Cancellation of Notes, Instruments, Certificates and Other Documents Evidencing Claims or Equity Interests.

On the Effective Date, except to the extent otherwise provided in the Plan, all notes, instruments, certificates, and other documents evidencing Claims or Equity Interests will be cancelled and the obligations of the Debtors discharged in accordance with section 1141(d)(1) of the Bankruptcy Code.

viii. Issuance of New Equity.

On the Effective Date, all existing Equity Interests of the Debtors will be extinguished and terminate for all purposes whatsoever, and no right, title, claim or interest arising out of or in connection with the existing Equity Interests in the Debtors shall survive the Effective Date or be asserted against the Debtors, Reorganized Debtors, Plan Proponents or otherwise. On the Effective Date, the Reorganized Debtors will issue 100% of their equity interests to the Plan Proponents or their designee(s) free and clear of all Liens, Claims, interests and encumbrances in exchange for the consideration of: (a) the Duart Contribution; (b) the subordination and consent to extinguishment of Mr. Duart's asserted General Unsecured Claim in the amount of \$338,500 (which is classified as a Claim in Class 6 ("Subordinated Unsecured Claims") by the Plan); and (c) the furnishing by Duart of the Duart Guarantee. Carlos Duart will not receive any salary from the Reorganized Debtors, or any dividends or distributions from the Reorganized Debtors (other than customary tax distributions) until (i) all Allowed Claims in Class 4 ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors") are paid in full to the extent provided in the Plan, and Disputed Claims in such Class 4 are resolved, and (ii) the Class 5 Claims Distribution has been fully funded.

ix. Continued Corporate Existence of the Reorganized Debtors.

Except as otherwise provided in the Plan, each of the Reorganized Debtors will exist after the Effective Date as a reorganized, separate corporate entity or other business entity form, with all of the powers of a corporation or other business form under applicable law in the jurisdiction in which such Debtor is incorporated or otherwise formed and pursuant to its certificate of incorporation and bylaws or other organizational documents in effect before the Effective Date, except to the extent such certificate of incorporation or bylaws (or other formation documents in the case of a limited liability company or limited partnership) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be authorized pursuant hereto and without the need for any other approvals, authorizations, actions or consents. Notwithstanding, each of the Debtors or Reorganized Debtors may change its status of incorporation or alter its corporate structure or business form (either through a merger, consolidation, restructuring, conversion, disposition, liquidation, dissolution, or otherwise) on or after the Effective Date as may be determined by the Debtors to be appropriate. In each case in which the surviving, resulting, or acquiring company in any such transaction is a successor to a Debtor, such successor company shall perform the obligations of the applicable Debtor under the Plan, if any, to pay or otherwise satisfy the Allowed Claims against such Debtor.

x. Amendment of the Reorganized Debtors' Governance Documents.

As of the Effective Date, and without any further action by the stockholders, directors or members of each Debtor or Reorganized Debtor, and to the extent necessary to comply with section

1123(a)(6) of the Bankruptcy Code, the Debtors' articles of incorporation and by-laws (or analogous governance documents) shall be amended and restated, in form and substance consistent with the Plan, to provide for, among other things, (i) to provide for such provisions, terms, and conditions necessary to comply, conform with, authorize and implement the terms, conditions, requirements, and all acts necessary to implement the Plan, including the issuance of the common stock or similar equity interests in the Reorganized Debtors (constituting 100% of the issued and outstanding capital stock of the Reorganized Debtors, to be issued under the Plan) and (ii) to prohibit the issuance of nonvoting equity securities. The officers of the Reorganized Debtors are authorized to file such articles of incorporation and by-laws (or analogous governance documents) with the appropriate authority(ies) without shareholder approval or any other action. After the Effective Date, the Reorganized Debtors may amend and/or restate their articles of incorporation and by-laws as permitted under applicable law.

*xi. Directors, Officers, Members and Managers of the Reorganized Debtors.*

Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, as of the Effective Date, the directors, officers, partners, members and managers, as the case may be, of each of the Debtors immediately prior to the Effective Date shall be deemed to be the directors, officers, partners, members and managers, as the case may be, of each of the Reorganized Debtors without any further action by any party. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors have disclosed, in the Disclosure Statement or the Plan Supplement, the identity and affiliation of any individuals proposed to serve as the initial partners, members and managers of the Reorganized Debtors.

On and after the Effective Date, the operations of the Reorganized Debtors shall continue to be the responsibility of their directors, officers, partners, members and managers, as the case may be, or as set forth in the applicable existing organizational or operational documents of each of the Debtors. Each director, officer, partner, member and manager, as applicable, of the Reorganized Debtors shall serve from and after the Effective Date until his or her successor is duly elected or appointed and qualified or until his or her earlier death, resignation or removal in accordance with the applicable articles or certificate of incorporation, operating agreement or other organizational documents of the Reorganized Debtors.

From and after the Confirmation Date, the directors, officers, partners, members and managers, as applicable, of the Debtors and the Reorganized Debtors, as the case may be, shall have all powers accorded by law to put into effect and carry out the Plan and the Confirmation Order.

*xii. Effectuating Documents and Further Transactions.*

On or before the Effective Date, and without the need for any further order or authority, the Debtors shall file with the Bankruptcy Court or execute, as appropriate, such agreements and other documents that are in form and substance satisfactory to the Plan Proponents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors, the Reorganized Debtors, and any other necessary party, as applicable, shall perform all actions reasonably contemplated regarding the implementation of the Plan. Each of the directors, officers, partners, members and managers, as the case may be, of the Debtors and the Reorganized Debtors is authorized, without the need for any further order or authority, (i) to execute, deliver, file, or record such contracts, instruments, releases, indentures, mortgages, and other agreements or documents and take such actions as may be necessary or appropriate to implement or consummate the Plan, notes or securities issued pursuant to the Plan, and (ii) to undertake any other action on behalf of the Debtors to implement or consummate the Plan. Each of the matters provided for under the Plan involving the corporate structure of the Debtors or corporate action to be taken by or required of any Debtor will, as of the Effective Date, be deemed to have

occurred and be effective as provided herein, and shall be authorized, approved, and (to the extent taken before the Effective Date) ratified in all respects without any requirement of further action by any stockholder, creditor, or director of the Debtor

*xiii. Section 1145 Determination.*

The confirmation of the Plan shall constitute a determination, in accordance with section 1145 of the Bankruptcy Code, that, except with respect to an entity that is an underwriter as defined in § 1145(b), section 5 of the Securities Act of 1933 and any state or local law requiring registration for the offer or sale of a security or registration or licensing of an issuer of, underwriter of, broker or dealer in, a security, do not apply to the offer, sale, or issuance of any securities under the Plan.

*xiv. Preservation of Causes of Action.*

Except as provided in Section 11.10 of the Plan (“Releases”), the Debtors (prior to the Effective Date) and the Reorganized Debtors (on and after the Effective Date) shall retain all Causes of Action. On the Effective Date, the Causes of Action shall be preserved and vested in the Reorganized Debtors for the benefit of holders of Allowed Claims in Class 5 of the Plan (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”). The Reorganized Debtors will have the right, in their sole and absolute discretion, to pursue, not pursue, enforce, file, settle, compromise, release, withdraw, arbitrate or litigate any Cause of Action without seeking any approval from the Bankruptcy Court except as provided in Section 6.15 of the Plan (“Prosecution and Settlement of Causes of Action”). Any net recovery obtained by the Reorganized Debtors from Causes of Action shall be distributed by the Reorganized Debtors in Pro Rata Shares to the holders of Allowed Claims in Class 5 of the Plan (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”).

The Debtors are currently not in a position to express an opinion on the merits of any of the Causes of Action or on the recoverability of any amounts as a result of any such Causes of Action. During the Debtors’ chapter 11 cases, the Debtors have been actively pursuing settlement discussions with various parties.

One of the Debtors’ significant Causes of Action is an adversary proceeding (Adv. No. 12-01158) (the “Lawsuit”) commenced by the Debtors on February 27, 2012 against Richard Repeta (“Repeta”). As described in the complaint filed in the Lawsuit (the “Complaint”), the Lawsuit seeks to recover, pursuant to Bankruptcy Code sections 544, 548 and 550 and Florida Code sections 726.105(1)(B) and 726.106(1), fraudulent transfers of \$2,075,406.25 made to Repeta during the four years preceding the Debtors’ bankruptcy filings. Repeta was the principal shareholder, director and CEO of Debtors Maguire Corp. and MGI. Due to Repeta’s alleged mismanagement, the Debtors experienced a severe financial hardship and substantial decline in revenues.

As described in the Complaint, despite the financial hardships experienced by the Debtors due to Repeta’s mismanagement, Repeta and other insiders (collectively, the “Insiders”), in a self-interested move to protect their financial future amended the Debtors’ Split Dollar insurance plan (a Split Dollar Agreement is an employer funded life insurance policy benefiting the beneficiaries of the employee) to allow executives, including Repeta, to convert the existing split dollar life insurance plan into a substantially more valuable defined benefit agreement. As described in the Complaint, the Insiders also secured a line of credit from Bank of America to assure the company, irrespective of its solvency, would have sufficient funds to fund the Insider split dollar agreements. At the time the Insiders arranged for the Bank of America financing, the company was insolvent.



As described in the Complaint, the Debtors received no value in exchange for the funds paid to Repeta. Instead, during the four years preceding the Debtors' bankruptcy filing, Repeta rarely performed any work for the Debtors and on the occasions that Repeta undertook to attempt to perform any duties necessitated by his position with the Debtors the work performed and decisions made by Repeta were either substandard or caused harm to the Debtors. Repeta also continued to receive payments after the closing and his separation from the Debtors as a result of agreements he orchestrated before his departure.

As described in the Complaint, Repeta's failure to perform the duties of his position and mismanagement of the Debtors for his own personal benefit led both to the Debtors providing millions of dollars of compensation to Repeta while receiving no benefit whatsoever and directly led to the eventual financial devastation of the Debtors. The claims at issue in the adversary proceeding seek to avoid and recover fraudulent transfers arising out of Repeta's compensation paid for his role in management of the Debtors for which he provided no meaningful contribution to the Debtors.

The Debtors believe that they will prevail in the Lawsuit. Any net proceeds obtained from the Lawsuit will be shared pro rata by the holders of allowed claims in Class 5.

**FOR PURPOSES OF PROVIDING NOTICE, THE DEBTORS STATE THAT ANY PARTY IN INTEREST THAT ENGAGED IN BUSINESS OR OTHER TRANSACTIONS WITH ANY OF THE DEBTORS PREPETITION OR THAT RECEIVED PAYMENTS FROM ANY OF THE DEBTORS PREPETITION MAY BE SUBJECT TO LITIGATION TO THE EXTENT THAT APPLICABLE BANKRUPTCY OR NON-BANKRUPTCY LAW SUPPORTS SUCH LITIGATION.**

The Reorganized Debtors will fund the costs and expenses (including legal fees) to pursue the Causes of Action. At this time, the Debtor are not aware of whether any insurance exists that may cover the costs of pursuing the Causes of Action.

No Creditor or other party should vote for the Plan or otherwise rely on the Confirmation of the Plan or the entry of the Confirmation Order in order to obtain, or on the belief that it will obtain, any defense to any Cause of Action. No Creditor or other party should act or refrain from acting on the belief that it will obtain any defense to any Cause of Action. **ADDITIONALLY, THE PLAN DOES NOT, AND IS NOT INTENDED TO, RELEASE ANY CAUSE OF ACTION OR OBJECTIONS TO CLAIMS, AND ALL SUCH RIGHTS ARE SPECIFICALLY RESERVED IN FAVOR OF THE DEBTORS AND THE REORGANIZED DEBTORS.** Creditors are advised that legal rights, claims and rights of action the Debtors may have against them, if they exist, are retained under the Plan for prosecution unless a specific order of the Bankruptcy Court authorizes the Debtors to release such claims. As such, Creditors are cautioned not to rely on (i) the absence of the listing of any legal right, claim or right of action against a particular Creditor in the Disclosure Statement, the Plan, or the Schedules, or (ii) the absence of litigation or demand prior to the Effective Date of the Plan as any indication that the Debtors or Reorganized Debtors do not possess or do not intend to prosecute a particular claim or Litigation Claim if a particular Creditor votes to accept the Plan. It is the expressed intention of the Plan to preserve rights, objections to Claims, and rights of action of the Debtors, whether now known or unknown, for the benefit of Reorganized Debtors. A Cause of Action shall not, under any circumstances, be waived as a result of the failure of the Debtors to describe such Cause of Action with specificity in the Plan or in the Disclosure Statement; nor shall the Reorganized Debtors, as a result of such failure, be estopped or precluded under any theory from pursuing any such Cause of Action. Nothing in the Plan operates as a release of any Cause of Action.

The Debtors do not presently know the full extent of the Causes of Action and, for purposes of voting on the Plan, all Creditors are advised that the Reorganized Debtors will have substantially the same rights that a Chapter 7 trustee would have with respect to the Causes of Action. Accordingly, neither a vote to accept the Plan by any Creditor nor the entry of the Confirmation Order will act as a release, waiver, bar or estoppel of any Cause of Action against such Creditor or any other Person or Entity, unless such Creditor, Person or Entity is specifically identified by name as a Released Party in the Plan, in the Confirmation Order, or in any other Final Order of the Bankruptcy Court. Confirmation of the Plan and entry of the Confirmation Order is not intended to and shall not be deemed to have any res judicata or collateral estoppel or other preclusive effect that would precede, preclude, or inhibit prosecution of such Cause of Action following Confirmation of the Plan.

The Estates shall remain open, even if the Bankruptcy Cases shall have been closed, as to any and all Causes of Action until such time as the Causes of Action have been fully administered and the recoveries therefrom have been received by Reorganized Debtors.

xv. Prosecution and Settlement of Causes of Action.

The Reorganized Debtors (a) may commence or continue in any appropriate court, tribunal or any other appropriate setting (e.g., American Arbitration Association or other arbitration association) any suit or other proceeding for the enforcement of any Cause of Action which the Debtors had or had power to assert immediately prior to the Effective Date, and (b) may settle or adjust such Cause of Action; provided, however, that from and after the Effective Date, the Reorganized Debtors shall be authorized to compromise and settle any Cause of Action or objection to a Claim upon approval by the Bankruptcy Court after notice and a hearing.

**F. Distributions.**

i. Manner of Distributions Under the Plan.

Any Distribution pursuant to the Plan, to the extent posted in the United States mail, shall be deemed made when deposited by the Debtors or the Reorganized Debtors (or their respective agent(s)), as applicable, into the United States mail. At the option of the Debtors or the Reorganized Debtors, as the case may be, any Cash payment to be made pursuant to the Plan shall be made, at the election of the Debtors or the Reorganized Debtors, as the case may be, by check drawn on a domestic bank, by wire transfer, or by ACH, from a domestic bank, or other method mutually agreed upon by the holder of the Allowed Claim and the Debtors or the Reorganized Debtors. Whenever any Distribution to be made under the Plan shall be due on a day other than a Business Day, such Distribution shall instead be made, without interest, on the immediately succeeding Business Day, but shall be deemed to have been made on that due date.

ii. Timing of Distributions.

Except for Distributions made on the initial Distribution date, any Distribution to be made by any Debtor or the Reorganized Debtors (of their respective agent(s)), as the case may be, pursuant to the Plan shall be deemed to have been timely made if made within ten (10) days after the time therefore specified in the Plan.

iii. Entity Making Distributions.

Except as otherwise provided in the Plan, Distributions to holders of Allowed Claims shall be made, and the responsibility for holding the Disputed Claims Reserve will be, by the Debtors, if

before the Effective Date, or the Reorganized Debtors or the Distribution Agent, as the case may be, if on or after the Effective Date. The Debtors, the Reorganized Debtors and the Distribution Agent shall not be required to give any bond or surety or other security for the performance of their duties, unless otherwise ordered by the Bankruptcy Court.

iv. Record Date.

As of the close of business on the Record Date, the various transfer and claims registers for each of the Classes of Claims as maintained by the Debtors or their respective agents shall be deemed closed, and there shall be no further changes in the record holders of any of the Claims. The Debtors and the Reorganized Debtors, as applicable, shall have no obligation to recognize any transfer of the Claims occurring after the close of business on the Record Date. The Debtors and the Reorganized Debtors, as applicable, shall be entitled to recognize and deal hereunder only with those record holders stated on the transfer ledgers as of the close of business on the Record Date, to the extent applicable.

v. Delivery of Distributions.

Except as otherwise provided in the Plan, Distributions to holders of Allowed Claims shall be made, (i) at the addresses set forth on any proof of claim filed by such holder (or at the last known addresses of such holder if no motion requesting payment or proof of claim is filed or the Debtors, Reorganized Debtors or Distribution Agent, as the case may be, have been notified in writing of a change of address), (ii) at the addresses set forth in any written notices of address changes filed with the Bankruptcy Court and served on the Debtors, the Reorganized Debtors or the Distribution Agent, as the case may be, by such holder after the date of any related proof of claim, or (iii) at the addresses reflected in the Schedules if no proof of claim has been filed and no written notice of address change has been filed by such holder with the Bankruptcy Court and served on the Debtors, the Reorganized Debtors or the Distribution Agent, as the case may be. Nothing set forth herein will be deemed a waiver of the Debtors' statutory or common law setoff rights.

vi. No Interest Unless Otherwise Provided.

Other than to the extent allowed by the Bankruptcy Court, or as otherwise provided in the Plan, no interest shall accrue or be paid on any Claim.

vii. De Minimis Distributions.

No Distribution of less than fifty (\$50) dollars shall be made to any holder of an Allowed Claim. Such undistributed amount will be retained by the Reorganized Debtors to be distributed in Pro Rata Shares to holders of Allowed Claims in Class 5 ("General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors").

viii. Fractional Cents.

Notwithstanding any other provisions of the Plan to the contrary, no fractional cents will be made under the Plan. Any Distribution or payments will be issued to holders in whole cents (rounded to the nearest whole cent when and as necessary).

ix. Taxpayer Identification Number.

The Reorganized Debtors may require any holder with an Allowed Claim entitled to a Distribution hereunder to furnish its, his or her employer or taxpayer identification number (the "TIN")

assigned by the Internal Revenue Service. Any Distribution hereunder may be conditioned on the receipt of such TIN. If any such holder entitled to a Distribution hereunder fails to provide a requested TIN within ninety (90) days after the request thereof, then such failure shall be deemed to be a waiver of such holder's interest in any future Distributions, including the right to receive any future Distributions.

*x. Compliance With Tax Requirements.*

In connection with the Plan, the Reorganized Debtors shall comply with all tax withholding and reporting requirements imposed by federal, state, local and foreign taxing authorities, if applicable, and all Distributions hereunder shall be subject to such withholding and reporting requirements. Notwithstanding the above, each holder of an Allowed Claim that is to receive a Distribution under the Plan shall have the sole and exclusive responsibility for the reporting of, and the satisfaction and payment of any tax obligations imposed by, any Governmental Unit, including income, withholding, and other tax obligations, on account of such Distribution.

*xi. Effect of Pre-Confirmation Distributions.*

Nothing in the Plan shall be deemed to entitle the holder of a Claim that received, prior to the Effective Date, full or partial payment of such holder's Claim, by way of settlement or otherwise, pursuant to an order of the Bankruptcy Court (including, but not limited to any orders approving critical vendor motions filed by the Debtors), provision of the Bankruptcy Code, or other means, to receive a duplicate payment in full or in part pursuant to the Plan; and all such full or partial payments shall be deemed to be payments made under the Plan for purposes of satisfying the obligations of the Debtors or the Reorganized Debtors to such holder under the Plan.

*xii. Setoffs and Recoupments.*

The Debtors, if before the Effective Date, or the Reorganized Debtors, if on or after the Effective Date, may, to the extent permitted by sections 502(h), 553, and 558 of the Bankruptcy Code or applicable non-bankruptcy law, but shall not be required to, set off against or recoup from any Claim on which payments are to be made pursuant to the Plan, any Causes of Action of any nature whatsoever that the Debtors or their Estates may have against the holder of such Claim; provided, however, that neither the failure to effect such offset or recoupment nor the allowance of any Claim shall constitute a waiver or release by the Debtors or their Estates of any right of setoff or recoupment that the Debtors or their Estates may have against the holder of such Claim, nor of any other Cause of Action.

*xiii. Distributions in Satisfaction; Allocation.*

Except for the obligations expressly imposed by the Plan and the property and rights expressly retained under the Plan, if any, the Distributions and rights that are provided in the Plan shall be in complete satisfaction and release of all Claims against, liabilities in, Liens on, obligations of and Interests in the Debtors and their Estates, whether known or unknown, that arose or existed prior to the Effective Date. Distributions received in respect of Allowed Claims will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid accrued interest (if any).

*xiv. Unclaimed Property.*

Unclaimed Property shall be dealt with as follows: If the combined total of Unclaimed Property related to Allowed Claims in Class 5 of the Plan ("General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors") totals (i) \$5,000 or more, the Unclaimed Property shall, subject to Section 7.7 ("De Minimis Distributions") and other provisions of the Plan, be distributed,

at the time of final Distributions, in Pro Rata Shares to all holders of Allowed Claims in Class 5 of the Plan (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”), or (ii) less than \$5,000, the Unclaimed Property shall be donated to the Bankruptcy Bar Foundation, a not-for-profit, non-religious organization dedicated to, among other things, promoting the pro bono legal representation of the indigent; provided that the Claim of any holder or successor to such holder with respect to any Unclaimed Property shall be forever forfeited by such holder, and barred, notwithstanding any federal or state escheat laws to the contrary. Any other Unclaimed Property will vest in the Reorganized Debtors pursuant to Article XI of the Plan (“Effect of Confirmation”).

**G. Procedures for Resolving and Treating Disputed Claims.**

*i. Objections to Claims; Prosecution of Disputed Claims.*

Before the Effective Date, the Debtor or any other party in interest will be entitled to object to any Claim (in whole or in part) appearing on the Schedules, filed in the Chapter 11 Cases or estimated by the Bankruptcy Court with respect to which the Debtors dispute liability in whole or in part. After the Effective Date, the Reorganized Debtors shall object to the allowance of any Claim appearing on the Schedules, filed in the Chapter 11 Cases or estimated by the Bankruptcy Court with respect to which the Reorganized Debtors dispute liability in whole or in part. All objections that are filed and prosecuted by the Debtors or the Reorganized Debtors, as the case may be, as provided herein shall be litigated to Final Order or settled. Unless otherwise provided herein or ordered by the Bankruptcy Court, all objections by the Debtors or the Reorganized Debtors, as the case may be, to Claims shall be served and filed no later than one-hundred and eighty (180) days after the Effective Date, or such other deadline established by separate order of the Bankruptcy Court.

*ii. Administration of Disputed Claims; Disputed Claims Reserve.*

(i) No Distribution of Disputed Claims. Notwithstanding any other provision of the Plan, no Distribution shall be made with respect to any Disputed Claim unless and until such Disputed Claim becomes an Allowed Claim.

(ii) Estimates in Aid of the Plan. In determining the amount of Distributions to be made hereunder to holders of Allowed Claims, the appropriate Distributions required by the Plan shall be made according to estimates and subject to the provisions of the Plan. For purposes of effectuating the provisions of this section and the Distributions to holders of Allowed Claims, the Bankruptcy Court may set, fix or liquidate the amount of Disputed Claims pursuant to section 502(c) of the Bankruptcy Code, in which event the amounts so fixed or liquidated will be deemed the amounts of the Disputed Claim for purposes of Distribution under this Amended Plan. In lieu of fixing or liquidating the amount of any Disputed Claim, the Debtors or Reorganized Debtors, as the case may be, may request that the Bankruptcy Court determine the amount to be reserved for such Disputed Claim or such amount may be fixed by agreement in writing between the Debtors or the Reorganized Debtors, as the case may be, and the holder of a Disputed Claim.

(iii) Disputed Claims Reserve. To protect the interests of holders of Disputed Claims, if any, in each of Class 4 (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) and Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”) of the Plan, the Reorganized Debtors shall establish a Disputed Claims Reserve for such Disputed Claims in Classes 4 and 5. The Debtors will file with the Plan Supplement an

estimate of the amount of Cash to be placed into the Disputed Claims Reserve on the Effective Date. Although the Debtors believe that there does not exist any claims in the other Classes of Claims (Classes 1, 2 and 3), in the event that a Claim is asserted in one of the other Classes of Claims, and is Disputed by the Debtors or the Reorganized Debtors, as the case may be, the terms of this Section shall apply to such Disputed Claim in the other Classes of Claims (Classes 1, 2 and 3). On the Effective Date, the Reorganized Debtors shall fund the Disputed Claims Reserve with Cash in an amount that represents the Cash that would otherwise be distributed to the holder of each such Disputed Claim on the Effective Date if (i) such Claim was Allowed in the amount set forth in the Schedules, on the holder's proof of claim, or as estimated by the Bankruptcy Court, and (ii) was entitled to receive the particular Distribution as described in Article IV of the Plan ("Impairment and Treatment of Claims and Equity Interests"). In addition, the Reorganized Debtors will fully fund the Disputed Claims Reserve for Class 4 of the Plan ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors") on each Class 4 Payment Date with the amount of all subsequent Distributions to which holders of Disputed Class 4 Claims would be entitled, if such Disputed Class 4 Claims were Allowed Class 4 Claims on such date.

(iv) Administration of Disputed Claims that Become Allowed Claims. As soon as practicable after a Disputed Claim in Classes 4 or 5 becomes an Allowed Claim, the holder of such Allowed Claim shall receive from the Disputed Claims Reserve a Distribution in an amount equal to the Distribution that such holder would have received had such Disputed Claim been an Allowed Claim on the Effective Date. Distributions to each holder of a Disputed Claim in Class 4 or 5, to the extent that such Claim becomes an Allowed Claim, shall be made, without interest, in accordance with the Class of Claims to which such Claim belongs.

(v) Disallowed Claims. When a Disputed Claim in Class 5 ("General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors") or any portion thereof becomes a Disallowed Claim, the Distribution(s) to which such holder of a Disallowed Claim in Class 5 would be entitled, shall be distributed, at the time of final Distributions, to other holders of Allowed Claims in Class 5 pursuant to the terms of this Plan. When a Disputed Claim in all other Classes or any portion thereof becomes a Disallowed Claim, the Distribution(s) to which such holder of a Disallowed Claim would be entitled, shall be distributed to the Reorganized Debtors at the time of final Distributions or any other time provided by order of the Bankruptcy Court.

*iii. Estimation.*

The Debtors, or following the Effective Date, the Reorganized Debtors may at any time request that the Bankruptcy Court estimate any contingent, unliquidated or Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the Debtors previously objected to such Claim, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including, without limitation, during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent, unliquidated or Disputed Claim, the amount so estimated shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on the amount of such Claim, the Debtors may pursue supplementary proceedings to object to the allowance of such Claim. All objection, estimation and Claim resolution procedures are intended to be cumulative and not exclusive of one another.

iv. Objections to Impaired Claims.

Certain Claims and all Equity Interests are Impaired hereunder and not entitled to any Distribution hereunder. As a result, the Debtors do not intend to object to any such Claims or Equity Interests since the allowance or disallowance of such Claims or Equity Interests will have no impact on the Debtors or their Estates. However, the Debtors (and after the Effective Date, the Reorganized Debtors) reserve the right to file objections to such Claims and Equity Interests at any time they deem appropriate, if ever, until the closing of these Chapter 11 Cases.

v. Disallowance of Claims.

Under section 502(d) of the Bankruptcy Code, any Claim asserted by a Creditor shall be Disallowed in its entirety if such Creditor has received a transfer that is voidable under the Bankruptcy Code and has failed to repay such transfer.

**H. Executory Contracts and Unexpired Leases.**

i. General Treatment; Rejected if not Previously Assumed.

On the Effective Date, all executory contracts and unexpired leases to which any Debtor is a party shall be deemed automatically rejected in accordance with the provisions and requirements of sections 365 and 1123(b)(2) of the Bankruptcy Code as of the Effective Date, unless any such executory contract or unexpired lease: (i) has been previously subject to a Final Order of the Bankruptcy Court authorizing assumption or rejection, as the case may be, entered prior to the Effective Date; (ii) is the subject of a motion to assume or reject pending as of the Effective Date; or (iii) is listed on the Schedule of Assumed Executory Contracts and Unexpired Leases which will be an Exhibit to the Plan Supplement to be filed by the Debtors. The Confirmation Order shall constitute an order of the Bankruptcy Court approving such assumptions or rejections pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code as of the Effective Date.

ii. Bar to Claims Arising from Rejection, Termination or Expiration.

Claims created by the rejection of executory contracts or unexpired leases (including, without limitation, the rejection provided in Section 9.1 of the Plan (“General Treatment; Rejected if not Previously Assumed”) or the expiration or termination of any executory contract or unexpired lease prior to the Confirmation Date must be filed with the Bankruptcy Court and served on the Debtors no later than thirty (30) days after: (a) *the Confirmation Date*, with respect to any executory contract or unexpired lease that was terminated or expired by its own terms prior to the Confirmation Date, (b) *the date of the entry of any order of the Bankruptcy Court authorizing rejection*, with respect to any executory contract or unexpired lease rejected by the Debtors, or (c) *the Confirmation Date*, with respect to any executory contract or unexpired lease that is deemed rejected pursuant to Section 9.1 of the Plan (“General Treatment; Rejected if not Previously Assumed”). Any rejection claim for which a proof of claim is not filed and served within the time provided herein will be forever barred from assertion and shall not be enforceable against the Debtors, or their estates, assets, properties, or interests in property, or the Reorganized Debtors or their estates, assets, properties, or interests in property. Unless otherwise ordered by the Bankruptcy Court, all such Claims that are timely filed as provided in this Section shall be treated as a Claim under Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”) and shall be subject to the provisions of the treatment of Disputed Claims covered by Article VIII of the Plan (“Procedures for Resolving and Treating Disputed Claims”). Nothing contained herein shall be deemed an admission by the Debtors or any of them that such rejection gives

rise to or results in a Claim or shall be deemed a waiver by the Debtors or the Reorganized Debtors of any objections to such Claim if asserted.

iii. Assumption of Executory Contracts and Unexpired Leases.

(i) Assumption of Executory Contracts and Unexpired Leases; Schedule of Assumed Executory Contracts and Unexpired Leases. On the Effective Date, the Debtors will assume all of the executory contracts and unexpired leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases attached as an Exhibit to the Disclosure Statement and/or the Plan Supplement. With respect to the executory contracts and unexpired leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases, the Debtors will designate a proposed Cure on the Schedule of Assumed Executory Contracts and Unexpired Leases. Unless subject to separate motion and order of the Bankruptcy Court, the Confirmation Order will constitute an order of the Bankruptcy Court approving assumption of all of the executory contracts and unexpired leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases attached to the Plan Supplement pursuant to sections 365(a) and 1123 of the Bankruptcy Code and the listed amount of Cure Claims.

(ii) Modifications, Amendments, Supplements, Restatements, or Other Agreements. Unless otherwise provided in the Plan, each executory contract or unexpired lease that is assumed pursuant to the Plan will include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such executory contract or unexpired lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated, or is rejected or repudiated pursuant to the Plan or separate motion and Final Order of the Bankruptcy Court.

(iii) Modification of the Schedule of Assumed Executory Contracts and Unexpired Leases. The Schedule of Assumed Executory Contracts and Unexpired Leases may be modified by either of the Plan Proponents to add or delete contracts and leases up to three (3) days prior to the scheduled Confirmation Hearing.

(iv) Proof of Claim Based on Executory Contracts or Unexpired Leases that Have Been Assumed. Any and all proofs of claim relating to executory contracts or unexpired leases that have been assumed in the Chapter 11 Cases will be deemed amended and superseded by the amount of Cure Claim identified in the Plan, the Confirmation Order or other order of the Bankruptcy Court authorizing assumption of executory contracts to the Debtors or the Reorganized Debtors.

(v) Cure of Defaults for Assumed Executory Contracts and Unexpired Leases. With respect to each of the executory contracts or unexpired leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases, the Debtors will designate a proposed Cure and the assumption or assumption and assignment of such executory contract or unexpired lease will be conditioned on the disposition of all issues with respect to Cure. All Allowed Cure Claims will be satisfied by the Debtors by payment of the Cure in Cash to (i) holders of Allowed Unsecured Claims Necessary for the Continued Operations of the Debtor pursuant to Section 4.4 of the Plan (“Class 4”) per the terms of such section of the Plan, or (ii) holders of other Claims, or on the Effective Date or as soon as reasonably practicable thereafter, or (iii) on such other terms



as may be either ordered by the Bankruptcy Court or agreed by the Debtors and the applicable contract counter-party without any further notice to or action, order, or approval of the Bankruptcy Court. Any provisions or terms of the Debtors' executory contracts or unexpired leases to be assumed and assigned pursuant to the Plan that are, or may be, alleged to be in default, shall be satisfied solely by the Cure, or by an agreed-upon waiver of the Cure

(vi) Confirmation Order. Entry of the Confirmation Order will constitute a finding of adequate assurance of future performance by the Reorganized Debtors within the meaning of section 365 of the Bankruptcy Code. Any objections relating to adequate assurance of future performance, or any other matters relating to the assumption and assignment of executory contracts and unexpired leases (other than Cure Claim disputes) must be asserted as an objection to confirmation of the Plan. Assumption of any executory contract or unexpired lease pursuant to the Confirmation Order or other order of the Bankruptcy Court will limit the Claims of any such contract counter-party to the (i) Allowed Cure Claim and (ii) Claims for ongoing performance under the unexpired lease or executory contract by Reorganized Debtor pursuant to section 365(k) of the Bankruptcy Code.

*iv. Insurance Policies and Agreements.*

Notwithstanding anything contained in the Plan to the contrary, unless specifically rejected by order of the Bankruptcy Court, all of the Debtors' insurance policies and any agreements, documents or instruments relating thereto, are treated as executory contracts under the Plan and will be assumed by the applicable Reorganized Debtor, effective as of the Effective Date. Nothing contained in this Section shall constitute or be deemed a waiver of any cause of action that the Debtors may hold against any entity, including, without limitation, the insurer, under any of the Debtors' policies of insurance.

**I. Conditions Precedent.**

*i. Conditions Precedent to Effectiveness of Plan.*

The Effective Date of the Plan shall not occur unless and until the following conditions shall have been satisfied or waived by the Plan Proponents, as determined in their sole discretion: (a) the Bankruptcy Court shall have entered the Confirmation Order in form and substance acceptable to the Plan Proponents, and such Confirmation Order shall be non-appealable, shall not have been appealed within fourteen (14) calendar days of entry or, if such Confirmation Order is appealed, shall not have been stayed pending appeal, and there shall not have been entered by any court of competent jurisdiction any reversal, modification or vacation, in whole or in part, of such Confirmation Order; (b) the Bankruptcy Court shall have approved the information contained in the Disclosure Statement as adequate pursuant to section 1125 of the Bankruptcy Code; (c) all documents, instruments and agreements provided for hereunder or necessary to implement the Plan shall have been executed and delivered by the parties thereto, unless such execution or delivery has been waived by the parties benefited thereby, in form and substance satisfactory to the Plan Proponents; (d) the date shall be on or after April 23, 2012 (the Bar Date for Governmental Units to file proofs of claim); (e) there is sufficient available Cash of the Debtors to pay all Allowed Administrative Claims (including Allowed Professional Claims), Allowed Priority Claims and Allowed Priority Tax Claims; and (f) no order of a court restraining the Debtors from consummating the Plan shall have been entered and shall remain in effect.

The conditions precedent specified above may be waived in whole or in part by the Plan Proponents, as determined in their sole discretion. Subject to the foregoing, any such written waiver of a condition precedent set forth in this Section may be effected at any time, without notice, without leave or order of the Bankruptcy Court, and without any formal action other than proceeding to consummate the Plan. Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action. If the Plan Proponents decide that one of the foregoing conditions cannot be satisfied, and the occurrence of such condition is not waived in writing by the Plan Proponents, then the Debtors shall file a notice of the failure of the Effective Date with the Bankruptcy Court, at which time the Plan and the Confirmation Order shall be deemed null and void.

*ii. Effect of Failure of Conditions to Effective Date.*

If all the conditions to effectiveness and the occurrence of the Effective Date have not been satisfied or duly waived on or before the first Business Day that is more than 120 days after the Confirmation Date, or by such later date as is proposed by the Plan Proponents, then upon motion by the Debtors made before the time that all of the conditions have been satisfied or duly waived, the Confirmation Order will be vacated by the Bankruptcy Court; provided, however, that notwithstanding the filing of such a motion, the Confirmation Order will not be vacated if each of the conditions to consummation is either satisfied or duly waived before the Bankruptcy Court enters an order granting the relief requested in such motion. If the Confirmation Order is vacated pursuant to this Section, the Plan will be null and void in all respects, and (i) no Distributions under the Plan shall be made, (ii) the Debtors and all holders of Claims and Equity Interests shall be restored to the status quo ante as of the day immediately preceding the Confirmation Date as though the Confirmation Date never occurred, and (iii) all of the Debtors' obligations with respect to the Claims and Equity Interests shall remain unchanged and nothing contained herein shall be deemed to constitute a waiver or release of any claims by or against the Debtors or any other entity or to prejudice in any manner the rights of the Debtors or any other entity in any further proceedings involving the Debtors.

*iii. Notice of Confirmation of the Plan.*

Notice of entry of the Confirmation Order shall be provided as required by Bankruptcy Rule 3020(c)(2).

**J. Effect of Confirmation.**

*i. Vesting of Assets.*

Upon the Effective Date, pursuant to section 1141(b) and (c) of the Bankruptcy Code, all property of the Debtors shall vest in the Reorganized Debtors free and clear of all Claims, Liens, encumbrances, charges, and other interests, except as provided in the Plan or the Confirmation Order. From and after the Effective Date, the Reorganized Debtors may operate the Debtors' business and may use, acquire, and dispose of property free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if there were no pending case under any chapter or provision of the Bankruptcy Code.

*ii. Title to Assets; Discharge of Liabilities.*

Except as otherwise provided in the Plan, on the Effective Date, title to all assets and properties and interests in property dealt with by the Plan shall vest in the Reorganized Debtors free and clear of all Claims, Equity Interests, Liens, encumbrances, charges, and other interests, and the

Confirmation Order shall be a judicial determination of discharge of the liabilities of the Debtors arising prior to the Effective Date, except as may be otherwise provided in the Plan.

iii. Binding Effect.

Subject to the occurrence of the Effective Date, on and after the Confirmation Date, the provisions of the Plan shall bind the Debtors, the Reorganized Debtors, and any holder of a Claim against, or Equity Interest in, the Debtors and such holder's respective successors and assigns, whether or not the Claim or Equity Interest of such holder is Impaired under the Plan and whether or not such holder has accepted the Plan.

iv. Discharge of Claims and Termination of Equity Interests.

Except as provided herein, the rights afforded in the Plan and the payments and Distributions to be made hereunder shall discharge all existing debts and Claims, and shall terminate all Equity Interests, of any kind, nature, or description whatsoever against or in the Debtors or any of their assets or properties to the fullest extent permitted by section 1141 of the Bankruptcy Code. Except as provided herein, upon the Effective Date, all existing Claims against the Debtors and Equity Interests in the Debtors shall be, and shall be deemed to be, discharged and terminated, and all holders of Claims and Equity Interests shall be precluded and enjoined from asserting against the Reorganized Debtors, their respective successors or assignees, or any of their respective assets or properties, any other or further Claim or Equity Interest based upon any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date, whether or not such holder has filed a proof of claim or proof of equity interest, and whether or not the facts or legal bases therefore were known or existed prior to the Effective Date. Upon the Effective Date, all such persons shall be forever precluded and enjoined, pursuant to section 524 of the Bankruptcy Code, from prosecuting or asserting any such discharged Claim against or terminated Equity Interest in the Debtors. Nothing in this Section should be interpreted as a discharge of the Debtors' or Reorganized Debtors' rights or obligations under the Plan.

v. Discharge of the Debtors.

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in the Confirmation Order, the Distributions and rights that are provided in the Plan will be in complete satisfaction, discharge, and release, of any and all Claims, whether known or unknown, against the Debtors or Reorganized Debtors or any of their assets or properties, regardless of whether the property has been distributed or retained pursuant to the Plan and termination of all Equity Interests. Without limiting the generality of the foregoing, the Debtors or Reorganized Debtors will be discharged from any and all Claims and debts of the kind specified in sections 502(g), 502(h) of 502(i) of the Bankruptcy Code, in each case whether or not (a) a proof of claim is filed or deemed filed under section 501 of the Bankruptcy Code, (b) a Claim is allowed under section 502 of the Bankruptcy Code, or (c) the holder of such a Claim accepted the Plan. Except as otherwise provided in the Plan, the Confirmation Order shall be a judicial determination of discharge of all liabilities of the Debtors arising before the Effective Date. Under section 524 of the Bankruptcy Code, the discharge granted under this Section shall avoid any judgment against the Debtors at any time obtained (to the extent it relates to a discharged Claim), and operates as an injunction against the prosecution of any action against the Debtors or the Estates (to the extent such action relates to a discharged claim). Nothing in this Section should be interpreted as a discharge of the Debtors' or Reorganized Debtors' rights or obligations under the Plan.

vi. **Injunction.**

Except as otherwise expressly provided in the Plan, all Persons who have held, hold or may hold Claims or Equity Interests and all Persons who have held, hold or may hold claims or causes of action that have been released pursuant to Section 11.10 of the Plan (“Releases”) or are subject to exculpation pursuant to Section 11.9 of the Plan (“Exculpation”), and all other parties in interest, along with their respective present or former employees, agents, officers, managers, directors, principals and Affiliates, are permanently enjoined, from and after the Effective Date, from (a) commencing, conducting or continuing in any manner any action or other proceeding of any kind with respect to any such Claim or Equity Interest, or such released or exculpated claim or cause of action, against the Debtors, the Reorganized Debtors, or the Released Parties or any of their respective property or assets or any interest therein, (b) the enforcement, attachment, levying, collection or recovery by any manner or means of any judgment, award, decree or order against the Debtors, the Reorganized Debtors, or the Released Parties or any of their respective property or assets or any interest therein, (c) creating, perfecting, or enforcing any Lien or encumbrance of any kind against the Debtors, the Reorganized Debtors, or the Released Parties or any of their respective property or assets or any interest therein, or (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtors, the Reorganized Debtors, the Released Parties or against any of their respective property or assets, or any interest therein, with respect to any such Claim or Equity Interest, or such released or exculpated claim or cause of action. Such injunction shall be included in the Confirmation Order and shall extend to any successors of the Debtors, the Reorganized Debtors, and the Released Parties and their respective properties and interest in properties.

vii. **Terms of Injunctions or Stays.**

Unless otherwise provided, all injunctions or stays arising under or entered during the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, other than injunctions issued pursuant to the Plan (including injunctions under Section 11.6 of the Plan (“Injunction”), shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

viii. **Injunction Against Interference With Plan of Reorganization.**

Upon the entry of the Confirmation Order, all holders of Claims and Equity Interests and other parties in interest, along with their respective present or former employees, agents, officers, managers, directors, principals and Affiliates shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan.

ix. **Exculpation.**

Notwithstanding anything herein to the contrary, as of the Effective Date, none of (a) the Debtors or the Reorganized Debtors, (b) the Plan Proponents, and (c) any present director, manager, officer, member, equity holder (and their respective Affiliates), employee, agent, financial advisor, partner, Affiliate, attorney, other professional advisor or representative (and their respective Affiliates) of the persons or parties described in clauses (a) through (c) of this Section or of their respective Affiliates (but solely in their capacities as such) shall have or incur any liability for any claim, cause of action or other assertion of liability for any act taken or omitted to be taken since the Petition Date in connection with, related to, or otherwise arising out of, the Chapter 11 Cases, the formulation, negotiation, preparation, dissemination, implementation, confirmation, consummation, or administration of the Plan, property to be distributed under the Plan, or any other act or omission in connection with the Chapter 11

Cases, the Plan, the Disclosure Statement or, in each case, any contract, instrument, document or other agreement related thereto, including; provided, however, that the foregoing shall not affect the liability of any person that otherwise would result from any such act or omission to the extent such act or omission is determined by a final order of a court of competent jurisdiction to have constituted willful misconduct or gross negligence; provided, further, that each Released Party shall be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the above referenced documents, actions or inactions.

x. **Releases.**

**As of the Effective Date, in consideration of (a) the services provided by the present directors, managers, officers, employees, agents, financial advisors, attorneys, and representatives of the Debtors to the Debtors who acted in such capacities after the Petition Date; and (b) the substantial contribution of the Plan Proponents: (i) the Debtors or the Reorganized Debtors; and (ii) each holder of a Claim or Equity Interest that votes to accept the Plan, or accepts a Distribution under the Plan, or is deemed to accept the Plan, or abstains from voting on the Plan, shall release unconditionally and forever each Released Party from any and all Claims, demands, causes of action and the like, relating to the Debtors existing as of the Effective Date or thereafter arising from any act, omission, event or other occurrence that occurred on or prior to the Effective Date; provided, however, that nothing in this Section shall be construed as a release of any claims against any such Released Party resulting from an act or omission determined by a final order of a court of competent jurisdiction to have constituted willful misconduct or gross negligence, provided that each such Released Party shall be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, its actions or inactions.**

xi. **Government Releases.**

Nothing in the Plan or the Confirmation Order shall effect a release of any claim by the United States Government or any of its agencies or any state and local authority whatsoever, including without limitation any claim arising under the Internal Revenue Code, securities laws, the environmental laws or any criminal laws of the United States or any state and local authority against the Released Parties other than the Debtors, the Reorganized Debtors and the Plan Proponents, nor shall anything in the Plan or Confirmation Order enjoin the United States Government or any of its agencies or any state or local authority from bringing any claim, suit, action or other proceedings against the Released Parties other than the Debtors, the Reorganized Debtors and the Plan Proponents for any liability whatever, including without limitation any claim, suit or action arising under the Internal Revenue Code, securities laws, environmental laws or any criminal laws of the United States or any state or local authority, nor shall anything in the Plan or Confirmation Order exculpate any of the Released Parties other than the Debtors, the Reorganized Debtors and the Plan Proponents from any liability to the United States Government or any of its agencies or any state and local authority whatsoever, including any liabilities arising under the Internal Revenue Code, securities laws, environmental laws or any criminal laws of the United States or any state and local authority.

xii. **Limitations on Exculpation and Releases of and Releases of Representatives.**

Nothing in Section 11.9 (“Exculpation”) or Section 11.10 (“Releases”) of the Plan shall (i) be construed to release or exculpate any person from, or require indemnification of any Person against losses arising from, the fraud, malpractice, criminal conduct, intentional unauthorized misuse of confidential information that causes damages, or ultra vires acts of such Person, or (ii) limit the liability of the professionals of the Debtors, the Reorganized Debtors, to their respective clients pursuant to Rule 4-1.8(f) of the Florida Rules of Professional Conduct (“Limiting Liability for Malpractice”).

**K. Retention of Jurisdiction.***i. Retention of Jurisdiction.*

Pursuant to sections 1334 and 157 of title 28 of the United States Code, the Bankruptcy Court shall retain jurisdiction of all matters arising in, arising under, and related to the Chapter 11 Cases and the Plan, for the purposes of sections 105(a) and 1142 of the Bankruptcy Code, and for, among other things, the following purposes:

(i) to hear and to determine all controversies, disputes, and suits which may arise in connection with the execution, interpretation, implementation, consummation, or enforcement of the Plan, any documents related to the Plan, including the Plan Documents, the Confirmation Order, or in connection with the enforcement of any remedies made available hereunder;

(ii) to take any action and issue such orders as may be necessary to construe, enforce, implement, execute and consummate the Plan or to maintain the integrity of the Plan following consummation;

(iii) to enforce the terms of any settlement approved as a part of this Plan or otherwise in the Chapter 11 Cases;

(iv) to determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(v) to enter, enforce and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

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

(vii) to hear and determine any application or motion to modify the Plan in accordance with section 1127 of the Bankruptcy Code, to remedy any defect or omission or reconcile any inconsistency in the Plan, the Disclosure Statement or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

(viii) to recover all property of the Estate, wherever located, which jurisdiction shall not be limited;

(ix) to hear and to determine any and all objections to or applications concerning the allowance of Claims or Equity Interests or the allowance, classification, priority, compromise, estimation, or payment of any Claim or Equity Interest;

(x) to hear and determine any objections to the allowance of Claims or Equity Interests arising prior to the Effective Date, whether filed, asserted, or made before or after the Effective Date, including, without express or implied limitation, to

hear and determine any objections to the classification, priority, compromise, estimation, or payment of any Claim or Equity Interest in whole or in part;

(xi) to liquidate any Disputed, contingent, or Unliquidated Claims or to estimate any Disputed Claims;

(xii) to hear and determine all motions or applications pending on the Confirmation Date for the rejection, assumption, or assumption and assignment of unexpired leases and executory contracts to which any Debtor is a party or with respect to which any Debtor may be liable, and the allowance of Claims resulting therefrom or from the expiration or termination prior to the Confirmation Date of any executory contract or unexpired lease;

(xiii) to hear and determine any disputes relating to the Distributions to holders of Allowed Claims as provided herein;

(xiv) to hear and determine all applications for allowances of compensation and reimbursement of expenses of Professional Claims and any other fees and expenses authorized to be paid or reimbursed under the Plan;

(xv) to hear and determine any and all motions for the use, sale or lease of property pursuant to section 363 of the Bankruptcy Code and all issues related thereto, which transactions completed after the Confirmation Date shall be deemed to have been made pursuant to the Plan and therefore, exempt from recording and other taxes under section 1146 of the Bankruptcy Code;

(xvi) to hear and determine any and all adversary proceedings, applications, motions, and contested or litigated matters, including the Causes of Action, and any other litigated matter, as well as any remands from any appeals, that may be pending on the Effective Date or that, pursuant to the Plan, may be instituted by the Reorganized Debtors after the Effective Date, including, without express or implied limitation, any claims to avoid any preferences, fraudulent transfers, or other voidable transfers, or otherwise to recover assets for the benefit of the Debtors' estates;

(xvii) to enable the Reorganized Debtors to prosecute any and all Causes of Action, including proceedings which may be brought to set aside Liens or encumbrances and to recover any transfers, assets, properties or damages to which the Reorganized Debtors may be entitled under applicable provisions of the Plan, the Bankruptcy Code or any federal, state or local laws, including controversies, disputes and conflicts between the Debtors and any other party, including but not limited to any objections to Claims, motions for subordination on any grounds and claims preserved hereunder and pursuant to the Confirmation Order;

(xviii) to the extent that Bankruptcy Court approval is required, to consider and act on the compromise and settlement of any Claim or cause of action by or against any Debtors' Estate;

(xix) to hear and determine matters concerning state, local, and federal taxes, fines, penalties, or additions to taxes for which the Debtors, as Debtors or Debtors in Possession, may be liable, directly or indirectly, in accordance with sections 346, 505,

and 1146 of the Bankruptcy Code (including any request for expedited determination under section 505(b)(2) of the Bankruptcy Code);

(xx) to enter, enforce and implement such orders (including orders entered prior to the Confirmation Date) as may be necessary or appropriate to execute, interpret, implement, consummate or enforce the terms and conditions of the Plan and the transactions contemplated hereunder;

(xxi) to issue such orders in aid of execution of the Plan to the extent authorized or contemplated by section 1142 of the Bankruptcy Code;

(xxii) to hear and to determine any other matter not inconsistent with the Bankruptcy Code and title 28 of the United States Code that may arise in connection with or related to the Plan; and

(xxiii) to enter a final decree closing any and all of the Chapter 11 Cases.

ii. Abstention and Other Courts.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of or relating to the Chapter 11 Cases, Article XII of the Plan (“Retention of Jurisdiction”) shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

**L. Other Provisions.**

i. Modification of the Plan.

The Plan may be altered, amended or modified by the Debtors, before or after the Confirmation Date, as provided in section 1127 of the Bankruptcy Code; provided, however, that no such alterations, amendments or modifications that are material shall be made without the consent of the Plan Proponents; provided further, however that the Plan Proponents may, with the approval of the Bankruptcy Court and without notice to holders of Claims and Equity Interests, correct any nonmaterial defect, omission, or inconsistency herein in such manner and to such extent as may be necessary or desirable. A holder of an Allowed Claim that has accepted the Plan shall be deemed to have accepted the Plan as modified if the proposed modification does not materially and adversely change the treatment of the Claim of such holder.

ii. Rights of Action.

Any rights, claims, or causes of action accruing to the Debtors pursuant to the Bankruptcy Code or pursuant to any statute or legal theory, and any rights to, claims or causes of action for recovery under any policies of insurance issued to or on behalf of the Debtors shall remain assets of the Debtors’ estates and, on the Effective Date, shall be transferred to the Reorganized Debtors.

iii. Plan Documents.

All Plan Documents, including, but not limited to the exhibits and schedules to the Plan, the Plan Supplement and the schedules and exhibits to the Plan Supplement, are incorporated into and are a part of the Plan as set forth in full herein.



iv. Compliance with Tax Requirements.

In connection with the Plan, the Debtors and the Reorganized Debtors will comply with all withholding and reporting requirements imposed by federal, state and local taxing authorities, and all Distributions hereunder shall be subject to such withholding and reporting requirements.

v. Expedited Determination of Postpetition Taxes.

The Debtors and the Reorganized Debtors are authorized (but not required) to request an expedited determination of taxes under section 505(b) of the Bankruptcy Code for all tax returns filed for, or on behalf of, the Debtors for all taxable periods (or portions thereof) from the Petition Date through (and including) the Effective Date.

vi. Section 1125 and 1126 of the Bankruptcy Code.

As of and subject to the occurrence of the Confirmation Date: (a) the Debtors shall be deemed to have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including without limitation, sections 1125(a) and (e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation; and (b) the Debtors and the Plan Proponents, and each of their respective Affiliates, agents, directors, managers, officers, employees, advisors, and attorneys shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of any securities under the Plan, and therefore are not, and on account of such offer, issuance, and solicitation will not be, liable at any time for any violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or the offer and issuance of any securities under the Plan.

vii. No Res Judicata Effect.

Notwithstanding anything to the contrary herein or the Plan, the provisions of the Disclosure Statement and the Plan that permit the Debtors or Reorganized Debtors to enter into settlements and compromises of any Cause of Action, shall not have, and are not intended to have, any res judicata or collateral estoppel effect with respect to any Cause of Action, as the case may be, that are not otherwise treated hereunder and shall not be deemed a bar to asserting such Cause of Action, regardless of whether or to what extent such Cause of Action are specifically described herein or Disclosure Statement relating hereto. Unless any of the Causes of Action are expressly waived, relinquished, exculpated, released, compromised or settled herein or by Final Order of the Bankruptcy Court, all such Causes of Action are expressly reserved and preserved for later adjudication and, therefore, no preclusion doctrine, including without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to such Causes of Action upon or after Confirmation or consummation of the Plan. Furthermore, notwithstanding any provision or interpretation to the contrary, nothing herein or the Confirmation Order, including the entry thereof, shall be deemed to constitute a release, waiver, impediment, relinquishment or bar, in whole or in part, of or to any recovery rights or any other claim, right or cause of action possessed by the Debtors prior to the Effective Date

viii. Bankruptcy Rule 9019 Request; Impact.

The Plan, including the Plan Supplement or other Plan Document, may provide for one or more compromises or settlements. Pursuant to Bankruptcy Rule 9019, the Debtors hereby request approval of all compromises and settlements included in the Plan, and entry of the Confirmation Order

shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of any such compromise or settlement.

ix. Cramdown.

The Plan Proponents' request, pursuant to section 1129(b)(1) of the Bankruptcy Code, that the Bankruptcy Court confirm the Plan notwithstanding the fact that the requirements of section 1129(a)(8) of the Bankruptcy Code may not be met.

## VIII. FINANCIAL PROJECTIONS

### A. Responsibility for and Purpose of the Financial Projections.

As a condition to confirmation of a plan, the Bankruptcy Code requires, among other things, that the Bankruptcy Court determine that confirmation is not likely to be followed by the liquidation or the need for further financial reorganization of the debtor. In connection with the development of the Plan, and for purposes of determining whether the Plan satisfies this feasibility standard, the Debtors' management has analyzed the ability of the Debtors to meet their obligations under the Plan and retain sufficient liquidity and capital resources to conduct their business.

### B. Pro Forma Financial Projections.

The Debtors believe that the Plan meets the Bankruptcy Code's feasibility requirement that Plan confirmation is not likely to be followed by liquidation, or the need for further financial reorganization of the Debtors or any successor under the Plan.

In connection with developing the Plan, and to assist each holder of a Claim in determining whether to accept or reject the Plan, the Debtors have developed a set of financial projections (the "Projected Financial Information" or "Financial Projections"). The Financial Projections are set forth in Exhibit "E" attached hereto (the "Projected Financial Information").

The Financial Projections are based on a number of significant assumptions as set forth in Exhibit "E", and while the Debtors have prepared the Financial Projections in good faith and believe the assumptions to be reasonable, it is important to note that the Debtors can provide no assurance that such assumptions will ultimately be realized. The Financial Projections should be read in conjunction with the qualifications contained herein and the risk factors described in the Disclosure Statement.

The Debtors do not, as a matter of course, publish their business plans and strategies or financial projections or anticipated financial position or results of operations. Accordingly, the Debtors do not anticipate that they will, and disclaim any obligation to, furnish updated business plans or financial projections to holders of Claims after the Confirmation Date, or to include such information in documents required to be filed with the Securities and Exchange Commission (if any) or otherwise make such information public.

In connection with the planning and development of the Plan, the Financial Projections were prepared by the Debtors with the assistance of Berkowitz to present the anticipated impact of the Plan and assume that the Plan will be implemented in accordance with its stated terms. The Financial Projections have been included by the Debtors strictly for purposes of complying with the confirmation requirement under section 1129(a)(11) of the Bankruptcy Code and have no impact on the actual terms of the Plan or the transactions contemplated therein. Nothing in the Financial Projections shall obligate or be construed to obligate the Reorganized Debtors, or the Plan Proponents as the 100% owners of the

Reorganized Debtors, to incur any of the liabilities contained in the Financial Projections (except as otherwise provided for in the Plan) or to operate the Reorganized Debtors in accordance with the Debtors' assumptions contained in the Financial Projections. The Reorganized Debtors will operate in the ordinary course in accordance with their own business plan. Since the Financial Projections are based on forecasts of key economic variables such as economic growth rates and the resulting impact on demand for the Debtors' services, future interest rates, capital market conditions, as well as key operational assumptions such as the Debtors' ability to maintain customer relationships, the ability to win new customer contracts on profitable terms, and the ability to manage costs and growth of the operations, the estimates and assumptions underlying the Financial Projections are inherently uncertain. Though considered reasonable by the Debtors as of the date hereof, the Financial Projections are subject to significant business, economic and competitive uncertainties. Accordingly, such Financial Projections, estimates and assumptions are not necessarily indicative of current values or future performance, which may be significantly less favorable or more favorable than as set forth. The Financial Projections were substantially completed in January, 2012.

**THE FINANCIAL PROJECTIONS HAVE NOT BEEN AUDITED BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS. ALTHOUGH EVERY EFFORT WAS MADE TO BE ACCURATE, THE FINANCIAL PROJECTIONS ARE ONLY AN ESTIMATE, AND ACTUAL RESULTS MAY VARY CONSIDERABLY FROM THE FINANCIAL PROJECTIONS. CONSEQUENTLY, THE PROJECTED INFORMATION INCLUDED HEREIN SHOULD NOT BE REGARDED AS A REPRESENTATION BY THE DEBTORS, THE DEBTORS' ADVISORS, OR ANY OTHER PERSON THAT THE PROJECTED RESULTS WILL BE ACHIEVED. IMPAIRED CREDITORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THE FINANCIAL PROJECTIONS IN DETERMINING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN OR SUBSCRIBE TO THE RIGHTS OFFERING. ALL HOLDERS OF CLAIMS SHOULD CAREFULLY READ AND CONSIDER FULLY THE RISK FACTORS SET FORTH IN SECTION IX OF THIS DISCLOSURE STATEMENT ("CERTAIN FACTORS AFFECTING THE DEBTORS") BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.**

The Financial Projections assume that (i) the Plan will be confirmed and consummated in accordance with its terms, (ii) there will be no material change in legislation or regulations, or the administration thereof, that will have an unexpected effect on the operations of the Debtors, (iii) there will be no change in generally accepted accounting principles in the United States that will have a material effect on the reported financial results of the Debtors, (iv) the application of "fresh start" accounting will not materially change the Debtors' revenue accounting procedures, and (v) there will be no material contingent or unliquidated litigation or indemnity Claims applicable to the Debtors.

To the extent that the assumptions inherent in the Financial Projections are based upon future business decisions and objectives, they are subject to change. In addition, although they are presented with numerical specificity and considered reasonable by the Debtors when taken as a whole, the assumptions and estimates underlying the Financial Projections are subject to significant business, economic and competitive uncertainties and contingencies, many of which will be beyond the control of the Debtors. Accordingly, the Financial Projections are only an estimate and, therefore, necessarily speculative in nature. It can be expected that some or all of the assumptions in the Financial Projections will not be realized and that actual results will vary from the Financial Projections, which variations may be material and are likely to increase over time. The Financial Projections are subjective in many respects, and thus are susceptible to interpretations and periodic revisions based on actual experience and recent developments. Moreover, inasmuch as the Plan Proponents will own 100% of the equity of the Reorganized Debtors and have the ability to control the Debtors, the Reorganized Debtors may elect to operate the business according to a business plan that is materially different than the business

plan underlying the Financial Projections. No representations can be made as to the accuracy of the Financial Projections or the Debtors' ability to achieve the projected results. Therefore, the Financial Projections may not be relied upon as a guaranty or other assurance of the actual results that will occur. The inclusion of the Financial Projections herein should not be regarded as an indication that the Debtors consider the Financial Projections to predict future performance reliably. In light of the foregoing, in deciding whether to vote to accept or reject the Plan, holders of Claims are cautioned not to place undue reliance on the Financial Projections and such holders must make their own determination as to the reasonableness of such assumptions and the reliability of the Financial Projections. The Financial Projections should be read together with the information, assumptions, qualifications and footnotes (if any) to tables containing the Financial Projections (which include projected statements of operations, projected balance sheets, and projected statements of cash flows) set forth herein and the historical financial information set forth in Section IX.A hereof ("Certain Bankruptcy Law Considerations").

The Financial Projections were not prepared with a view toward general use, but rather for the limited purpose of providing information in conjunction with the Plan. The Financial Projections should be read in conjunction with Article XI of this Disclosure Statement ("Alternatives to Confirmation and Consummation of the Plan") for a discussion of the risks related to the Plan.

The Financial Projections assume a Confirmation Date of approximately March 31, 2012, and as required, the concepts of "fresh start" accounting will be applied for periods after the Effective Date. These principles, which had historically been contained in the American Institute of Certified Public Accountants Statement of Position 90-7, "Financial Reporting by Entities in Reorganization Under the Bankruptcy Code", have been codified in the Financial Accounting Standards Codification (ASC) 852, "Reorganizations". Adoption of "fresh start" accounting requires the determination of the reorganization value of the entity that emerges from bankruptcy. Reorganization value generally approximates fair value of the entity before considering liabilities.

The process of fair valuing assets as part of "fresh start" accounting may result in: (i) changes to the carrying value of assets and liabilities, including property, plant, and equipment or (ii) may result in the creation of new intangibles.

**SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995.** The Financial Projections contain statements which constitute "forward-looking statements" within the meaning of the Securities Act and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" in the Financial Projections include the intent, belief or current expectations of the Debtors and members of their management team with respect to the timing of, completion of and scope of the Plan, the current strategic business plan, bank financing, and debt and equity market conditions and the Debtors' future liquidity, as well as the assumptions upon which such statements are based, which assumptions are based on their experience and perception of historical trends, current conditions, expected future developments and other factors they believe are appropriate in the circumstances. While the Debtors believe that the expectations are based on reasonable assumptions within the bounds of their knowledge of their business and operations, parties in interest are cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Important factors currently known to the Debtors' management that could cause actual results to differ materially from those contemplated by the forward-looking statements in the Financial Projections include, but are not limited to, adverse developments in the timing or results of the Debtors' strategic business plan (including the timeline to emerge from Chapter 11), the ability of the Debtors to retain and attract new customers and maintain favorable relationships with such customers, the Debtors' liquidity,

the difficulty in controlling operating costs, the level and nature of any restructuring and other one-time charges, and the possible negative effects of a change in applicable legislation.

The Duart Contribution was determined pursuant to a calculation of the Debtors' post-confirmation equity value. Post-confirmation equity value was calculated using a discounted cash flow analysis, in which the annual cash flows reflected in the Financial Projections were discounted to their present value using a discount rate of approximately 25%, equal to the estimated cost of equity. The projected annual cash flows, which include a terminal value at the end of year 3, were adjusted to reflect a normalized level of compensation for Mr. Duart, as the foregone compensation in year 1 and the estimated compensation in years 2 and 3 are deemed to be below market levels. The net present value of adjusted future cash flows was approximately \$350 thousand.

An asset based approach, which estimates the value of each of the entity's assets and liabilities, was considered but rejected as a valid approach to value post-confirmation equity. Accounts receivable and work-in-process comprise the vast majority of the Debtor's assets. It would not be possible to realize the value of these assets other than as a going concern, which would generate the cash flows reflected in the Financial Projections. Any attempt to realize the value of the Debtors' accounts receivable and work-in-process other than through normal operations would necessitate a liquidation. As discussed in the Liquidation Analysis (See Exhibit F) because of the long-term nature of most active jobs and the disruption that a termination of services would cause to many of the Debtor's clients, outstanding receivables would be difficult to collect, as many customers would likely hold back payments in consideration of the additional costs and a duplication of work that would be incurred to replace the Debtor with alternative professionals.

## IX. CERTAIN FACTORS AFFECTING THE DEBTORS

### A. Certain Bankruptcy Law Considerations.

#### *i. Failure to Satisfy Vote Requirement.*

The Debtors are seeking to receive votes in number and representing Claims in amount sufficient to enable the Bankruptcy Court to confirm the Plan. If the Plan does not receive sufficient votes for Confirmation pursuant to section 1129(a) of the Bankruptcy Code, then the Debtors may nevertheless seek to employ the "cram down" procedures set forth in section 1129(b) of the Bankruptcy Code.

#### *ii. Non-Consensual Confirmation.*

In the event any impaired class of claims or equity interests does not accept a plan of reorganization, a bankruptcy court may nevertheless confirm such plan at the proponent's request if at least one impaired class has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. See Section X of this Disclosure Statement ("Confirmation of the Plan of Reorganization"). If any Class of Claims does not accept the Plan, these requirements will have to be satisfied with respect to such Class. Because Class 6 ("Subordinated Unsecured Claims") and Class 7 ("Equity Interests") are deemed to reject the Plan, these requirements must be satisfied with respect to such Classes. The Debtors believe that the Plan satisfies these requirements.

iii. Risk of Delay in Confirmation of the Plan.

Although the Debtors believe that they will be able to confirm the Plan prior to March 31, 2012, if they are not able to do so, there will be a delay in making any Distributions described in the Plan.

iv. Risk of Non-Confirmation of the Plan.

Although the Debtors believe that the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion or that modifications of the Plan will not be required for confirmation or that such modifications would not necessitate re-solicitation of votes.

In order for the Debtors to emerge successfully from the Chapter 11 Cases as viable entities, the Debtors, like any other Chapter 11 debtors, must obtain approval of the Plan from their creditors and confirmation of the Plan through the Bankruptcy Court, and then successfully implement the Plan. The foregoing process requires the Debtors to (a) meet certain statutory requirements with respect to the adequacy of this Disclosure Statement; (b) solicit and obtain creditor acceptances of the Plan; and (c) fulfill other statutory conditions with respect to the confirmation of the Plan.

The Debtors may or may not receive the requisite acceptances to confirm the Plan. If the requisite acceptances of the Plan are received, the Debtors will seek confirmation of the Plan by the Bankruptcy Court. If the requisite acceptances are not received, the Debtors may nevertheless seek confirmation of the Plan pursuant to the “cramdown” provisions of the Bankruptcy Code as long as at least one Impaired Class has accepted the Plan (determined without including the acceptance of any “insider” in such Impaired Class).

Even if the requisite acceptances of the Plan are received, or the Debtors are able to seek a “cramdown” confirmation, the Bankruptcy Court may not confirm the Plan as proposed. A holder of a Claim in a non-accepting Class could challenge the balloting procedures and results as not being in compliance with the Bankruptcy Code. Even if the Bankruptcy Court determined that the balloting procedures and results were appropriate, the Bankruptcy Court could decline to confirm the Plan if it found that any of the statutory requirements for confirmation had not been met. Specifically, section 1129 of the Bankruptcy Code sets forth the requirements for confirmation and requires, among other things, a finding by the Bankruptcy Court that: (a) confirmation of the Plan is not likely to be followed by a liquidation or a need for further financial reorganization of the Debtors; (b) the value of distributions to holders of Claims within an Impaired Class who do not accept the Plan will not be less than the value such holders would receive if the Debtors were liquidated under Chapter 7; and (c) in the event of a “cramdown” confirmation, the Plan “does not unfairly discriminate” and is “fair and equitable” with respect to non-accepting Classes. The Bankruptcy Court may determine that the Plan does not satisfy one or more of these applicable requirements, in which case the Plan might not be confirmed by the Bankruptcy Court.

If the Plan is not confirmed by the Bankruptcy Court, it is unclear whether the Debtors would be able to reorganize their businesses and what, if any, distributions holders of Claims and Equity Interests ultimately would receive with respect to their Claims or Equity Interests. In addition, there can be no assurance that the Debtors will be able to successfully develop, prosecute, confirm, and consummate an alternative plan of reorganization with respect to the Debtors that is acceptable to the Bankruptcy Court and the holders of Claims and Equity Interests. Furthermore, it is possible that third parties may seek and obtain approval to terminate or shorten the exclusivity period during which only the Debtors may propose and confirm a plan of reorganization, further disrupting the Debtors' reorganization efforts.

v. *The Debtors Have No Duty to Update.*

The statements contained in this Disclosure Statement are made by the Debtors as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtors have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

vi. *Allowed Claims in Class 4, And/Or Other Classes, May Exceed Estimates.*

As stated above, on November 1, 2011, the Bankruptcy Court entered an order [D.E. #65] establishing February 27, 2012 at 5:00 p.m. (prevailing Eastern Time) as the last date and time (as defined, the Bar Date) for each person or entity (including without limitation, each individual, partnership, joint venture, corporation, estate, trust, but not Governmental Units (as defined in section 101(27) of the Bankruptcy Code)), to file a proof of claim based upon prepetition claims against the Debtors. The Bankruptcy Court's order [DE #65] also set the Bar Date with respect to Government Units as April 23, 2012 at 5:00 p.m. (prevailing Eastern Time).

The projected distributions of one hundred (100%) percent set forth in this Disclosure Statement with respect to Class 4 of the Plan ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors") are based upon the Debtors' good faith estimate of the amount of Plan expenses that will be incurred and total amount of Claims in such Class that will ultimately be allowed. The actual amount of Plan expenses could be greater than expected for a variety of reasons, including greater than anticipated administrative and litigation costs associated with resolving disputed Claims. Additionally, the actual amount of Allowed Claims in Class 4 could be materially greater than anticipated, and/or there could be unexpected Claims filed and Allowed several other classes in which the Debtors believe that there are no Claims (i.e., Classes 1, 2 and 3) which could negatively impact the Debtors' ability to make Distributions to the holders of Claims.

**B. Additional Factors to Be Considered.**

i. *Financial Projections and Other Forward-Looking Statements Are Not Assured, and Actual Results Are Likely to Vary.*

Certain of the information contained in this Disclosure Statement is, by nature, forward looking, and contains estimates and assumptions which might ultimately prove to be incorrect, and contains projections including, without limitation, the Financial Projections, which may be materially different from actual future experiences. There are uncertainties associated with any projections and estimates, including, without limitation, the Financial Projections, and the projections and estimates herein should not be considered assurances or guarantees of the amount of funds or the amount of Claims in the various Classes that might be allowed. The Financial Projections reflect numerous assumptions concerning the anticipated future performance of the Debtors, some of which may not materialize. Such assumptions include, among other items, assumptions concerning the U.S. economy, the ability to retain and grow the Debtors' customer base and control future operating expenses. The Debtors believe that the assumptions underlying the Financial Projections are reasonable. However, unanticipated events and circumstances occurring subsequent to the preparation of the Financial Projections may affect the actual financial results of the Debtors. Therefore, the actual results achieved throughout the periods covered by the Financial Projections necessarily will vary from the projected results. Further, the Financial Projections have been included by the Debtors strictly for purposes of complying with the feasibility requirement of the Bankruptcy Code and have no impact on the actual terms of the Plan or the transactions contemplated therein. Nothing in the Financial Projections shall obligate or be construed to

obligate the Reorganized Debtors, or the Plan Proponents as the 100% owners of the Reorganized Debtors, to incur any of the liabilities contained in the Financial Projections (except as otherwise provided for in the Plan) or to operate the Reorganized Debtors in accordance with the Debtors' assumptions contained in the Financial Projections. The Reorganized Debtors will operate in the ordinary course in accordance with their own business plan.

*ii. No Representations Outside This Disclosure Statement Are Authorized.*

No representations concerning or related to the Debtors, the Chapter 11 Cases, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as contained in, or included with, this Disclosure Statement should not be relied upon by you in arriving at your decision.

*iii. No Legal or Tax Advice is Provided to You by This Disclosure Statement.*

The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each holder of a Claim or Equity Interest should consult his, her, or its own legal counsel and accountant as to legal, tax and other matters concerning his, her, or its Claim or Equity Interest.

This Disclosure Statement is not intended to provide, nor should it be relied on for, legal, business or tax advice. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

*iv. No Admission Made.*

Nothing contained herein shall constitute an admission of, or be deemed evidence of, the tax or other legal effects of the Plan on the Debtors or on holders of Claims or Equity Interests.

**C. Certain Tax Matters.**

For a summary of certain federal income tax consequences of the Plan to holders of Claims and Equity Interests of the Debtors, see Section XII of this Disclosure Statement ("Certain Federal Income Tax Consequences of the Plan").

**X. CONFIRMATION OF THE PLAN OF REORGANIZATION**

**A. Confirmation Hearing.**

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after appropriate notice, to hold a hearing on confirmation of a plan of reorganization. As set forth in the Disclosure Statement Approval and Solicitation Order, the Bankruptcy Court has scheduled the Confirmation Hearing for \_\_\_\_\_, 2012 at \_\_\_\_\_ (**prevailing Eastern Time**). Pursuant to Local Rule 2002-1(8) ("Notice of Chapter 11 Disclosure Statement and Confirmation Hearings and Continued Hearings"), the Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any subsequent adjourned Confirmation Hearing.

Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules, must set forth the name of the objector, the nature and amount of Claims or Equity Interests held or asserted by the objector against the Debtors' Estate(s) or property, the basis for the



objection and the specific grounds therefor, and must be filed with the Bankruptcy Court, together with proof of service thereof, and served upon the following parties so as to be received no later than \_\_\_\_\_, 2012 at \_\_\_\_\_ (prevailing Eastern Time):

Maguire Group Holdings, Inc.  
13940 S.W. 136th Street, Suite 100  
Miami, Florida 33186  
Attn: Carlos Duart, President

*Debtors and Debtors in Possession*

Berger Singerman LLP  
1450 Brickell Avenue, Suite 1900  
Miami, FL 33131  
Tel: 305-755-9500  
Attn: James D. Gassenheimer, Esq.  
Christopher A. Jarvinen, Esq.

*Counsel for the Debtors and Debtors in Possession*

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

**B. Requirements for Confirmation of the Plan of Reorganization.**

*i. Requirements of Section 1129(a) of the Bankruptcy Code.*

*a. General Requirements.*

At the Confirmation Hearing, the Bankruptcy Court will determine whether the following confirmation requirements specified in section 1129 of the Bankruptcy Code have been satisfied:

(1) The Plan complies with the applicable provisions of the Bankruptcy Code.

(2) The Plan Proponents have complied with the applicable provisions of the Bankruptcy Code.

(3) The Plan has been proposed in good faith and not by any means proscribed by law.

(4) Any payment made or promised by the Plan Proponents, by the Debtors, or by a person issuing securities or acquiring property under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been disclosed to the Bankruptcy Court, and any such payment made before confirmation of the Plan is reasonable, or if such payment is to be fixed after confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court as reasonable.

(5) The Plan Proponents have disclosed the Disclosure Statement or Plan the identity and affiliations of any individual proposed to serve, after confirmation of the

Plan, as a director or officer of the Debtors, any affiliate of the Debtors participating in a Plan with the Debtors, or a successor to the Debtors under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of creditors and equity holders and with public policy, and the Debtors have disclosed the identity of any insider that will be employed or retained by the Debtors, and the nature of any compensation for such insider.

(6) With respect to each class of claims or equity interests, each holder of an impaired claim or impaired equity interest either has accepted the Plan or will receive or retain under the Plan on account of such holder's claim or equity interest, property of a value, as of the Effective Date, that is not less than the amount such holder would receive or retain if the Debtors were liquidated on the Effective Date under Chapter 7. See discussion of "Best Interests Test" below.

(7) Except to the extent that the Plan meets the requirements of section 1129(b) of the Bankruptcy Code (discussed below), each class of claims or equity interests has either accepted the Plan or is not impaired under the Plan.

(8) Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the Plan provides that administrative expenses and priority claims other than priority tax claims will be paid in full in cash on the Effective Date and that priority tax claims will receive on account of such claims deferred cash payments, over a period not exceeding five years after the Petition Date, of a value, as of the Effective Date, equal to the allowed amount of such claims.

(9) At least one class of impaired claims has accepted the Plan, determined without including any acceptance of the Plan by any insider holding a claim in such class.

(10) Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtors or any successor to the Debtors under the Plan, unless such liquidation or reorganization is proposed in the Plan. See discussion of "Feasibility" below.

(11) The Plan provides for the continuation after the Effective Date of payment of all "retiree benefits" (as defined in section 1114 of the Bankruptcy Code), at the level established pursuant to subsection 1114(e)(1)(B) or 1114(g) of the Bankruptcy Code at any time prior to confirmation of the Plan, for the duration of the period the Debtors have obligated themselves to provide such benefits, if any.

*b. The Best Interests Test and the Debtors' Liquidation Analyses.*

Pursuant to section 1129(a)(7) of the Bankruptcy Code (often called the "Best Interests Test"), holders of Allowed Claims and Equity Interests must either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Plan's assumed Effective Date, that is not less than the value such non-accepting holder would receive or retain if the Debtors were to be liquidated under Chapter 7.

The first step in meeting the Best Interests Test is to determine the dollar amount that would be generated from a hypothetical liquidation of the Debtors' assets and properties in the context of a Chapter 7 case. The gross amount of cash available would be the sum of the proceeds from the disposition of the Debtors' assets and the cash held by the Debtors at the time of the commencement of

the Chapter 7 case. The next step is to reduce that total by the amount of any claims secured by such assets, the costs and expenses of the liquidation, and such additional administrative expenses and priority claims that may result from the termination of the Debtors' business and the use of Chapter 7 for the purposes of liquidation. Any remaining net cash would be allocated to creditors and shareholders in strict priority in accordance with section 726 of the Bankruptcy Code (see discussion below). Finally, taking into account the time necessary to accomplish the liquidation, the present value of such allocations may be compared to the value of the property that is proposed to be distributed under the Plan on the Effective Date.

The Debtors' costs of liquidation under Chapter 7 would include the fees payable to a Chapter 7 trustee in bankruptcy, as well as those that might be payable to attorneys and other professionals that such a trustee may engage, plus any unpaid expenses incurred by the Debtors during the Chapter 11 Cases and allowed in the Chapter 7 case, such as compensation for attorneys, financial advisors, appraisers, accountants and other professionals, and costs and expenses of members of any statutory committee of unsecured creditors appointed by the U.S. Trustee pursuant to section 1102 of the Bankruptcy Code and any other committee so appointed. Moreover, in a Chapter 7 liquidation, additional claims would arise by reason of the breach or rejection of obligations incurred and executory contracts or leases entered into by the Debtors both prior to, and during the pendency of, the Chapter 11 Cases.

The foregoing types of claims, costs, expenses, fees and such other claims that may arise in a liquidation case would be paid in full from the liquidation proceeds before the balance of those proceeds would be made available to pay pre-Chapter 11 priority and unsecured claims. Under the absolute priority rule, no junior creditor would receive any distribution until all senior creditors are paid in full, with interest, and no equity holder receives any distribution until all creditors are paid in full, with interest.

The Debtors, with the assistance of their financial advisors, have prepared a hypothetical liquidation analysis (the "Liquidation Analysis") which is annexed hereto as Exhibit "F".

After consideration of the effects that a Chapter 7 liquidation would have on the ultimate proceeds available for distribution to creditors in a Chapter 11 case, including (i) the increased costs and expenses of a liquidation under Chapter 7 arising from fees payable to a trustee in bankruptcy and professional advisors to such trustee, (ii) where applicable, the erosion in value of assets in a Chapter 7 case in the context of the expeditious liquidation required under Chapter 7 and the "forced sale" atmosphere that would prevail, and (iii) substantial increases in claims which would be satisfied on a priority basis, the Debtors have determined that in a Chapter 7 case the holders of the Claims in (i) Class 4 ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors") and Class 5 ("General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors") would receive either less than the distribution provided for under the Plan or no distribution whatsoever, and (ii) Class 6 ("Subordinated Unsecured Claims") and Class 7 ("Equity Interests") would receive no distribution. Consequently, confirmation of the Plan will provide each creditor of the Debtors with a recovery that is not less than it would receive pursuant to a liquidation of the Debtors under Chapter 7.

Moreover, the Debtors believe that the value of any distributions from the liquidation proceeds to each class of allowed claims in a Chapter 7 case would be the same or less than the value of distributions under the Plan because such distributions in a Chapter 7 case may not occur for a substantial period of time. In this regard, it is possible that distribution of the proceeds of the liquidation could be delayed for a year or more after the completion of such liquidation in order to resolve the claims and prepare for distributions. In the event litigation were necessary to resolve claims asserted in the Chapter 7 case, the delay could be further prolonged and administrative expenses further increased.

UNDERLYING THE LIQUIDATION ANALYSIS ARE NUMEROUS ESTIMATES AND ASSUMPTIONS REGARDING LIQUIDATION PROCEEDS THAT, ALTHOUGH DEVELOPED AND CONSIDERED REASONABLE BY THE DEBTORS AND THEIR ADVISORS, ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, REGULATORY AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE DEBTORS. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE VALUES REFLECTED IN THE LIQUIDATION ANALYSIS WOULD BE REALIZED IF THE DEBTORS WERE, IN FACT, TO UNDERGO SUCH A LIQUIDATION, AND ACTUAL RESULTS COULD MATERIALLY DIFFER FROM THE RESULTS SET FORTH HEREIN.

*c. Feasibility.*

The Bankruptcy Code requires a debtor to demonstrate that confirmation of a plan of reorganization is not likely to be followed by the liquidation or the need for further financial reorganization of a debtor unless so provided by the plan of reorganization. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their financial obligations as contemplated thereunder. As part of this analysis, the Debtors have requested Berkowitz to prepare the Financial Projections and contained in Article VIII of this Disclosure Statement (“Financial Information and Projections”) and in Exhibit “E” to this Disclosure Statement (“The Projected Financial Information”). The Financial Projections are based upon the assumption that the Plan will be confirmed by the Bankruptcy Court and the Effective Date of the Plan and its substantial consummation will take place around approximately March 31, 2012.

The Financial Projections include balance sheets, statements of operations and statements of cash flows. Based upon the Financial Projections, the Debtors believe the Reorganized Debtors will be able to make all payments required to be made pursuant to the Plan. The Financial Projections have been included by the Debtors strictly for purposes of complying with the confirmation requirement under section 1129(a)(11) of the Bankruptcy Code and have no impact on the actual terms of the Plan or the transactions contemplated therein. Nothing in the Financial Projections shall obligate or be construed to obligate the Reorganized Debtors, or the Plan Proponents as the 100% owners of the Reorganized Debtors, to incur any of the liabilities contained in the Financial Projections (except as otherwise provided for in the Plan) or to operate the Reorganized Debtors in accordance with the Debtors’ assumptions contained in the Financial Projections. The Reorganized Debtors will operate in the ordinary course in accordance with their own business plan.

*ii. Requirements of Section 1129(b) of the Bankruptcy Code.*

The Bankruptcy Court may confirm the Plan over the rejection or deemed rejection of the Plan by a class of claims or equity interests if the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to such class.

No Unfair Discrimination. This test applies to classes of claims or equity interests that are of equal priority and are receiving different treatment under a plan of reorganization. The test does not require that the treatment be the same or equivalent, but that such treatment be “fair.”

Fair and Equitable Test. This test applies to classes of different priority (e.g., unsecured versus secured) and includes the general requirement that no class of claims receive more than 100% of the allowed amount of the claims in such class. As to the dissenting class, the test sets different standards, depending on the type of claims or interests in such class:

- Secured Claims. Each holder of an impaired secured claim either (i) retains its liens on the property (or if sold, on the proceeds thereof) to the extent of the allowed amount of its secured claim and receives deferred cash payments having a value, as of the effective date of the plan, of at least the allowed amount of such claim or (ii) receives the “indubitable equivalent” of its allowed secured claim.
- Unsecured Claims. Either (i) each holder of an impaired unsecured claim receives or retains under the plan property of a value equal to the amount of its allowed unsecured claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive or retain any property under the plan of reorganization.
- Equity Interests. Either (i) each equity interest holder will receive or retain under the plan of reorganization property of a value equal to the greater of (a) the fixed liquidation preference or redemption price, if any, of such stock and (b) the value of the stock, or (ii) the holders of interests that are junior to the equity interests of the dissenting class will not receive or retain any property under the plan of reorganization.

The Debtors believe the Plan will satisfy both the “no unfair discrimination” requirement and the “fair and equitable” requirement notwithstanding that Class 6 (“Subordinated Unsecured Claims”) and Class 7 (“Equity Interests”) are deemed to reject the Plan, because as to Class 6 (“Subordinated Unsecured Claims”) and Class 7 (“Equity Interests”), there is no class of equal priority receiving more favorable treatment and no class that is junior to such a dissenting class will receive or retain any property on account of the claims or equity interests in such class.

## **XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN**

### **A. Liquidation Under Chapter 7.**

If no plan can be confirmed, the Chapter 11 Cases may be converted to cases under Chapter 7, pursuant to which a trustee would be appointed to liquidate the assets of the Debtors for distribution in accordance with the priorities established by the Bankruptcy Code. A discussion of the effects that a Chapter 7 liquidation would have on the recovery of holders of claims and equity interests and the Debtors’ liquidation analysis are set forth in Section X above (“Confirmation of the Plan of Reorganization”). The Debtors believe that liquidation under Chapter 7 would result in smaller distributions being made to creditors than those provided for in the Plan because of (i) the likelihood that the assets of the Debtors would have to be sold or otherwise disposed of in a less orderly fashion over a shorter period of time, (ii) additional administrative expenses involved in the appointment of a trustee and (iii) additional expenses and claims, some of which would be entitled to priority, which would be generated during the liquidation and from the rejection of leases and other executory contracts in connection with a cessation of the Debtors’ operations. In a Chapter 7 liquidation, the Debtors believe that the holders of the Claims in (i) Class 4 (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) and Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”) would receive either less than the distribution provided for under the Plan or no distribution whatsoever, and (ii) Class 6 (“Subordinated Unsecured Claims”) and Class 7 (“Equity Interests”) would receive no distribution. Consequently, confirmation of the Plan will provide each creditor of the Debtors with a recovery that is not less than it would receive pursuant to a liquidation of the Debtors under Chapter 7.

**B. Alternative Plan of Reorganization.**

If the Plan is not confirmed, the Debtors (or, if the Debtors' exclusive period in which to file a plan of reorganization has expired, any other party in interest) could attempt to formulate a different Chapter 11 plan of reorganization. Such a plan of reorganization might involve either a reorganization and continuation of the Debtors' business or an orderly liquidation of their assets under Chapter 11. With respect to an alternative plan, the Debtors have explored various alternatives in connection with the formulation and development of the Plan. The Debtors believe that the Plan, as described herein, enables creditors of the Debtors to realize the most value under the circumstances. In a liquidation under Chapter 11, the Debtors' assets would be sold in an orderly fashion over a more extended period of time than in a liquidation under Chapter 7, possibly resulting in somewhat greater (but indeterminate) recoveries than would be obtained in Chapter 7. However, the vast bulk of the Debtors' assets are accounts receivable, and the Debtors believe that it would be as difficult to collect such accounts receivable in a Chapter 11 liquidation, as it would be in a Chapter 7 case, because the Debtors would no longer be in operation. Further, if a trustee were not appointed, because such appointment is not required in a Chapter 11 case, the expenses for professional fees would most likely be lower than those incurred in a Chapter 7 case. Although preferable to a Chapter 7 liquidation, the Debtors believe that any alternative liquidation under Chapter 11 is a much less attractive alternative to creditors of the Debtors than the Plan because of the greater return provided by the Plan.

**XII. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN**

A summary description of certain United States ("U.S.") federal income tax consequences of the Plan is provided below. The description of tax consequences below is for informational purposes only and, due to lack of definitive judicial or administrative authority or interpretation, substantial uncertainties exist with respect to various U.S. federal income tax consequences of the Plan as discussed herein. Only the potential material U.S. federal income tax consequences of the Plan to the Debtors and to a typical holder of Claims and Equity Interests who are entitled to vote or to accept or reject the Plan are described below. No opinion of counsel has been sought or obtained with respect to any tax consequences of the Plan, and no tax opinion is being given in this Disclosure Statement. No rulings or determination of the Internal Revenue Service (the "IRS") or any other tax authorities have been sought or obtained with respect to any tax consequences of the Plan, and the discussion below is not binding upon the IRS or such other authorities. No representations are being made regarding the particular tax consequences of the confirmation and consummation of the Plan to the Debtors or to any holder of Claims or Equity Interests. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position from any discussed herein.

The discussion of the U.S. federal income tax consequences below is based on the Internal Revenue Code of 1986, as amended (the "Tax Code"), Treasury Regulations promulgated and proposed thereunder, judicial authorities, and administrative rulings and pronouncements of the IRS and other applicable authorities, all as in effect on the date of this document. Legislative, judicial or administrative changes or interpretations enacted or promulgated in the future could alter or modify the analyses and conclusions set forth below. It cannot be predicted at this time whether any tax legislation will be enacted or, if enacted, whether any tax law changes contained therein would affect the tax consequences to the holders of Claims and Equity Interests (the "Claimants"). Any such changes or interpretations may be retroactive and could significantly affect the U.S. federal income tax consequences discussed below.

**THIS DISCUSSION DOES NOT ADDRESS FOREIGN, STATE OR LOCAL TAX CONSEQUENCES OF THE PLAN, NOR DOES IT PURPORT TO ADDRESS THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO SPECIAL CLASSES OF**

**TAXPAYERS (SUCH AS FOREIGN ENTITIES, NONRESIDENT ALIEN INDIVIDUALS, PASS-THROUGH ENTITIES SUCH AS PARTNERSHIPS AND HOLDERS THROUGH SUCH PASS-THROUGH ENTITIES, S CORPORATIONS, MUTUAL FUNDS, INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, SMALL BUSINESS INVESTMENT COMPANIES, REGULATED INVESTMENT COMPANIES, CERTAIN SECURITIES TRADERS, BROKER-DEALERS AND TAX-EXEMPT ORGANIZATIONS). FURTHERMORE, ESTATE AND GIFT TAX ISSUES ARE NOT ADDRESSED AND TAX CONSEQUENCES RELATING TO THE ALTERNATIVE MINIMUM TAX ARE GENERALLY NOT DISCUSSED. NO REPRESENTATIONS ARE MADE REGARDING THE PARTICULAR TAX CONSEQUENCES OF THE PLAN TO ANY HOLDER OF A CLAIM OR INTEREST. EACH HOLDER OF A CLAIM OR INTEREST IS STRONGLY URGED TO CONSULT A TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE TRANSACTIONS DESCRIBED HEREIN AND IN THE PLAN.**

**A. U.S. Federal Income Tax Consequences to the Debtors.**

*i. Cancellation of Indebtedness Income.*

Generally, the discharge of a debt obligation owed by a debtor for an amount less than the “adjusted issue price” (in most cases, the amount the debtor received on incurring the obligation, with certain adjustments) gives rise to cancellation of indebtedness (“COD”) income to the debtor, subject to certain rules and exceptions. However, when the discharge of indebtedness occurs pursuant to a plan approved by the Bankruptcy Court in a case under Title 11 of the Bankruptcy Code (e.g., a Chapter 11 case), there is a special rule under the Tax Code which specifically excludes from a debtor's income the amount of such discharged indebtedness (the so-called “bankruptcy exception”). Instead, certain of the debtor’s tax attributes otherwise available generally must be reduced by the amount of the COD income that is excluded from the debtor's income. Such reduction of tax attributes generally occurs in the following order: (i) net operating losses and net operating loss carryovers (collectively, “NOLs”), (ii) general business credits, (iii) minimum tax credits, (iv) capital loss carryovers, (v) the tax basis of debtor’s property (both depreciable and non-depreciable), (vi) passive activity loss and credit carryovers, and (v) foreign tax credit carryovers (although there is a special rule in the Tax Code which allows the debtor to elect to first reduce the tax basis of depreciable property before having to reduce NOLs and other attributes).

Under current Income Tax Regulations, the availability of the “bankruptcy exception” in the context of a consolidated group is made on a “separate entity” basis and not on a “consolidated group” basis. In addition, with regard to tax attribute reduction in the context of a consolidated group, recently adopted Income Tax Regulations (1.1502-28) suggest a “hybrid” method of attribute reduction. Under these regulations, the tax attributes of the separate member having excluded COD income is first reduced, followed by a reduction of the tax attributes of the subsidiary members (to the extent of any stock basis reduction). Then, to the extent a member’s excluded COD income exceeds that member's separate entity tax attributes, the consolidated tax attributes allocated to the other members are proportionately reduced.

It is not clear to what extent the Debtors will have COD income under the Plan although the Debtors believe that any such COD income generated by the debt cancellation occurring pursuant to the Plan should be excluded from their income under the so-called “bankruptcy exception” assuming that the Plan is confirmed with respect to the Debtors. It is also not clear to what extent the Debtors’ tax attributes (including its NOLs) will be reduced pursuant to the application of these rules.

ii. Gain or Loss on Transfer/Sale of Debtors' Assets.

If there is a sale of the Debtors' assets, or some portion thereof, the Debtors will generally recognize gain or loss on the sale in an amount equal to the difference between the amount realized (generally, the amount of cash and the fair market value of any other property received plus liabilities of the Debtors' assumed by the buyer, if any) and the Debtors' tax basis in the assets sold. Such gain, if any, may be reduced (or eliminated) to the extent that the Debtors have sufficient NOLs.

**B. U.S. Federal Income Tax Consequences to an Investor Typical of the Holders of Claims and Equity Interests.**

The U.S. federal income tax consequences of the implementation of the Plan to the Claimants, typical of the holders of Claims and Equity Interests who are entitled to vote to accept or reject the Plan, will depend on a number of factors, including (i) whether the Claim constitutes a "security" for U.S. federal income tax purposes, (ii) the nature and origin of the Claim, (iii) the manner in which the holder acquired the Claim, (iv) the length of time the Claim has been held, (v) whether the Claim was acquired at a discount, (vi) whether the holder has taken a bad debt deduction or loss with respect to the Claim (or any portion thereof) in the current year or in any prior year, (vii) whether the holder has previously included in its taxable income accrued but unpaid interest with respect to the Claim; (viii) the holder's method of tax accounting, (ix) whether the Claim is an installment obligation for U.S. federal income tax purposes, and (x) the timing of any distributions under the Plan.

i. Gain or Loss Recognition on the Satisfaction of Claims and Character of Gain or Loss.

Holders of Claims will generally recognize gain or loss with respect to their Claims in an amount equal to the difference between the amount realized (generally, the amount of cash and the fair market value of any other property received) with respect to their Claims and their respective tax bases in their Claims. Thus, it is possible that certain holders of Claims may recognize gain or income as a result of distributions under the Plan. In general, the character of any gain or loss recognized by any such Claimholder as capital or ordinary will depend on whether the Claim constitutes a capital asset in the hands of the Claimholder. To the extent that a debt instrument is acquired after its original issuance for less than the issue price of such instrument, it will have market discount. A holder of a Claim with market discount must treat any gain recognized on the satisfaction of such Claim as ordinary income to the extent that it does not exceed the market discount that has already been accrued with respect to such Claim. There may also be state, local or foreign tax considerations applicable to particular holders of Claims, none of which are discussed herein. **Holders of Claims should consult their own tax advisors for information that may be relevant to their particular situations and circumstances and the particular tax consequences to them of the transactions contemplated by the Plan.**

ii. Holders of Disputed Claims.

Although not free from doubt, holders of Disputed Claims should not recognize any gain or loss on the date that the assets are transferred to the Disputed Claims Reserve, but should recognize gain or loss in an amount equal to: (i) the amount of cash and the fair market value of any other property actually distributed to such claimant (other than any amounts attributable to accrued and unpaid interest) less (ii) the adjusted tax basis of its Claim (other than for accrued and unpaid interest). **Holders of Disputed Claims are urged to consult their own tax advisors regarding the taxation of their Disputed Claims and the timing and amount of income or loss recognized relating to the Disputed Claims Reserve.**



iii. Information Reporting and Backup Withholding.

Certain payments, including payments in respect of accrued interest or market discount, are generally subject to information reporting by the payor to the IRS. Moreover, such reportable payments are subject to backup withholding under certain circumstances. Under the Tax Code's backup withholding rules, a U. S. holder may be subject to backup withholding at the applicable rate with respect to certain distributions or payments pursuant to the Plan, unless the holder: (i) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (ii) provides a correct U. S. taxpayer identification number and certifies under penalty of perjury that the holder is a U.S. person, the taxpayer identification number is correct and that the holder is not subject to backup withholding because of a failure to report all dividend and interest income.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules may be credited against holder's U. S. federal income tax liability, and a holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing an appropriate claim for refund with the IRS.

C. Importance of Obtaining Professional Tax Assistance.

**THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A CLAIMHOLDER'S PARTICULAR CIRCUMSTANCES. ACCORDINGLY, CLAIMHOLDERS ARE STRONGLY URGED TO CONSULT THEIR OWN TAX ADVISORS ABOUT THE U. S. FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN, INCLUDING WITH RESPECT TO TAX REPORTING AND RECORD KEEPING REQUIREMENTS.**

D. Additional Circular 230 Disclaimer.

**THE IRS REQUIRES WRITTEN ADVICE REGARDING ONE OR MORE U.S. FEDERAL TAX ISSUES TO MEET CERTAIN STANDARDS. THOSE STANDARDS INVOLVE A DETAILED AND CAREFUL ANALYSIS OF THE FACTS AND APPLICABLE LAW WHICH WE EXPECT WOULD BE TIME CONSUMING AND COSTLY. WE HAVE NOT MADE AND HAVE NOT BEEN ASKED TO MAKE THAT TYPE OF ANALYSIS IN CONNECTION WITH ANY ADVICE GIVEN IN THE FOREGOING DISCUSSION. AS A RESULT, WE ARE REQUIRED TO ADVISE YOU THAT ANY U.S. FEDERAL TAX ADVICE RENDERED IN THE FOREGOING DISCUSSION IS NOT INTENDED OR WRITTEN TO BE USED AND CANNOT BE USED FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED BY THE IRS.**

### XIII. CONCLUSION

The Debtors believe that confirmation and implementation of the Plan is in the best interests of all creditors, and urge holders of impaired Claims in Class 4 (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) and Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”) of the Plan to vote to accept the Plan and to evidence such acceptance by returning their ballots so that they will be received no later than \_\_\_\_\_ **a./p.m. (prevailing Eastern Time) on \_\_\_\_\_, 2012.**

Dated: March 6, 2012

Respectfully Submitted

MAGUIRE GROUP HOLDINGS, INC.  
THE MAGUIRE CORPORATION  
MAGUIRE GROUP INC.  
EAST ATLANTIC CASUALTY COMPANY, LTD.  
MAGUIRE GROUP, ARCHITECTS, ENGINEERS,  
PLANNERS, LTD.

---

By: Carlos Duart, as president of Maguire Group Holdings, Inc.,  
Maguire Group Inc., East Atlantic Casualty Company, Ltd.  
and Maguire Group, Architects, Engineers, Planners, Ltd.  
and President and CEO of The Maguire Corporation.

CARLOS DUART

---

By: Carlos Duart, in his individual capacity

**EXHIBIT "A"**

**The Plan**

**EXHIBIT "B"**

**The Bankruptcy Court's Disclosure Statement Approval and Solicitation Order**

**EXHIBIT "C"**

**The Debtors' Pre-Petition Organizational Chart**

**EXHIBIT "D"**

**The Debtors' Pre-Petition Consolidated Cash Management System**

**EXHIBIT "E"**

**The Projected Financial Information**

**EXHIBIT "F"**

**The Liquidation Analysis**



**EXHIBIT "A"**

**The Plan**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF FLORIDA  
MIAMI DIVISION**  
[www.flsb.uscourts.gov](http://www.flsb.uscourts.gov)

In re:

Chapter 11 Cases

MAGUIRE GROUP HOLDINGS, INC.,  
*et al.*,<sup>1</sup>

Case No. 11-39347-BKC-RAM  
(Jointly Administered)

Debtors.

---

**PLAN OF REORGANIZATION UNDER  
CHAPTER 11 OF THE BANKRUPTCY CODE**

Dated: January 27, 2012

BERGER SINGERMAN LLP  
James D. Gassenheimer, Esq.  
Christopher A. Jarvinen, Esq.  
1450 Brickell Avenue, Suite 1900  
Miami, Florida 33131  
Tel: (305) 755-9500  
Fax: (305) 714-4340

Counsel for Debtors and  
Debtors-in-Possession

---

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: (i) Maguire Group Holdings, Inc. (3582); (ii) The Maguire Corporation (0930); (iii) Maguire Group Inc. (8211); (iv) East Atlantic Casualty Company, Ltd. (7441); and (v) Maguire Group, Architects, Engineers, Planners, Ltd. (1520). The address for all of the Debtors is 13940 S.W. 136th Street, Suite 100, Miami, Florida 33186.

## TABLE OF CONTENTS

	<b>Page</b>
ARTICLE I	DEFINITIONS; RULES OF INTERPRETATION..... 1
1.1.	Scope of Definitions ..... 1
1.2.	Definitions..... 1
1.3.	Interpretation..... 12
1.4.	Exhibits ..... 12
ARTICLE II	PROVISIONS FOR PAYMENT OF ALLOWED ADMINISTRATIVE EXPENSE CLAIMS, PRIORITY TAX CLAIMS AND STATUTORY FEES ..... 12
2.1.	Payment of Allowed Administrative Expense Claims; Administrative Expense Claims Bar Date ..... 12
2.2.	Professional Claims Bar Date ..... 13
2.3.	Priority Tax Claims..... 13
2.4.	U.S. Trustee; Claims for Statutory Fees; Quarterly Reports ..... 13
ARTICLE III	CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS ..... 14
3.1.	Generally..... 14
3.2.	Summary ..... 14
ARTICLE IV	IMPAIRMENT AND TREATMENT OF CLAIMS AND EQUITY INTERESTS ..... 15
4.1.	Class 1..... 15
4.2.	Class 2..... 15
4.3.	Class 3..... 15
4.4.	Class 4..... 16
4.5.	Class 5..... 17
4.6.	Class 6..... 18
4.7.	Class 7..... 18
ARTICLE V	ACCEPTANCE, REJECTION, AMENDMENT AND REVOCATION OR WITHDRAWAL OF THE PLAN..... 19
5.1.	Classes Entitled to Vote ..... 19
5.2.	Acceptance by Class of Claims..... 19
5.3.	Nonconsensual Confirmation..... 19
5.4.	Revocation or Withdrawal; No Admissions ..... 19
5.5.	Amendment of Plan Documents ..... 20

**TABLE OF CONTENTS****(continued)**

	<b>Page</b>
5.6. Removal of Debtors .....	20
ARTICLE VI MEANS OF IMPLEMENTING THE PLAN.....	20
6.1. Procedural Substantive Consolidation .....	20
6.2. Source of Funding for Plan Distributions .....	21
6.3. Section 1146 Exemption.....	22
6.4. Corporate Action.....	22
6.5. Vesting of Assets in the Reorganized Debtors .....	22
6.6. Distributions.....	22
6.7. Surrender and Cancellation of Notes, Instruments, Certificates and Other Documents Evidencing Claims or Equity Interests .....	22
6.8. Issuance of New Equity .....	22
6.9. Continued Corporate Existence of the Reorganized Debtors .....	23
6.10. Amendment of the Reorganized Debtors' Governance Documents.....	23
6.11. Directors, Officers, Members and Managers of the Reorganized Debtors.....	24
6.12. Effectuating Documents and Further Transactions.....	24
6.13. Section 1145 Determination .....	25
6.14. Preservation of Causes of Action.....	25
6.15. Prosecution and Settlement of Causes of Action.....	26
ARTICLE VII DISTRIBUTIONS .....	26
7.1. Manner of Distributions Under the Plan.....	26
7.2. Timing of Distributions.....	27
7.3. Entity Making Distributions .....	27
7.4. Record Date .....	27
7.5. Delivery of Distributions .....	27
7.6. No Interest Unless Otherwise Provided.....	27
7.7. De Minimis Distributions .....	27
7.8. Fractional Cents .....	28
7.9. Taxpayer Identification Number.....	28
7.10. Compliance with Tax Requirements.....	28
7.11. Effect of Pre-Confirmation Distributions .....	28
7.12. Setoffs and Recoupments.....	28

**TABLE OF CONTENTS****(continued)**

	<b>Page</b>
7.13. Distributions in Satisfaction; Allocation.....	28
7.14. Unclaimed Property .....	29
<b>ARTICLE VIII PROCEDURES FOR RESOLVING AND TREATING DISPUTED CLAIMS .....</b>	<b>29</b>
8.1. Objections to Claims; Prosecution of Disputed Claims.....	29
8.2. Administration of Disputed Claims; Disputed Claims Reserve .....	29
8.3. Estimation .....	31
8.4. Objections to Impaired Claims .....	31
8.5. Disallowance of Claims .....	31
<b>ARTICLE IX EXECUTORY CONTRACTS AND UNEXPIRED LEASES .....</b>	<b>31</b>
9.1. General Treatment: Rejected if not Previously Assumed.....	31
9.2. Bar to Claims Arising from Rejection, Termination or Expiration .....	31
9.3. Assumption of Executory Contracts and Unexpired Leases.....	32
9.4. Insurance Policies and Agreements .....	33
<b>ARTICLE X CONDITIONS PRECEDENT .....</b>	<b>34</b>
10.1. Conditions Precedent to Effectiveness of Plan .....	34
10.2. Effect of Failure of Conditions to Effective Date .....	34
10.3. Notice of Confirmation of the Plan.....	35
<b>ARTICLE XI EFFECT OF CONFIRMATION .....</b>	<b>35</b>
11.1. Vesting of Assets .....	35
11.2. Title to Assets; Discharge of Liabilities.....	35
11.3. Binding Effect.....	35
11.4. Discharge of Claims and Termination of Equity Interests.....	35
11.5. Discharge of the Debtors .....	36
11.6. Injunction .....	36
11.7. Term of Injunctions or Stays.....	37
11.8. Injunction Against Interference With Plan of Reorganization .....	37
11.9. Exculpation .....	37
11.10. Releases.....	37
11.11. Government Releases.....	38

**TABLE OF CONTENTS****(continued)**

	<b>Page</b>
11.12. Limitations on Exculpation and Releases of and Releases of Representatives .....	38
<b>ARTICLE XII RETENTION OF JURISDICTION .....</b>	<b>38</b>
12.1. Retention of Jurisdiction .....	38
12.2. Abstention and Other Courts .....	40
<b>ARTICLE XIII MISCELLANEOUS PROVISIONS .....</b>	<b>41</b>
13.1. Modification of the Plan .....	41
13.2. Rights of Action .....	41
13.3. Notices .....	41
13.4. Severability .....	41
13.5. Headings .....	42
13.6. Governing Law .....	42
13.7. Plan Documents .....	42
13.8. Compliance with Tax Requirements .....	42
13.9. Expedited Determination of Postpetition Taxes .....	42
13.10. Sections 1125 and 1126 of the Bankruptcy Code .....	42
13.11. Time .....	42
13.12. Binding Effect .....	42
13.13. No Res Judicata Effect .....	43
13.14. Bankruptcy Rule 9019 Request; Impact .....	43
13.15. Cramdown .....	43
13.16. Successors and Assigns .....	44

**TABLE OF CONTENTS**  
**(continued)**

**Page**

**EXHIBIT LIST**

Exhibit 4.4: Class 4 - List of Allowed General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors.

Exhibit 4.5: Class 5 - List of General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors.

Exhibit 4.6: Class 6 - List of Subordinated Unsecured Claims.

## INTRODUCTION

Maguire Group Holdings, Inc. (“Maguire Holdings”), The Maguire Corporation (“Maguire Corp.”), Maguire Group Inc. (“MGI”), East Atlantic Casualty Company, Ltd. (“East Atlantic”), and Maguire Group, Architects, Engineers, Planners, Ltd. (“Maguire AEP”), debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) and Carlos Duart (“Duart” and together with the Debtors, collectively, the “Plan Proponents”), propose this Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (as amended from time to time, and including all Plan Documents and other attachments hereto, as any of the same may be amended from time to time, all of which are incorporated herein by reference and are a part of, the “Plan”), pursuant to the provisions of chapter 11 of the Bankruptcy Code (as defined in Section 1.2 herein (“Definitions”)).

For a discussion of the Debtors’ history, business, operations, assets and liabilities, for a summary and analysis of the Plan, preservation of Causes of Action, risk factors, liquidation analysis, tax implications and alternatives to the Plan, reference should be made to the Disclosure Statement for the Plan Proponents’ Plan of Reorganization Under Chapter 11 of the Bankruptcy Code, dated January \_\_, 2012, filed with and approved by the Bankruptcy Court [D.E. \_\_], as such disclosure statement may be amended, modified or supplemented (the “Disclosure Statement”).

**ALL HOLDERS OF CLAIMS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. SUBJECT TO CERTAIN RESTRICTIONS AND REQUIREMENTS SET FORTH IN SECTION 1127 OF THE BANKRUPTCY CODE, BANKRUPTCY RULE 3018 AND IN THIS PLAN, THE DEBTORS RESERVE THE RIGHT TO ALTER, AMEND, MODIFY, REVOKE OR WITHDRAW THE PLAN PRIOR TO ITS SUBSTANTIAL CONSUMMATION.**

## ARTICLE I

### DEFINITIONS; RULES OF INTERPRETATION

1.1. **Scope of Definitions.** Except as expressly provided in Section 1.3 herein (“Interpretation”), all capitalized terms used in the Plan, but not otherwise defined, shall have the meanings specified in Section 1.2 herein (“Definitions”).

1.2. **Definitions.**

(a) “Administrative Expense Claim” means any Claim constituting a cost or expense of administration in the Debtors’ Chapter 11 Cases under section 503 of the Bankruptcy Code, including, without express or implied limitation, any actual and necessary costs and expenses of preserving the Estate of any Debtor, any Professional Claim, any actual and necessary costs and expenses of operating the businesses of any Debtor, any indebtedness or obligations incurred or assumed by any Debtor, as Debtor in Possession, in connection with the conduct of its business or for the acquisition or lease of property or the rendition of services, any



other allowed compensation or reimbursement of expenses under section 503(b)(2)-(6) of the Bankruptcy Code, and any fees or charges assessed against any Estate under section 1930, chapter 123, title 28, United States Code.

(b) “Administrative Expense Claims Bar Date” means the date to be fixed by the Bankruptcy Court as the last date for filing Administrative Expense Claims; provided, however, that the Administrative Expense Claims Bar Date shall not apply to (a) Professional Claims or other Persons requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) or 1103 of the Bankruptcy Code for services rendered on or before the Effective Date (including any compensation requested by any Professional or any other Person for making a substantial contribution in the Chapter 11 Case), and (b) liabilities incurred by the Debtors in the ordinary course of business after the Administrative Expense Claims Bar Date but before the Effective Date.

(c) “Affiliate” means any Person that is an “affiliate” of any Debtor within the meaning of section 101(2) of the Bankruptcy Code.

(d) “Allowed” means:

(i) With respect to any Claim (other than an Administrative Expense Claim), of which a proof of claim was properly and timely filed within the applicable period of limitation fixed in accordance with Bankruptcy Rule 3003(c)(3) by the Bankruptcy Court: (1) as to which no objection to the allowance thereof has been interposed within the applicable period of limitation fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or a Final Order, such Claim to the extent asserted in the proof of such Claim; or (2) as to which an objection has been interposed, such Claim to the extent that it has been allowed in whole or in part by a Final Order, or (3) which has been allowed under the terms of the Plan.

(ii) With respect to any Claim (other than an Administrative Expense Claim), as to which no proof of claim was filed within the applicable period of limitation fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, such Claim to the extent that it has been listed in the Schedules as liquidated in amount and not disputed, contingent or unliquidated and not otherwise Disputed under the terms of the Plan.

(iii) With respect to any Claim that is asserted to constitute an Administrative Expense Claim:

(1) that (y) represents an actual or necessary cost or expense of preserving an Estate or operating the business of any Debtor, including for payment of goods, services, wages, or benefits or for credit extended to any Debtor, as a Debtor in Possession, and (z) to the extent that such claim is reflected as a postpetition liability of any Debtor on such Debtor’s books and records maintained in the ordinary course of business as of the Effective Date;

(2) in an action against any Debtor pending as of the Confirmation Date, any such Claim to the extent it is allowed by a final order of a court of competent jurisdiction or by agreement between the Reorganized Debtor and the holder of such Administrative Expense Claim, and if any Debtor disputes that such claim is a cost or expense of administration under sections 503(b) and 507(a) of the Bankruptcy Code, to the extent the Bankruptcy Court determines by a Final Order that it constitutes a cost or expense of administration under sections 503(b) and 507(a) of the Bankruptcy Code;

(3) any such Claim filed to the extent (y) no objection is interposed by the applicable objection deadline, or (z) if an objection is interposed by the applicable objection deadline, is allowed in whole or in part by a Final Order and only to the extent that such allowed portion is deemed, pursuant to a Final Order, to constitute a cost or expense of administration under sections 503(b) and 507(a) of the Bankruptcy Code;

(4) that represents a Professional Claim, to the extent it is allowed by a Final Order; or

(5) any such Claim that has been otherwise allowed under the terms of the Plan.

(e) “Avoidance Action” means a Cause of Action assertable by the Debtors or their Estates, including without limitation, any action brought under sections 510, 541, 542, 543, 544, 545, 547, 548, 549, 550, 551 or 553 of the Bankruptcy Code, other than those Causes of Action barred pursuant to: (i) the releases under Article XI hereof (“Effect of Confirmation”), and (ii) any other release or agreement approved by the Bankruptcy Court prior to the Effective Date.

(f) “Ballot” means the form or forms approved by the Bankruptcy Court and distributed to holders of Impaired Claims on which the acceptance or rejection of the Plan is to be indicated.

(g) “Bankruptcy Code” means the Bankruptcy Reform Act of 1978, as amended, and as codified in title 11 of the United States Code, as applicable to the Chapter 11 Cases.

(h) “Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of Florida, or such other court having jurisdiction over the Chapter 11 Cases.

(i) “Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure, as amended, as applicable to the Chapter 11 Cases, including the Local Rules of the Bankruptcy Court.

(j) “Bar Date” means, as applicable, (1) February 27, 2012 as to non-Governmental Units and April 23, 2012 as to Governmental Units (the dates established by the Bankruptcy Court as the last date for filing proofs of claim against the Debtors), and (2) any

other date(s) established by the Bankruptcy Court as the last date(s) for filing Administrative Expense Claims or other Claims against the Debtors.

(k) “Business Day” means any day that is not (1) a Saturday, (2) a Sunday, (3) any other day on which commercial banks in Miami, Florida are required or authorized to close by law or executive order, or (4) any other day that is a “legal holiday” in the State of Florida, as such term is defined in Bankruptcy Rule 9006(a).

(l) “Cash” means lawful currency of the United States of America and its equivalents, including but not limited to, wire transfers and checks.

(m) “Cash Flow” means the Debtors’ or the Reorganized Debtors’, as the case may be, earnings before interest, taxes, depreciation and amortization (EBITDA).

(n) “Causes of Action” means any and all claims (including third party claims and Avoidance Actions), choses in action, causes of action, suits, accounts, debts, dues, sums of money, bonds, bills, covenants, contracts, damages, judgments, remedies, rights of setoff, motions, subrogation claims, contribution claims, reimbursement claims, indemnity claims, controversies, agreements, promises, rights to legal remedies, rights to equitable remedies, rights to payments and claims, counter-claims and cross claims (including all claims and any avoidance, recovery, subordination or other actions against any Person under the Bankruptcy Code), whether known or unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured and whether assertable directly or derivatively, in law, equity or otherwise (including under the Bankruptcy Code), which are owned or held by, or have accrued to, any Debtor, Debtor in Possession and/or any Estate, whether arising before or after the Petition Date (and whether asserted or unasserted as of the Confirmation Date), or instituted by the Debtors or the Reorganized Debtors, as the case may be (after the Petition Date or Effective Date, as applicable), against any Person, including, without limitation, those which are: (i) property of any Estate under and pursuant to section 541 of the Bankruptcy Code; (ii) for subrogation and contribution; (iii) for turnover; (iv) for avoidable transfers and preferences under and pursuant to sections 542 through 550 and 553 of the Bankruptcy Code and applicable state law; (v) to determine the extent, validity and priority of liens and encumbrances; (vi) for surcharge under section 506(c) of the Bankruptcy Code; (vii) for subordination under section 510 of the Bankruptcy Code; (viii) related to federal or state securities laws; (ix) direct or derivative claims or causes of action of any type or kind; (x) for professional malpractice against professionals employed by any Debtor; (xi) against any and all current and/or former officers and directors of any Debtor or any legal predecessor in interest of any Debtor for any reason, including for fraudulent transfer and/or breach of fiduciary duty; (xii) under and pursuant to any policies of insurance maintained by any Debtor; (xiii) for theft of corporate opportunity; (xiv) for collection on accounts, accounts receivables, loans, notes receivables or other rights to payment; (xv) for the right to seek a determination by the Bankruptcy Court of any tax, fine or penalty relating to a tax, or any addition to a tax, under section 505 of the Bankruptcy Code; (xvi) which arise under or as a result of any section of the Bankruptcy Code, including section 362; (xvii) or may be available to any Debtor against any third party(ies) under any legal or equitable theory, whether or not specifically identified or described herein or in the Disclosure Statement; and (xviii) to the extent not otherwise set forth above, as described in the Disclosure Statement. Under the Plan,

all Causes of Action will remain with the Debtors or vest in the Reorganized Debtors, as applicable.

(o) “Chapter 11 Cases” means, collectively, the cases under chapter 11 of the Bankruptcy Code commenced by the Debtors on October 24, 2011 and pending in the Bankruptcy Court as “In re Maguire Group Holdings, Inc., et al.”, Case No. 11-39347-BKC-RAM (Jointly Administered).

(p) “Claim” means a “claim”, as defined in section 101(5) of the Bankruptcy Code against any Debtor.

(q) “Class” means any group of Claims or Equity Interests classified by the Plan pursuant to section 1123(a)(1) of the Bankruptcy Code.

(r) “Class 4 Distribution Period” means the nine (9) month period immediately following the Effective Date.

(s) “Class 4 Payment Date” means the last Business Day of each month; provided, however, that the Reorganized Debtors, in their absolute discretion, may make a Distribution prior to the last Business Day of each month.

(t) “Class 5 Claims Distribution” means \$250,000 in Cash.

(u) “Committee” means any committee of unsecured creditors that may be appointed in these Chapter 11 Cases, as such Committee may be reconstituted from time to time. As of the date of the filing of the Plan, no Committee has been appointed in the Chapter 11 Cases.

(v) “Confirmation” means the entry of an order of the Bankruptcy Court confirming the Plan in accordance with section 1129 of the Bankruptcy Code.

(w) “Confirmation Date” means the date on which the Bankruptcy Court enters the Confirmation Order on the docket.

(x) “Confirmation Hearing” means the hearing(s) before the Bankruptcy Court in respect of the confirmation of the Plan.

(y) “Confirmation Order” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

(z) “Creditor” means any Person that holds an Allowed Claim.

(aa) “Cure” means a Claim for all unpaid monetary obligations, or adequate assurance of cure or compensation, or other amounts as may be agreed upon by the parties (including the amounts proposed to be made as distributions pursuant to Section 4.4 of this Plan (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”)), under an executory contract or unexpired lease (or assumed or assumed and assigned) by any Debtor pursuant to section 365 of the Bankruptcy Code or the Plan.

(bb) “Cure Claim” means a Claim for a Cure.

(cc) “Debtors” has the meaning set forth in the preamble hereof.

(dd) “Debtor in Possession” means each Debtor in its capacity as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

(ee) “Disallowed” or “Disallowed Claim” means a Claim, or any portion of a Claim that (a) is scheduled in the Debtors’ Schedules in the amount of zero (\$0) U.S. dollars or as contingent, unliquidated or disputed and as to which a Bar Date has been established but no proof of claim has been filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law; (b) is not scheduled in the Debtors’ Schedules and as to which a Bar Date has been established but no proof of claim has been filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law; or (c) has been disallowed by order of the Bankruptcy Court or such other court of competent jurisdiction.

(ff) “Disclosure Statement” has the meaning set forth in the preamble hereof.

(gg) “Disputed” or “Disputed Claim” means any Claim (including any Administrative Expense Claim) against any Debtor:

1. If no proof of claim was timely and properly filed by the applicable Bar Date: (a) a Claim that has been or hereafter is listed on the Schedules as unliquidated in amount or is shown as disputed, contingent or unliquidated; or (b) a Claim that has been or hereafter is listed on the Schedules as liquidated in amount and not disputed, contingent or unliquidated, but as to which the Debtors or any other party in interest has interposed an objection or request for estimation which has not been withdrawn or determined by Final Order; or (c) a Claim that has been or hereafter is listed on Exhibits 4.4, 4.5 or 4.6 attached to this Plan and shown as “Disputed”, but only to the extent of the amount shown as disputed; or

2. If a proof of claim was timely and properly filed by the applicable Bar Date, a Claim (a) for which no corresponding Claim has been or hereafter is listed on the Schedules; or (b) that has been or hereafter is listed on the Schedules as unliquidated in amount or is shown as disputed, contingent or unliquidated; or (d) for which a corresponding Claim has been or hereafter is listed on the Schedules as liquidated in amount and not shown as disputed, contingent or unliquidated, but the nature and amount of the Claim as asserted in the proof of claim varies from the nature and amount of such claim listed on the Schedules; or (e) a Claim that has been or hereafter is listed on Exhibits 4.4, 4.5 or 4.6 attached to this Plan and shown as disputed, but only to the extent of the amount shown as disputed; or (f) which is otherwise disputed under the Plan or as to which the Debtors have interposed a timely objection and/or request for estimation in accordance with section 502(c) of the Bankruptcy Code and Bankruptcy Rule

3018, which objection and/or request for estimation has not been withdrawn or determined by a Final Order.

A Claim that is disputed by the Debtors as to its amount only shall be deemed Allowed in the amount the Debtors admit owing in writing, if any, and disputed as to the excess.

(hh) “Disputed Claims Reserve” means a reserve to be established by the Debtors or the Reorganized Debtors (or their respective agent(s)), as the case may be, to receive and hold, in a segregated account, Cash in an amount equal to the aggregate of amounts thereof or such other amounts as the parties may agree or the Bankruptcy Court may order, that would have been distributed on the Effective Date on account of such Disputed Claims against the Debtors or their property (had they been Allowed Claims on the Effective Date).

(ii) “Distribution” means each payment or distribution under the Plan of property or interests in property to the holders of Allowed Claims.

(jj) “Distribution Agent” means the Person or Entity responsible for making Distributions under the Plan, as identified in the Plan Supplement, and which may be Reorganized Debtors.

(kk) “Duart” means Carlos Duart, the alleged principal (95% equity holder of Maguire Holdings, the direct or indirect parent of all of the Debtors) and an alleged creditor of the Debtors.

(ll) “Duart Contribution” means a contribution in Cash to be funded on the Effective Date by Duart, in an amount of \$350,000, to be used by the Reorganized Debtors to fund the Class 5 Claims Distribution (\$250,000) and partially to pay the operating expenses of the Reorganized Debtors (\$100,000), including, but not limited to Allowed Administrative Expense Claims (including Allowed Professional Claims).

(mm) “Duart Guaranty” means the personal guarantee to be executed by Duart, and filed with the Plan Supplement, to secure the payments to holders of all Allowed Claims under the Plan, including Allowed (i) Administrative Expense Claims (including Professional Claims), (ii) Priority Tax Claims, (iii) Claims for Statutory Fees, (iv) Class 4 Claims (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) and (v) Class 5 Claims (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”).

(nn) “Effective Date” means a Business Day on or after the Confirmation Date selected by the Plan Proponents on which (a) all of the conditions precedent to the effectiveness of the Plan specified in Section 10.1 hereof (“Conditions Precedent to Effectiveness of Plan”) have been satisfied or waived and (b) no stay of the Confirmation Order is in effect.

(oo) “Entity” has the meaning set forth in section 101(15) of the Bankruptcy Code.

(pp) “Equity Interest” means the interests of any holder of an equity security of any of the Debtors represented by any issued and outstanding shares of common stock or

preferred stock, or any membership interest, partnership interest or other instrument evidencing a present ownership interest in any of the Debtors, including any option, warrant, or right, contractual or otherwise, to acquire any such interest.

(qq) “Estate” means the estate of each Debtor creating under section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases.

(rr) “File, Filed or Filing” means file, filed or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

(ss) “Financial Projections” means the financial projections of the Debtors’ operations attached as an exhibit to the Disclosure Statement, as may be amended from time to time.

(tt) “Final Order” means an order or judgment of the Bankruptcy Court entered by the Clerk of the Bankruptcy Court on the docket in the Chapter 11 Cases, which has not been reversed, vacated, or stayed, and as to which: (i) the time to appeal, petition for certiorari, or move for a new trial, reargument, or rehearing has expired, and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument, or rehearing shall then be pending; or (ii) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument, or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for a new trial, reargument, or rehearing shall have expired; 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, may be filed relating to such order shall not cause such order to not be a Final Order.

(uu) “General Unsecured Claim” means a Claim as of the Petition Date that is not an Administrative Expense Claim (including, a Professional Claim), a Priority Tax Claim, a Priority Claim, a Secured Claim of Regions Bank, an Other Secured Claim or a Subordinated Unsecured Claim. In the Plan, there are two separate and distinct Classes of General Unsecured Claims, as follows; (i) Class 4 (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) and (ii) Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”), and shall have the meanings provided herein, as further described in Section 4.4 (Class 4 - “General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) and Section 4.5 (Class 5 - “General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”).

(vv) “Governmental Unit” has the meaning set forth in section 101(27) of the Bankruptcy Code.

(ww) “Impaired” means, with respect to any Class of Claims or Equity Interests, a Claim or Equity Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

(xx) “Internal Revenue Code” means the Internal Revenue Code of 1986, as amended from time to time, and any applicable rulings, Treasury Regulations, judicial decisions, and notices, announcements, and other releases of the United States.

(yy) “Lien” means any: (i) judicial lien contemplated in section 101(36) of the Bankruptcy Code; (ii) mortgage, lien, pledge, security interest or other charge or encumbrance or security device of any kind affecting any asset or any property of the Debtors contemplated by section 101(37) of the Bankruptcy Code; (iii) security interest contemplated in section 101(51) of the Bankruptcy Code; (iv) statutory lien contemplated in section 101(53) of the Bankruptcy Code; and (v) other lien, interest, charge or encumbrance.

(zz) “MEI” means non-debtor Metric Engineering, Inc.

(aaa) “Notice Agent” means Kurtzman Carson Consultants, LLC, or such other firm retained pursuant to 28 U.S.C. § 156(c) in connection with the Chapter 11 Cases.

(bbb) “Other Secured Claim” means any Secured Claim other than the Secured Claim of Regions Bank.

(ccc) “Person” means an individual, corporation, partnership, limited liability company, association, joint stock company, joint venture, estate, trust, unincorporated organizations, financial institution government or any political subdivision thereof, or any other entity (as defined in section 101(15) of the Bankruptcy Code) or group.

(ddd) “Petition Date” means October 24, 2011, the date on which each Debtor commenced its Chapter 11 Case by filing a petition for relief under chapter 11 of the Bankruptcy Code.

(eee) “Plan” has the meaning set forth in the preamble hereof.

(fff) “Plan Documents” means all documents that aid in effectuating the Plan, including, without limitation, all addenda, exhibits, schedules, and the Plan Supplement, which documents (as may be amended, modified or supplemented from time to time) shall be in form and substance acceptable to the Plan Proponents.

(ggg) “Plan Proponents” has the meaning set forth in the preamble hereof.

(hhh) “Plan Supplement” means the compilation of documents and forms of documents, schedules and exhibits, each in form and substance reasonably acceptable to the Debtors and the Plan Proponents, to be filed on or before the date that is three (3) days prior to the last day on which votes to accept or reject the plan are accepted, and which may be amended from time to time prior to the Confirmation Date.

(iii) “Priority Claim” means any Claim to the extent that it is of the kind described in, and entitled to priority under section 507(a) of the Bankruptcy Code, other than an Administrative Expense Claim and a Priority Tax Claim.



(jjj) “Priority Tax Claim” means an unsecured Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

(kkk) “Professional” means any professional employed or to be compensated pursuant to sections 327, 328, 330, 331, 503(b) or 1103 of the Bankruptcy Code.

(lll) “Professional Claim” means a Claim for compensation and/or reimbursement of expenses pursuant to sections 327, 328, 330, 331 or 503(b) of the Bankruptcy Code in connection with an application made to the Bankruptcy Court in the Chapter 11 Cases.

(mmm) “Project” means any undertaking by the Debtors that generates any revenues for the Debtors, including, but not limited to, the fee-based professional and technical services provided by the Debtors to private clients and federal, state and local governmental agencies.

(nnn) “Project Authority” means any Person or Entity that provides revenues to the Debtors for any portion of a Project, including, but not limited to, private clients and federal, state and local governmental agencies.

(ooo) “Pro Rata Share” means with respect to Allowed Claims, the ratio (expressed as a percentage) of (a) the amount of an Allowed Claim in the Class to (b) the aggregate amount of the sum of (i) all Allowed Claims in the same Class and (ii) the aggregate maximum allowable amount of all Disputed Claims in the same Class for which a reserve must be established under the Plan.

(ppp) “Record Date” means the date to be established by the Bankruptcy Court for purposes of determining those holders of Allowed Claims that are entitled to vote to accept or reject the Plan.

(qqq) “Regions Bank” means Regions Bank.

(rrr) “Regions Loan” means the loan from Regions Bank to the Debtor Maguire Corp. and non-debtor MEI as evidenced by the Regions Loan Documents.

(sss) “Regions Loan Documents” means the following: (i) a Loan Agreement, dated July 31, 2009, between and among Regions Bank, the Maguire Corp. (as co-borrowers), MEI (as co-borrower) and Duart (as Guarantor), as amended by an Amended and Restated Revolving Loan Agreement, dated January 28, 2011, and as may be further amended; (ii) a Promissory Note, dated July 31, 2009, by the Maguire Corp. and MEI in favor of Regions Bank; (iii) a Security Agreement, dated July 31, 2009, between and among Regions Bank, the Maguire Corp. and MEI; (iv) a Continuing Guaranty, dated July 31, 2009 by Carlos A. Duart, reaffirmed by a Reaffirmation of Continuing Guaranty of the Guarantor, dated January 28, 2011; (v) a Promissory Note, dated January 28, 2011, by the Maguire Corp. and MEI in favor of Regions Bank; (vi) a Security Agreement, dated January 28, 2011, between and among Regions Bank, the Maguire Corp. and MEI; and (vii) any related document evidencing the Regions Loan.

(ttt) “Released Parties” means (i) the Debtors, (ii) the Plan Proponents, (iii) Duart, (iv) the Reorganized Debtors, (v) any present director, manager, officer, member, equity

holder, employee, agent, financial advisor, partner, attorney, other professional advisor or representative of the persons or parties described in clauses (i) through (iv) hereof.

(uuu) “Reorganized Debtors” means the Debtors, as reorganized as of the Effective Date in accordance with the Plan, and their successors.

(vvv) “Schedules” means each of the Debtor’s schedules of assets and liabilities and statement of financial affairs filed with the Clerk of the Bankruptcy Court pursuant to Bankruptcy Rule 1007 on November 22-23, 2011, as they have been or may be amended or supplemented from time to time through the Effective Date in accordance with Bankruptcy Rule 1009.

(www) “Schedule of Assumed Executory Contracts and Unexpired Leases” means the schedule to be included in the Plan Supplement and identifying (i) the executory contracts and unexpired leases to be assumed by the Debtors; and (ii) the amount of Cure Claims with respect to each executory contract or unexpired lease proposed to be assumed.

(xxx) “Secured Claim” means any Claim: (i) secured by collateral, to the extent of the value of such collateral (a) as set forth in the Plan, (b) as agreed to by the holder of such Claim and the Debtors, (c) as determined by a Final Order in accordance with section 506 of the Bankruptcy Code; or (ii) in the event that such Claim is subject to a permissible setoff under section 553 of the Bankruptcy Code, to the extent of such permissible setoff.

(yyy) “Secured Claim of Regions Bank” means the Secured Claim arising from, or related in any way to, the Regions Loan.

(zzz) “Statutory Fees” means the fees due the United States Trustee pursuant to 28 U.S.C. § 1930.

(aaaa) “Subordinated Unsecured Claim” shall have the meaning provided in Section 4.6 herein (“Subordinated Unsecured Claims”).

(bbbb) “Unclaimed Property” means any Distribution of Cash or any other property made to the holder of an Allowed Claim pursuant to the Plan that (i) is returned to the Reorganized Debtors or the Distribution Agent, as the case may be, as undeliverable and no appropriate forwarding address is received within the later of (a) 90 days after the Effective Date and (b) 90 days after such attempted Distribution by the Reorganized Debtors or the Distribution Agent, as the case may be, is made to such holder, or (ii) in the case of a Distribution made in the form of a check, is not negotiated within 90 days and no request for re-issuance is made within such 90-day period. The Debtors, the Reorganized Debtors, and the Distribution Agent, as the case may be, are under no affirmative obligation to attempt to locate any holder of an Allowed Claim and may rely upon the procedure set forth in Section 7.5 herein (“Delivery of Distributions”).

(cccc) “Unimpaired” means, with respect to a Class of Claims, a Claim that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

(dddd) “Unliquidated Claim” means any claim, the amount of liability for which has not been fixed, whether pursuant to agreement, applicable law, or otherwise, as of the date on which such Claim is sought to be estimated.

(eeee) “U.S. Trustee” or “United States Trustee” shall mean the Office of the United States Trustee, 51 S.W. 1st Avenue, Suite 1204, Miami, FL 33130, Attn: Steven D. Schneiderman.

1.3. ***Interpretation.*** For purposes of the Plan: (i) any reference herein to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (ii) any reference herein to an existing document or exhibit filed or to be filed means such document or exhibit, as it may have been or may be amended, modified or supplemented; (iii) unless otherwise specified, all references herein to Articles, Sections, Schedules and Exhibits are references to Articles, Sections, Schedules and Exhibits of, or to, the Plan; (iv) the words “herein”, “hereof” and “hereto” and others of similar import refer to the Plan in their entirety rather than to a particular portion of the Plan; (v) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (vi) any term used herein that is not defined herein, but that is used in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be, unless the context shall otherwise require; (vii) the rules of construction set forth in section 102 of the Bankruptcy Code and in the Bankruptcy Rules shall apply; and (viii) wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, the feminine, and the neuter.

1.4. ***Exhibits.*** All exhibits to the Plan are annexed hereto. The Debtors reserve the right to amend the exhibits. All Plan Documents to be included as exhibits to the Plan Supplement (if any) shall be contained in a separate Plan Supplement exhibit volume, which shall be filed with the Clerk of the Bankruptcy Court not later than the date that is three (3) days prior to the last date on which votes to accept or reject the Plan are accepted. Such Plan Supplement exhibit volume may be inspected in the office of the Clerk of the Bankruptcy Court during normal hours of operation of the Bankruptcy Court. Such Plan Supplement exhibit volume shall also be available for download from the following website: <http://www.kccllc.net/maguire>.

## ARTICLE II

### **PROVISIONS FOR PAYMENT OF ALLOWED ADMINISTRATIVE EXPENSE CLAIMS, PRIORITY TAX CLAIMS AND STATUTORY FEES**

2.1. ***Payment of Allowed Administrative Expense Claims; Administrative Expense Claims Bar Date.*** Each holder an Allowed Administrative Expense Claim (including Professional Claims) shall, in full satisfaction, settlement, discharge and release thereof, and in exchange thereof, be paid the Allowed amount of its Administrative Expense Claim, in full, in Cash, on the earlier of: (i) the Effective Date or five (5) Business Days after the date of a Final

Order allowing such Administrative Expense Claim (or as soon as practicable thereafter); (ii) for Allowed Administrative Expense Claims that represent liabilities incurred by a Debtor in the ordinary course of business after the Petition Date, the date on which each such Claim becomes due in the ordinary course of such Debtor's business and in accordance with the terms and conditions of any agreement relating thereto; or (iii) at such later date or upon such other less favorable terms as may be mutually agreed upon between each such Creditor entitled to payment of an Allowed Administrative Expense Claim and the Reorganized Debtors.

With the exception of Professionals seeking the allowance and payment of Professional Claims, all requests for payment of Administrative Expense Claims shall be filed by the Administrative Expense Claims Bar Date established by the Bankruptcy Court; and if such requests for payment of Administrative Expense Claims are not so timely filed, the Claims will be Disallowed automatically and deemed forever barred and the holders of such Claims shall be forever barred, estopped and enjoined from asserting such Claims in any manner against the Debtors, the Estates or the Reorganized Debtors, and without the need for any objection by the Debtors or the Reorganized Debtors, as the case may be, and without any further notice or action, order or approval of the Bankruptcy Court.

2.2. **Professional Claims Bar Date.** All requests for final allowances of Professional Claims shall be filed by the Bar Date for Professional Claims established by the Bankruptcy Court.

2.3. **Priority Tax Claims.** Each holder an Allowed Priority Tax Claim shall, in full satisfaction, settlement, discharge and release thereof, and in exchange thereof, be paid the Allowed amount of its Priority Tax Claim, in full, in Cash, including statutory interest, on the later of: (i) the Effective Date (or as soon as practicable thereafter) or five (5) Business Days after the date of a Final Order allowing such Priority Tax Claim; or (ii) upon such other dates and terms as may be agreed upon by the holder of any such Allowed Priority Tax Claim and the Reorganized Debtors.

2.4. **U.S. Trustee; Claims for Statutory Fees; Quarterly Reports.** Within ten (10) days of the Confirmation Date, the Debtors shall pay the U.S. Trustee the appropriate sums required pursuant to 28 U.S.C. § 1930(a)(6) for the relevant period and provide an appropriate affidavit indicating cash disbursements for the relevant period. Until the earlier of the closing of the applicable Chapter 11 Case by the issuance of a final decree by the Bankruptcy Court, or upon entry of an order of the Bankruptcy Court dismissing the applicable Chapter 11 Case, or converting the applicable Chapter 11 Case to another chapter under the Bankruptcy Code, and notwithstanding anything contained herein to the contrary, the Reorganized Debtors shall (i) pay the U.S. Trustee the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) for post-confirmation periods for each Reorganized Debtor within the time periods set forth in 28 U.S.C. § 1930(a)(6) and (ii) within 45 days of the end of each fiscal quarter, file with the Bankruptcy Court and submit to the U.S. Trustee quarterly reports and affidavits setting forth all receipts and disbursements under the Plan as required by the U.S. Trustee guidelines. To date, the Debtors have paid all fees due and owing to the U.S. Trustee, and the Reorganized Debtors anticipate paying all such fees through confirmation of the Plan and thereafter as provided herein.

The Statutory Fees paid by each Debtor to the U.S. Trustee and any fees paid by any Debtor to the Clerk of the Bankruptcy Court from the Petition Date through the Effective Date shall not be affected by the substantive consolidation proposed hereunder. In the event the Plan is confirmed and the Debtors are substantively consolidated as described herein, then such substantive consolidation shall not be retroactive to the Petition Date for the purpose of payment of Statutory Fees.

### ARTICLE III

#### CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS

3.1. ***Generally.*** All Claims and Equity Interests, except Administrative Expense Claims (including Professional Claims), Priority Tax Claims and Claims for Statutory Fees, are placed in Classes as summarized below in Section 3.2 (“Summary”) and described in Article IV hereof (“Impairment and Treatment of Claims and Equity Interests”). A Claim or Equity Interest is placed in a particular Class only to the extent that such Claim or Equity Interest is an Allowed Claim or Equity Interest in that Class and such Claim or Equity Interest has not been paid, released, or otherwise settled or paid prior to the Effective Date, and is classified in other Classes to the extent that any remainder of the Claim or Equity Interest qualifies within the description of such other Classes.

3.2. ***Summary.*** The following table designates the Classes of Claims against and Equity Interests in the Debtors and specifies which of those Classes are (a) Impaired or Unimpaired by the Plan and (b) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code.

CLASS	DESIGNATION	STATUS	ENTITLED TO VOTE?
Class 1	Priority Claims	Unimpaired	No; Deemed to Accept the Plan
Class 2	Secured Claim of Regions Bank	Unimpaired	No; Deemed to Accept the Plan
Class 3	Other Secured Claims	Unimpaired	No; Deemed to Accept the Plan
Class 4	General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors	Impaired	Yes
Class 5	General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors	Impaired	Yes
Class 6	Subordinated Unsecured Claims	Impaired	No; Deemed to Reject the Plan
Class 7	Equity Interests	Impaired	No; Deemed to Reject the Plan

## ARTICLE IV

### **IMPAIRMENT AND TREATMENT OF CLAIMS AND EQUITY INTERESTS**

#### 4.1. **Class 1.** *Priority Claims.*

(a) *Classification.* Class 1 consists of the Allowed Priority Claims.

(b) *Treatment.* Each holder of an Allowed Priority Claim shall be paid in full, in Cash, on the later of the Effective Date or as soon as practicable after the date on which such Priority Claim becomes Allowed, in full settlement, satisfaction, release and discharge of an Allowed Priority Claim.

(c) *Voting.* Class 1 is Unimpaired. The holders of Claims in Class 1 are deemed to accept the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

#### 4.2. **Class 2.** *Secured Claim of Regions Bank.*

(a) *Classification.* Class 2 consists of the Allowed Secured Claim of Regions Bank.

(b) *Treatment.* The holder of the Secured Claim of Regions Bank has been satisfied in full during the Chapter 11 Cases, in full settlement, satisfaction, release and discharge of the Allowed Secured Claim of Regions Bank. As of the Effective Date, the Regions Loan Documents (including, any notes and any obligations of the Debtors thereunder) shall be discharged and be of no further force or effect against the Debtors or any property that secured the Regions Loan, and the holder thereof shall have no rights against the Debtors or the property that secured the Regions Loan; provided, however, that this Section shall not affect the pursuit of any Cause of Action by the Debtors or the Reorganized Debtors, as the case may be.

(c) *Voting.* Class 2 is Unimpaired. The holder of the Claim in Class 2 is deemed to accept the Plan and, accordingly, is not entitled to vote to accept or reject the Plan.

#### 4.3. **Class 3.** *Other Secured Claims.*

(a) *Classification.* Class 3 consists of the Allowed Other Secured Claims.

(b) *Treatment.* On the Effective Date, or as soon thereafter as practicable, each holder of an Allowed Other Secured Claim, except to the extent that the holder of such Claim agrees to a less favorable treatment, shall receive, on account of its Claim against the Debtors, one of the following Distributions in full settlement, satisfaction, release and discharge of an Allowed Other Secured Claim: (i) the payment of such holder's Allowed Other Secured Claim in full in Cash; (ii) the sale or disposition proceeds of the property securing any Allowed Other Secured Claim to the extent of the value of its interest in such property; (iii) the surrender to the holder of any Allowed Other Secured Claim of the property securing such Claim; or (iv) such other Distributions as shall be necessary to satisfy the requirements of chapter 11 of the Bankruptcy Code. The manner and treatment of each Allowed Other Secured Claim (if any)

shall be determined by the Debtors and transmitted in writing to the holder of such Allowed Other Secured Claim prior to the Effective Date of the Plan.

(c) *Voting.* Class 3 is Unimpaired. The holders of Claims in Class 3 are deemed to accept the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

4.4. ***Class 4. General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors.***

(a) *Classification.* Class 4 consists of the Allowed General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors and are set forth on Exhibit 4.4 to the Plan.

(b) *Treatment.* On the Effective Date, or as soon thereafter as practicable, each holder of an Allowed General Unsecured Claim Necessary for the Continued Operation of the Reorganized Debtors, except to the extent that the holder of such Claim agrees to a less favorable treatment, shall receive, on account of its Claim against the Debtors, the following Distributions, in full settlement, satisfaction, release and discharge of an Allowed General Unsecured Claim Necessary for the Continued Operation of the Reorganized Debtors:

(i) 100% of the Allowed Class 4 Claim paid in Cash, without interest from the Effective Date until paid, payable by the Reorganized Debtors on the Class 4 Payment Dates during the Class 4 Distribution Period until paid in full. The Reorganized Debtors will begin to make Distributions to the holders of Allowed Class 4 Claims only after the Debtors or the Reorganized Debtors, as the case may be, have received payment from the relevant Project Authority for the Project on which a particular Allowed Class 4 Claim arose and which pertains to the particular Allowed Class 4 Claim. The Debtors will make their best efforts to make the monthly Distributions to holders of Allowed Class 4 Claims in line with the Financial Projections; provided, however, the Debtors reserve the right to modify the timing of the Distributions to holders of Allowed Class 4 Claims during the Class 4 Distribution Period (but all such Distributions will be made prior to the expiration of the Class 4 Distribution Period) based upon the Debtors' actual cash flow, including accelerating payments to the holders of Allowed Class 4 Claims. Distributions in respect of Allowed Class 4 Claims may be made from the Duart Contribution and the Cash Flow, but are not limited to those sources of payment, and are personally guaranteed by Duart pursuant to the Duart Guaranty.

(ii) If a Class 4 Claim is Disputed, then on any Class 4 Payment Date (on and after the Effective Date), the Distribution to which such Disputed Class 4 Claim would be entitled if it were Allowed at such time shall be deposited in the Disputed Claims Reserve and held until such time as the claim is Allowed and thereafter paid by the Reorganized Debtors from the Disputed Claims Reserve. If any alleged Class 4 Claim remains Disputed on the next succeeding Class 4 Payment Date(s), then the additional payments that would otherwise be due on such Class 4 Payment Date(s) if such Claim was an Allowed Class 4 Claim shall also be deposited in the Disputed Claims Reserve and held until such time as the

claim is Allowed and thereafter paid by the Reorganized Debtors from the Disputed Claims Reserve or otherwise distributed pursuant to the terms of the Plan.

(c) *Net Recoveries from Causes of Action.* Holders of Allowed Claims in Class 4 will not be entitled to any net recoveries obtained from Causes of Action.

(d) *Avoidance Actions.* Holders of Claims in Class 4 shall be released from any liability in respect of Avoidance Actions.

(e) *Non-Consensual Confirmation.* In the event that Class 4 rejects the Plan, the Debtors reserve the right to seek to confirm the Plan under section 1129(b) of the Bankruptcy Code, and, in such event, the Debtors reserve the right, pursuant to Sections 5.3 (“Nonconsensual Confirmation”) and 13.1 (“Modification of the Plan”) hereof, to alter, amend or modify the Plan, with the consent of the Plan Proponents, such consents not to be unreasonably withheld, to offer different treatment to Class 4, to the extent that the Debtors determine that such modifications are necessary to comply with the requirements of section 1129(b) of the Bankruptcy Code.

(f) *Voting.* Class 4 is Impaired. The holders of Claims in Class 4 are entitled to vote to accept or reject the Plan.

4.5. ***Class 5. General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors.***

(a) *Classification.* Class 5 consists of the Allowed General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors, and includes all Allowed General Unsecured Claims not otherwise included in Class 4 of the Plan, including, but not limited to, any Claims set forth on Exhibit 4.5 to the Plan that are Allowed Claims and any Allowed General Unsecured Claim that is a deficiency Claim related to any Allowed Secured Claim (if any), whether or not such Claim is set forth on Exhibit 4.5 of the Plan.

(b) *Treatment.* On the Effective Date, or as soon thereafter as practicable, each holder of a General Unsecured Claim Not Necessary for the Continued Operation of the Reorganized Debtors, except to the extent that the holder of such Claim agrees to a less favorable treatment, shall receive, on account of its Claim against the Debtors, the following Distribution, in full settlement, satisfaction, release and discharge of an Allowed General Unsecured Claim Not Necessary for the Continued Operation of the Reorganized Debtors:

(i) Each holder of an Allowed Class 5 Claim as of the Effective Date shall receive a lump sum payment in Cash from the Reorganized Debtors on the Effective Date representing such holder’s Pro-Rata Share of the Class 5 Claims Distribution. The Class 5 Claims Distribution will be funded by the Duart Contribution and is personally guaranteed by Duart pursuant to the Duart Guaranty.

(ii) If a Class 5 Claim is Disputed on the Effective Date, the Reorganized Debtors shall deposit in the Disputed Claims Reserve the amount of such Disputed Class 5 Claim’s Pro-Rata Share of the Class 5 Claims Distribution,



and such amounts shall be held in the Disputed Claims Reserve until such time as the claim is Allowed and thereafter paid by the Reorganized Debtors from the Disputed Claims Reserve or otherwise distributed pursuant to the terms of the Plan. Once a Class 5 Claim becomes Allowed by Final Order or otherwise pursuant to the terms of the Plan, the holder of the Allowed Class 5 Claim shall receive a lump sum payment in Cash from the Reorganized Debtors representing such holder's Pro-Rata Share of the Class 5 Claims Distribution.

**No presently identified Class 5 Claim may be reclassified as a Class 4 Claim after the Confirmation Hearing commences. Additionally, no presently identified Class 5 Claim may be reclassified as a Class 4 Claim prior to the Confirmation Hearing without the consent of the Plan Proponents.**

(c) *Net Recoveries from Causes of Action.* Holders of Allowed Claims in Class 5 will be entitled to Pro Rata Shares of net recoveries, if any, obtained from Causes of Action.

(d) *Non-Consensual Confirmation.* In the event that Class 5 rejects the Plan, the Debtors reserve the right to seek to confirm the Plan under section 1129(b) of the Bankruptcy Code, and, in such event, the Debtors reserve the right, pursuant to Sections 5.3 ("Nonconsensual Confirmation") and 13.1 ("Modification of the Plan") hereof, to alter, amend or modify the Plan, with the consent of the Plan Proponents, such consents not to be unreasonably withheld, to offer different treatment to Class 5, to the extent that the Debtors determine that such modifications are necessary to comply with the requirements of section 1129(b) of the Bankruptcy Code.

(e) *Voting.* Class 5 is Impaired. The holders of Claims in Class 5 are entitled to vote to accept or reject the Plan.

#### 4.6. **Class 6.** *Subordinated Unsecured Claims.*

(a) *Classification.* Class 6 consists of the Allowed Subordinated Unsecured Claims and are set forth on Exhibit 4.6 to the Plan and include the Claims of (i) Duarte, (ii) Victor Benitez (the father-in-law of Duarte) and (iii) MEI.

(b) *Treatment.* It is expected that each Allowed Subordinated Unsecured Claim shall receive nothing under the Plan. However, in the event that holders of Allowed Claims in Class 5 of the Plan are paid in full through Distributions from a combination of the Class 5 Distribution and the net recoveries, if any, obtained from Causes of Action, then the holders of Allowed Claims in Class 6 will be entitled to Pro Rata Shares of net recoveries, if any, obtained from Causes of Action.

(c) *Voting.* Class 6 is Impaired. The holders of Claims in Class 6 are deemed to reject the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

#### 4.7. **Class 7.** *Equity Interests.*

(a) *Classification.* Class 7 consists of Equity Interests in each of the Debtors.

(b) *Treatment.* No Distribution shall be made under the Plan from the Estates in respect of the Equity Interests. On the Effective Date, the certificates that previously evidenced ownership of the Equity Interests shall be cancelled and shall be null and void, the holder(s) thereof shall no longer have any rights in respect of the Equity Interests, and such certificates shall not evidence any rights under the Plan.

(c) *Voting.* Class 7 is Impaired. The holders of Equity Interests in Class 7 are deemed to reject the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

## ARTICLE V

### **ACCEPTANCE, REJECTION, AMENDMENT AND REVOCATION OR WITHDRAWAL OF THE PLAN**

5.1. ***Classes Entitled to Vote.*** Each holder of a Claim, as of the Record Date, in an Impaired Class, other than those Classes that are deemed to reject the Plan, shall be entitled to vote to accept or reject the Plan, in its sole and absolute discretion, subject to applicable law. Classes 1 and 2 are deemed to have accepted the Plan, and Classes 6 and 7 are deemed to have rejected the Plan. Votes from holders of Claims in Classes 4 and 5 will be solicited.

5.2. ***Acceptance by Class of Claims.*** An Impaired Class of Claims shall be deemed to accept the Plan if (a) holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in dollar amount of the Allowed Claims actually voting in such Class have voted to accept the Plan and (b) the holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of more than one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

5.3. ***Nonconsensual Confirmation.*** In the event that any Class of Claims entitled to vote shall not accept the Plan by the requisite statutory majority required by section 1129(a) of the Bankruptcy Code, the Debtors reserve the right to (a) request that the Bankruptcy Court confirm the Plan in accordance with section 1129(b) of the Bankruptcy Code with respect to such non-accepting Class, in which case the Plan shall constitute a motion for such relief, or (b) alter, amend or modify the Plan in accordance with Sections 13.1 (“Modification of the Plan”). The Debtors shall exercise the right to seek confirmation of the Plan under section 1129(b) of the Bankruptcy Code.

5.4. ***Revocation or Withdrawal; No Admissions.***

(a) *Right to Revoke or Withdraw.* The Plan may be revoked or withdrawn prior to the Confirmation Date by the Debtors in their sole discretion.

(b) *Effect of Withdrawal or Revocation; No Admissions.* If the Plan is revoked or withdrawn prior to the Confirmation Date, then the Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute a waiver or release of any claims or defenses or any admission or statement against interest by any Debtor or any other Person or to prejudice in any manner the rights of the Debtors or any Person in any further proceedings involving any Debtor.

5.5. **Amendment of Plan Documents.** From and after the Effective Date, the authority to amend, modify, or supplement the Plan Supplement, the Exhibits to the Plan Supplement and the Exhibits to the Plan and any documents attached to such Plan Supplement, Exhibits to the Plan Supplement and Exhibits to the Plan shall be as provided in such Plan Supplement, Exhibits to the Plan Supplement and Exhibits to the Plan and their respective attachments.

5.6. **Removal of Debtors.** At the sole discretion of the Debtors, a Debtor may be removed from the Plan. In such event, the Plan will omit any treatment of the assets and liabilities of such Debtor, unless otherwise agreed. The removal of any Debtor from the Plan will not affect the Plan with respect to any other Debtor.

## ARTICLE VI

### **MEANS OF IMPLEMENTING THE PLAN**

6.1. **Procedural Substantive Consolidation.** The Plan is premised upon the substantive consolidation of the Debtors solely for purposes of voting, confirmation and Distribution. On and after the Effective Date (i) all assets and liabilities of the Debtors shall be treated for purposes of the Plan as though they were merged, (ii) all guarantees of the Debtors of payment, performance or collection of obligations of any other of the Debtors shall be eliminated and cancelled, (iii) all joint obligations of two or more of the Debtors and all multiple Claims against such entities on account of such joint obligations, shall be considered a single Claim against the Debtors, (iv) all intercompany claims and obligations between one Debtor and any of the other Debtors, including as a result of the rejection of any executory contract or unexpired lease, shall be eliminated, extinguished and cancelled, and (v) any Claim filed against any of the Debtors shall be deemed filed against the consolidated Debtors and shall be one Claim against a single obligation of the consolidated Debtors.

Except as otherwise provided in the Plan (i) all property of each Debtor shall vest in each respective Reorganized Debtor, free and clear of all Claims, Liens, encumbrances, charges or other interests and (ii) each Debtor shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect before the Effective Date. Consistent with the substantive consolidation of the Debtors provided for by the Plan, on the Effective Date, the consolidation of the Debtors' Estates shall be effective and effectuated pursuant to the Confirmation Order without any further action by the stockholders or directors of any of the Debtors.

The entry of the Confirmation Order shall constitute approval by the Bankruptcy Court, pursuant to sections 105(a) and 1123(a)(5)(C) of the Bankruptcy Code, effective as of the Effective Date, of the substantive consolidation of the Debtors' respective Estates, solely for purposes of voting on, confirmation of and Distributions hereunder, and for no other purpose.

Notwithstanding the substantive consolidation of the Debtors, respectively, as provided herein, the substantive consolidation shall be solely for purposes of voting on, confirmation of and Distributions hereunder and specifically shall not:

(a) affect the treatment proposed by a Debtor to any holder of an Allowed Secured Claim of Regions Bank or Allowed Other Secured Claim against such Debtor, and after the Effective Date, such claim shall be unaffected by such substantive consolidation;

(b) affect any Liens that are maintained, recognized, or preserved hereunder shall be unaffected by the substantive consolidation;

(c) affect any claims under or with respect to any insurance policy of any Debtor (or any right to the proceeds of any such policy or policies) which shall be unaffected by the substantive consolidation,

(d) affect the legal and organizational structure of each such Debtor from and after the Effective Date;

(e) destroy or otherwise affect the separate corporate existence of each Debtor and the ownership interest in each Debtor; or

(f) affect or change any Cause of Action or other claim that any Debtor would possess had any of the Chapter 11 Cases not been substantively consolidated as provided herein or any defenses that any defendant in respect of such Causes of Action would have in connection therewith;

(g) divest any Debtor of any tax attributes; or

(h) affect any Statutory Fees paid by, or accrued in respect of, any Debtor to the U.S. Trustee or the Clerk of the Bankruptcy Court from the Petition Date through the Effective Date.

The Plan shall be deemed to be a motion, pursuant to Bankruptcy Rule 9013, by the Debtors for limited and partial substantive consolidation with respect to the Plan as set forth herein. Any objection by an affected Creditor to such consolidation shall be treated as an objection to Confirmation and shall be determined by the Bankruptcy Court at the Confirmation Hearing. Failure to timely object to substantive consolidation may result in consolidation of the Debtors in accordance herewith, without further hearing.

A detailed discussion of the facts and circumstances supporting substantive consolidation is contained in the Disclosure Statement.

6.2. **Source of Funding for Plan Distributions.** The Debtors or the Reorganized Debtors, as the case may be, will use the (i) Duart Contribution, (ii) available Cash on the Effective Date, (iii) Cash Flow on and after the Effective Date, or, where applicable, and (iv) Disputed Claims Reserve, to make all Distributions required to be made by the Debtors or the Reorganized Debtors, as the case may be, on and after the Effective Date under the Plan. In addition, the Distributions to all holders of Allowed Claims under the Plan are guaranteed by the Duart Guaranty.

6.3. **Section 1146 Exemption.** Pursuant to section 1146 of the Bankruptcy Code, the issuance, distribution, transfer or exchange of any equity security or notes, or the creation, making, assignment delivery or recording of any mortgage, deed of trust, instrument of transfer, pursuant to, in implementation of or as contemplated by the Plan or any Plan Document, or the vesting, re-vesting, transfer or sale of any property of, by or in the Debtors or their Estates or Reorganized Debtors pursuant to, in implementation of or as contemplated by the Plan or any Plan Document, or any transaction arising out of, contemplated by or in any way related to the foregoing, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangible or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, sales and use Uniform Commercial Code filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local governmental officials or agents shall, by the Confirmation Order, be directed to forego the collection of any such tax or governmental assessment and to accept for filing and recording any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

6.4. **Corporate Action.** All actions contemplated to be performed by the Debtors or the Reorganized Debtors pursuant to the Plan, or any corporate action to be taken by or required of the Debtors or the Reorganized Debtors, shall, as of the Effective Date, be deemed to have occurred and be effective as provided herein, and shall be authorized and approved in all respects without any requirement for further action by the shareholders, partners, members or managers of the Debtors or the Reorganized Debtors. All Persons, the Reorganized Debtors, Governmental Units, title agencies, licensing agencies and offices of recordation may rely upon the authority vested in the Debtors' officers, or managers to act on the Debtors' behalf in order to effectuate the Plan and the transactions contemplated herein.

6.5. **Vesting of Assets in the Reorganized Debtors.** Except as otherwise provided in the Plan or the other Plan Documents, pursuant to sections 1123(a)(5), 1123(b)(3) and 1141(b) and (c) of the Bankruptcy Code, on the Effective Date, all property of each Estate shall vest in the in each respective Reorganized Debtor free and clear of all Liens, Claims, charges, or other encumbrances. As of the Effective Date, the Reorganized Debtors may operate their businesses and use, acquire, and dispose of their property, free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order. All privileges with respect to the property of the Estates, including the attorney/client privilege, to which the Debtors are entitled shall automatically vest in, and may be asserted by or waived on behalf of, the Reorganized Debtors.

6.6. **Distributions.** The Distributions will be made in accordance with the Plan by the Debtors, the Reorganized Debtors, and/or the Distribution Agent.

6.7. **Surrender and Cancellation of Notes, Instruments, Certificates and Other Documents Evidencing Claims or Equity Interests.** On the Effective Date, except to the extent otherwise provided in the Plan, all notes, instruments, certificates, and other documents evidencing Claims or Equity Interests will be cancelled and the obligations of the Debtors discharged in accordance with section 1141(d)(1) of the Bankruptcy Code.

6.8. **Issuance of New Equity.** On the Effective Date, all existing Equity Interests of the Debtors will be extinguished and terminate for all purposes whatsoever, and no right, title,

claim or interest arising out of or in connection with the existing Equity Interests in the Debtors shall survive the Effective Date or be asserted against the Debtors, Reorganized Debtors, Plan Proponents or otherwise. On the Effective Date, the Reorganized Debtors will issue 100% of their equity interests to the Plan Proponents or their designee(s) free and clear of all Liens, Claims, interests and encumbrances in exchange for the consideration of: (a) the Duart Contribution; (b) the subordination and consent to extinguishment of Mr. Duart's asserted General Unsecured Claim in the amount of \$338,500 (which is classified as a Claim in Class 6 ("Subordinated Unsecured Claims") by the Plan); and (c) the furnishing by Duart of the Duart Guarantee. Carlos Duart will not receive any salary from the Reorganized Debtors, or any dividends or distributions from the Reorganized Debtors (other than customary tax distributions) until (i) all Allowed Claims in Class 4 ("General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors") are paid in full to the extent provided in the Plan, and Disputed Claims in such Class 4 are resolved, and (ii) the Class 5 Claims Distribution has been fully funded.

6.9. **Continued Corporate Existence of the Reorganized Debtors.** Except as otherwise provided in the Plan, each of the Reorganized Debtors will exist after the Effective Date as a reorganized, separate corporate entity or other business entity form, with all of the powers of a corporation or other business form under applicable law in the jurisdiction in which such Debtor is incorporated or otherwise formed and pursuant to its certificate of incorporation and bylaws or other organizational documents in effect before the Effective Date, except to the extent such certificate of incorporation or bylaws (or other formation documents in the case of a limited liability company or limited partnership) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be authorized pursuant hereto and without the need for any other approvals, authorizations, actions or consents. Notwithstanding, each of the Debtors or Reorganized Debtors may change its status of incorporation or alter its corporate structure or business form (either through a merger, consolidation, restructuring, conversion, disposition, liquidation, dissolution, or otherwise) on or after the Effective Date as may be determined by the Debtors to be appropriate. In each case in which the surviving, resulting, or acquiring company in any such transaction is a successor to a Debtor, such successor company shall perform the obligations of the applicable Debtor under the Plan, if any, including, to pay or otherwise satisfy the Allowed Claims against such Debtor.

6.10. **Amendment of the Reorganized Debtors' Governance Documents.** As of the Effective Date, and without any further action by the stockholders, directors or members of each Debtor or Reorganized Debtor, and to the extent necessary to comply with section 1123(a)(6) of the Bankruptcy Code, the Debtors' articles of incorporation and by-laws (or analogous governance documents) shall be amended and restated, in form and substance consistent with the Plan, to provide for, among other things, (i) to provide for such provisions, terms, and conditions necessary to comply, conform with, authorize and implement the terms, conditions, requirements, and all acts necessary to implement the Plan, including the issuance of the common stock or similar equity interests in the Reorganized Debtors (constituting 100% of the issued and outstanding capital stock of the Reorganized Debtors, to be issued under the Plan) and (ii) to prohibit the issuance of nonvoting equity securities. The officers of the Reorganized Debtors are authorized to file such articles of incorporation and by-laws (or analogous governance documents) with the appropriate authority(ies) without shareholder approval or any

other action. After the Effective Date, the Reorganized Debtors may amend and/or restate their articles of incorporation and by-laws as permitted under applicable law.

6.11. **Directors, Officers, Members and Managers of the Reorganized Debtors.** Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, as of the Effective Date, the directors, officers, partners, members and managers, as the case may be, of each of the Debtors immediately prior to the Effective Date shall be deemed to be the directors, officers, partners, members and managers, as the case may be, of each of the Reorganized Debtors without any further action by any party. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors have disclosed, in the Disclosure Statement or the Plan Supplement, the identity and affiliation of any individuals proposed to serve as the initial partners, members and managers of the Reorganized Debtors.

On and after the Effective Date, the operations of the Reorganized Debtors shall continue to be the responsibility of their directors, officers, partners, members and managers, as the case may be, or as set forth in the applicable existing organizational or operational documents of each of the Debtors. Each director, officer, partner, member and manager, as applicable, of the Reorganized Debtors shall serve from and after the Effective Date until his or her successor is duly elected or appointed and qualified or until his or her earlier death, resignation or removal in accordance with the applicable articles or certificate of incorporation, operating agreement or other organizational documents of the Reorganized Debtors.

From and after the Confirmation Date, the directors, officers, partners, members and managers, as applicable, of the Debtors and the Reorganized Debtors, as the case may be, shall have all powers accorded by law to put into effect and carry out the Plan and the Confirmation Order.

6.12. **Effectuating Documents and Further Transactions.** On or before the Effective Date, and without the need for any further order or authority, the Debtors shall file with the Bankruptcy Court or execute, as appropriate, such agreements and other documents that are in form and substance satisfactory to the Plan Proponents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors, the Reorganized Debtors, and any other necessary party, as applicable, shall perform all actions reasonably contemplated regarding the implementation of the Plan. Each of the directors, officers, partners, members and managers, as the case may be, of the Debtors and the Reorganized Debtors is authorized, without the need for any further order or authority, (i) to execute, deliver, file, or record such contracts, instruments, releases, indentures, mortgages, and other agreements or documents and take such actions as may be necessary or appropriate to implement or consummate the Plan, notes or securities issued pursuant to the Plan, and (ii) to undertake any other action on behalf of the Debtors to implement or consummate the Plan. Each of the matters provided for under the Plan involving the corporate structure of the Debtors or corporate action to be taken by or required of any Debtor will, as of the Effective Date, be deemed to have occurred and be effective as provided herein, and shall be authorized, approved, and (to the extent taken before the Effective Date) ratified in all respects without any requirement of further action by any stockholder, creditor, or director of the Debtor

6.13. **Section 1145 Determination.** The confirmation of the Plan shall constitute a determination, in accordance with section 1145 of the Bankruptcy Code, that, except with respect to an entity that is an underwriter as defined in § 1145(b), section 5 of the Securities Act of 1933 and any state or local law requiring registration for the offer or sale of a security or registration or licensing of an issuer of, underwriter of, broker or dealer in, a security, do not apply to the offer, sale, or issuance of any securities under the Plan.

6.14. **Preservation of Causes of Action.** Except as provided in Section 11.10 (“Releases”), the Debtors (prior to the Effective Date) and the Reorganized Debtors (on and after the Effective Date) shall retain all Causes of Action. On the Effective Date, the Causes of Action shall be preserved and vested in the Reorganized Debtors for the benefit of holders of Allowed Claims in Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”). The Reorganized Debtors will have the right, in their sole and absolute discretion, to pursue, not pursue, enforce, file, settle, compromise, release, withdraw, arbitrate or litigate any Cause of Action without seeking any approval from the Bankruptcy Court except as provided in Section 6.15 (“Prosecution and Settlement of Causes of Action”). Any net recovery obtained by the Reorganized Debtors from Causes of Action shall be distributed by the Reorganized Debtors in Pro Rata Shares to the holders of Allowed Claims in Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”).

The Debtors are currently not in a position to express an opinion on the merits of any of the Causes of Action or on the recoverability of any amounts as a result of any such Causes of Action. **FOR PURPOSES OF PROVIDING NOTICE, THE DEBTORS STATE THAT ANY PARTY IN INTEREST THAT ENGAGED IN BUSINESS OR OTHER TRANSACTIONS WITH ANY OF THE DEBTORS PREPETITION OR THAT RECEIVED PAYMENTS FROM ANY OF THE DEBTORS PREPETITION MAY BE SUBJECT TO LITIGATION TO THE EXTENT THAT APPLICABLE BANKRUPTCY OR NON-BANKRUPTCY LAW SUPPORTS SUCH LITIGATION.** Unless otherwise covered by insurance, the Reorganized Debtors will fund the costs and expenses (including legal fees) to pursue the Causes of Action.

No Creditor or other party should vote for the Plan or otherwise rely on the Confirmation of the Plan or the entry of the Confirmation Order in order to obtain, or on the belief that it will obtain, any defense to any Cause of Action. No Creditor or other party should act or refrain from acting on the belief that it will obtain any defense to any Cause of Action. **ADDITIONALLY, THE PLAN DOES NOT, AND IS NOT INTENDED TO, RELEASE ANY CAUSE OF ACTION OR OBJECTIONS TO CLAIMS, AND ALL SUCH RIGHTS ARE SPECIFICALLY RESERVED IN FAVOR OF THE DEBTORS AND THE REORGANIZED DEBTORS.** Creditors are advised that legal rights, claims and rights of action the Debtors may have against them, if they exist, are retained under the Plan for prosecution unless a specific order of the Bankruptcy Court authorizes the Debtors to release such claims. As such, Creditors are cautioned not to rely on (i) the absence of the listing of any legal right, claim or right of action against a particular Creditor in the Disclosure Statement, the Plan, or the Schedules, or (ii) the absence of litigation or demand prior to the Effective Date of the Plan as any indication that the Debtors or Reorganized Debtors do not possess or do not intend to prosecute a particular claim or Litigation Claim if a particular Creditor votes to accept



the Plan. It is the expressed intention of the Plan to preserve rights, objections to Claims, and rights of action of the Debtors, whether now known or unknown, for the benefit of Reorganized Debtors. A Cause of Action shall not, under any circumstances, be waived as a result of the failure of the Debtors to describe such Cause of Action with specificity in the Plan or in the Disclosure Statement; nor shall the Reorganized Debtors, as a result of such failure, be estopped or precluded under any theory from pursuing any such Cause of Action. Nothing in the Plan operates as a release of any Cause of Action.

The Debtors do not presently know the full extent of the Causes of Action and, for purposes of voting on the Plan, all Creditors are advised that the Reorganized Debtors will have substantially the same rights that a Chapter 7 trustee would have with respect to the Causes of Action. Accordingly, neither a vote to accept the Plan by any Creditor nor the entry of the Confirmation Order will act as a release, waiver, bar or estoppel of any Cause of Action against such Creditor or any other Person or Entity, unless such Creditor, Person or Entity is specifically identified by name as a Released Party in the Plan, in the Confirmation Order, or in any other Final Order of the Bankruptcy Court. Confirmation of the Plan and entry of the Confirmation Order is not intended to and shall not be deemed to have any res judicata or collateral estoppel or other preclusive effect that would precede, preclude, or inhibit prosecution of such Cause of Action following Confirmation of the Plan.

The Estates shall remain open, even if the Bankruptcy Cases shall have been closed, as to any and all Causes of Action until such time as the Causes of Action have been fully administered and the recoveries therefrom have been received by Reorganized Debtors.

6.15. **Prosecution and Settlement of Causes of Action.** The Reorganized Debtors (a) may commence or continue in any appropriate court, tribunal or any other appropriate setting (e.g., American Arbitration Association or other arbitration association) any suit or other proceeding for the enforcement of any Cause of Action which the Debtors had or had power to assert immediately prior to the Effective Date, and (b) may settle or adjust such Cause of Action; provided, however, that from and after the Effective Date, the Reorganized Debtors shall be authorized to compromise and settle any Cause of Action or objection to a Claim upon approval by the Bankruptcy Court after notice and a hearing.

## **ARTICLE VII**

### **DISTRIBUTIONS**

7.1. **Manner of Distributions Under the Plan.** Any Distribution pursuant to the Plan, to the extent posted in the United States mail, shall be deemed made when deposited by the Debtors or the Reorganized Debtors (or their respective agent(s)), as applicable, into the United States mail. At the option of the Debtors or the Reorganized Debtors, as the case may be, any Cash payment to be made pursuant to the Plan shall be made, at the election of the Debtors or the Reorganized Debtors, as the case may be, by check drawn on a domestic bank, by wire transfer, or by ACH, from a domestic bank, or other method mutually agreed upon by the holder of the Allowed Claim and the Debtors or the Reorganized Debtors. Whenever any Distribution to be made under the Plan shall be due on a day other than a Business Day, such Distribution shall

instead be made, without interest, on the immediately succeeding Business Day, but shall be deemed to have been made on that due date.

7.2. **Timing of Distributions.** Except for Distributions made on the initial Distribution date, any Distribution to be made by any Debtor or the Reorganized Debtors (or their respective agent(s)), as the case may be, pursuant to the Plan shall be deemed to have been timely made if made within ten (10) days after the time therefore specified in the Plan.

7.3. **Entity Making Distributions.** Except as otherwise provided in the Plan, Distributions to holders of Allowed Claims shall be made, and the responsibility for holding the Disputed Claims Reserve will be, by the Debtors, if before the Effective Date, or the Reorganized Debtors or the Distribution Agent, as the case may be, if on or after the Effective Date. The Debtors, the Reorganized Debtors and the Distribution Agent shall not be required to give any bond or surety or other security for the performance of their duties, unless otherwise ordered by the Bankruptcy Court.

7.4. **Record Date.** As of the close of business on the Record Date, the various transfer and claims registers for each of the Classes of Claims as maintained by the Debtors or their respective agents shall be deemed closed, and there shall be no further changes in the record holders of any of the Claims. The Debtors and the Reorganized Debtors, as applicable, shall have no obligation to recognize any transfer of the Claims occurring after the close of business on the Record Date. The Debtors and the Reorganized Debtors, as applicable, shall be entitled to recognize and deal hereunder only with those record holders stated on the transfer ledgers as of the close of business on the Record Date, to the extent applicable.

7.5. **Delivery of Distributions.** Except as otherwise provided in the Plan, Distributions to holders of Allowed Claims shall be made, (i) at the addresses set forth on any proof of claim filed by such holder (or at the last known addresses of such holder if no motion requesting payment or proof of claim is filed or the Debtors, Reorganized Debtors or Distribution Agent, as the case may be, have been notified in writing of a change of address), (ii) at the addresses set forth in any written notices of address changes filed with the Bankruptcy Court and served on the Debtors, the Reorganized Debtors or the Distribution Agent, as the case may be, by such holder after the date of any related proof of claim, or (iii) at the addresses reflected in the Schedules if no proof of claim has been filed and no written notice of address change has been filed by such holder with the Bankruptcy Court and served on the Debtors, the Reorganized Debtors or the Distribution Agent, as the case may be. Nothing set forth herein will be deemed a waiver of the Debtors' statutory or common law setoff rights.

7.6. **No Interest Unless Otherwise Provided.** Other than to the extent allowed by the Bankruptcy Court, or as otherwise provided in the Plan, no interest shall accrue or be paid on any Claim.

7.7. **De Minimis Distributions.** No Distribution of less than fifty (\$50) dollars shall be made to any holder of an Allowed Claim. Such undistributed amount will be retained by the Reorganized Debtors to be distributed in Pro Rata Shares to holders of Allowed Claims in Class 5 ("General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors").

7.8. **Fractional Cents.** Notwithstanding any other provisions of the Plan to the contrary, no fractional cents will be made under the Plan. Any Distribution or payments will be issued to holders in whole cents (rounded to the nearest whole cent when and as necessary).

7.9. **Taxpayer Identification Number.** The Reorganized Debtors may require any holder with an Allowed Claim entitled to a Distribution hereunder to furnish its, his or her employer or taxpayer identification number (the "TIN") assigned by the Internal Revenue Service. Any Distribution hereunder may be conditioned on the receipt of such TIN. If any such holder entitled to a Distribution hereunder fails to provide a requested TIN within ninety (90) days after the request thereof, then such failure shall be deemed to be a waiver of such holder's interest in any future Distributions, including the right to receive any future Distributions.

7.10. **Compliance with Tax Requirements.** In connection with the Plan, the Reorganized Debtors shall comply with all tax withholding and reporting requirements imposed by federal, state, local and foreign taxing authorities, if applicable, and all Distributions hereunder shall be subject to such withholding and reporting requirements. Notwithstanding the above, each holder of an Allowed Claim that is to receive a Distribution under the Plan shall have the sole and exclusive responsibility for the reporting of, and the satisfaction and payment of any tax obligations imposed by, any Governmental Unit, including income, withholding, and other tax obligations, on account of such Distribution.

7.11. **Effect of Pre-Confirmation Distributions.** Nothing in the Plan shall be deemed to entitle the holder of a Claim that received, prior to the Effective Date, full or partial payment of such holder's Claim, by way of settlement or otherwise, pursuant to an order of the Bankruptcy Court (including, but not limited to any orders approving critical vendor motions filed by the Debtors), provision of the Bankruptcy Code, or other means, to receive a duplicate payment in full or in part pursuant to the Plan; and all such full or partial payments shall be deemed to be payments made under the Plan for purposes of satisfying the obligations of the Debtors or the Reorganized Debtors to such holder under the Plan.

7.12. **Setoffs and Recoupments.** The Debtors, if before the Effective Date, or the Reorganized Debtors, if on or after the Effective Date, may, to the extent permitted by sections 502(h), 553, and 558 of the Bankruptcy Code or applicable non-bankruptcy law, but shall not be required to, set off against or recoup from any Claim on which payments are to be made pursuant to the Plan, any Causes of Action of any nature whatsoever that the Debtors or their Estates may have against the holder of such Claim; provided, however, that neither the failure to effect such offset or recoupment nor the allowance of any Claim shall constitute a waiver or release by the Debtors or their Estates of any right of setoff or recoupment that the Debtors or their Estates may have against the holder of such Claim, nor of any other Cause of Action.

7.13. **Distributions in Satisfaction; Allocation.** Except for the obligations expressly imposed by the Plan and the property and rights expressly retained under the Plan, if any, the Distributions and rights that are provided in the Plan shall be in complete satisfaction and release of all Claims against, liabilities in, Liens on, obligations of and Interests in the Debtors and their Estates, whether known or unknown, that arose or existed prior to the Effective Date. Distributions received in respect of Allowed Claims will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid accrued interest (if any).

7.14. **Unclaimed Property.** Unclaimed Property shall be dealt with as follows: If the combined total of Unclaimed Property related to Allowed Claims in Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”) totals (i) \$5,000 or more, the Unclaimed Property shall, subject to Section 7.7 (“De Minimis Distributions”) and other provisions hereof, be distributed, at the time of final Distributions, in Pro Rata Shares to all holders of Allowed Claims in Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”), or (ii) less than \$5,000, the Unclaimed Property shall be donated to the Bankruptcy Bar Foundation, a not-for-profit, non-religious organization dedicated to, among other things, promoting the pro bono legal representation of the indigent; provided that the Claim of any holder or successor to such holder with respect to any Unclaimed Property shall be forever forfeited by such holder, and barred, notwithstanding any federal or state escheat laws to the contrary. Any other Unclaimed Property will vest in the Reorganized Debtors pursuant to Article XI hereof (“Effect of Confirmation”).

## ARTICLE VIII

### **PROCEDURES FOR RESOLVING AND TREATING DISPUTED CLAIMS**

8.1. **Objections to Claims; Prosecution of Disputed Claims.** Before the Effective Date, the Debtor or any other party in interest will be entitled to object to any Claim (in whole or in part) appearing on the Schedules, filed in the Chapter 11 Cases or estimated by the Bankruptcy Court with respect to which the Debtors dispute liability in whole or in part. After the Effective Date, the Reorganized Debtors shall object to the allowance of any Claim appearing on the Schedules, filed in the Chapter 11 Cases or estimated by the Bankruptcy Court with respect to which the Reorganized Debtors dispute liability in whole or in part. All objections that are filed and prosecuted by the Debtors or the Reorganized Debtors, as the case may be, as provided herein shall be litigated to Final Order or settled. Unless otherwise provided herein or ordered by the Bankruptcy Court, all objections by the Debtors or the Reorganized Debtors, as the case may be, to Claims shall be served and filed no later than one-hundred and eighty (180) days after the Effective Date, or such other deadline established by separate order of the Bankruptcy Court.

8.2. **Administration of Disputed Claims; Disputed Claims Reserve.**

(a) **No Distribution of Disputed Claims.** Notwithstanding any other provision of the Plan, no Distribution shall be made with respect to any Disputed Claim unless and until such Disputed Claim becomes an Allowed Claim.

(b) **Estimates in Aid of the Plan.** In determining the amount of Distributions to be made hereunder to holders of Allowed Claims, the appropriate Distributions required by the Plan shall be made according to estimates and subject to the provisions of the Plan. For purposes of effectuating the provisions of this section and the Distributions to holders of Allowed Claims, the Bankruptcy Court may set, fix or liquidate the amount of Disputed Claims pursuant to section 502(c) of the Bankruptcy Code, in which event the amounts so fixed or liquidated will be deemed the amounts of the Disputed Claim for purposes of Distribution under this Amended Plan. In lieu of fixing or liquidating the amount of any Disputed Claim, the Debtors or Reorganized Debtors, as the case may be,

may request that the Bankruptcy Court determine the amount to be reserved for such Disputed Claim or such amount may be fixed by agreement in writing between the Debtors or the Reorganized Debtors, as the case may be, and the holder of a Disputed Claim.

(c) Disputed Claims Reserve. To protect the interests of holders of Disputed Claims in each of Class 4 (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) and Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”), the Reorganized Debtors shall establish a Disputed Claims Reserve for such Disputed Claims in Classes 4 and 5. Although the Debtors believe that there does not exist any claims in the other Classes of Claims (Classes 1, 2 and 3), in the event that a Claim is asserted in one of the other Classes of Claims, and is Disputed by the Debtors or the Reorganized Debtors, as the case may be, the terms of this Section shall apply to such Disputed Claim in the other Classes of Claims (Classes 1, 2 and 3). On the Effective Date, the Reorganized Debtors shall fund the Disputed Claims Reserve with Cash in an amount that represents the Cash that would otherwise be distributed to the holder of each such Disputed Claim on the Effective Date if (i) such Claim was Allowed in the amount set forth in the Schedules, on the holder’s proof of claim, or as estimated by the Bankruptcy Court, and (ii) was entitled to receive the particular Distribution as described in Article IV hereto (“Impairment and Treatment of Claims and Equity Interests”). In addition, the Reorganized Debtors will fully fund the Disputed Claims Reserve for Class 4 (“General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors”) on each Class 4 Payment Date with the amount of all subsequent Distributions to which holders of Disputed Class 4 Claims would be entitled, if such Disputed Class 4 Claims were Allowed Class 4 Claims on such date.

(d) Administration of Disputed Claims that Become Allowed Claims. As soon as practicable after a Disputed Claim in Classes 4 or 5 becomes an Allowed Claim, the holder of such Allowed Claim shall receive from the Disputed Claims Reserve a Distribution in an amount equal to the Distribution that such holder would have received had such Disputed Claim been an Allowed Claim on the Effective Date. Distributions to each holder of a Disputed Claim in Class 4 or 5, to the extent that such Claim becomes an Allowed Claim, shall be made, without interest, in accordance with the Class of Claims to which such Claim belongs.

(e) Disallowed Claims. When a Disputed Claim in Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”) or any portion thereof becomes a Disallowed Claim, the Distribution(s) to which such holder of a Disallowed Claim in Class 5 would be entitled, shall be distributed, at the time of final Distributions, to other holders of Allowed Claims in Class 5 pursuant to the terms of this Plan. When a Disputed Claim in all other Classes or any portion thereof becomes a Disallowed Claim, the Distribution(s) to which such holder of a Disallowed Claim would be entitled, shall be distributed to the Reorganized Debtors at the time of final Distributions or any other time provided by order of the Bankruptcy Court.

8.3. **Estimation.** The Debtors, or following the Effective Date, the Reorganized Debtors may at any time request that the Bankruptcy Court estimate any contingent, unliquidated or Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the Debtors previously objected to such Claim, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including, without limitation, during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent, unliquidated or Disputed Claim, the amount so estimated shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on the amount of such Claim, the Debtors may pursue supplementary proceedings to object to the allowance of such Claim. All objection, estimation and Claim resolution procedures are intended to be cumulative and not exclusive of one another.

8.4. **Objections to Impaired Claims.** Certain Claims and all Equity Interests are Impaired hereunder and not entitled to any Distribution hereunder. As a result, the Debtors do not intend to object to any such Claims or Equity Interests since the allowance or disallowance of such Claims or Equity Interests will have no impact on the Debtors or their Estates. However, the Debtors (and after the Effective Date, the Reorganized Debtors) reserve the right to file objections to such Claims and Equity Interests at any time they deem appropriate, if ever, until the closing of these Chapter 11 Cases.

8.5. **Disallowance of Claims.** Under section 502(d) of the Bankruptcy Code, any Claim asserted by a Creditor shall be Disallowed in its entirety if such Creditor has received a transfer that is voidable under the Bankruptcy Code and has failed to repay such transfer.

## ARTICLE IX

### **EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

9.1. **General Treatment: Rejected if not Previously Assumed.** On the Effective Date, all executory contracts and unexpired leases to which any Debtor is a party shall be deemed automatically rejected in accordance with the provisions and requirements of sections 365 and 1123(b)(2) of the Bankruptcy Code as of the Effective Date, unless any such executory contract or unexpired lease: (i) has been previously subject to a Final Order of the Bankruptcy Court authorizing assumption or rejection, as the case may be, entered prior to the Effective Date; (ii) is the subject of a motion to assume or reject pending as of the Effective Date; or (iii) is listed on the Schedule of Assumed Executory Contracts and Unexpired Leases which will be an Exhibit to the Plan Supplement to be filed by the Debtors. The Confirmation Order shall constitute an order of the Bankruptcy Court approving such assumptions or rejections pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code as of the Effective Date.

9.2. **Bar to Claims Arising from Rejection, Termination or Expiration.** Claims created by the rejection of executory contracts or unexpired leases (including, without limitation, the rejection provided in Section 9.1 hereof (“General Treatment; Rejected if not Previously Assumed”) or the expiration or termination of any executory contract or unexpired lease prior to the Confirmation Date must be filed with the Bankruptcy Court and served on the Debtors no later than thirty (30) days after: (a) *the Confirmation Date*, with respect to any executory contract

or unexpired lease that was terminated or expired by its own terms prior to the Confirmation Date, (b) *the date of the entry of any order of the Bankruptcy Court authorizing rejection*, with respect to any executory contract or unexpired lease rejected by the Debtors, or (c) *the Confirmation Date*, with respect to any executory contract or unexpired lease that is deemed rejected pursuant to Section 9.1 hereof (“General Treatment; Rejected if not Previously Assumed”). Any rejection claim for which a proof of claim is not filed and served within the time provided herein will be forever barred from assertion and shall not be enforceable against the Debtors, or their estates, assets, properties, or interests in property, or the Reorganized Debtors, or their estate, assets, properties, or interests in property. Unless otherwise ordered by the Bankruptcy Court, all such Claims that are timely filed as provided in this Section shall be treated as a Claim under Class 5 (“General Unsecured Claims Not Necessary for the Continued Operation of the Reorganized Debtors”) and shall be subject to the provisions of the treatment of Disputed Claims covered by Article VIII hereof (“Procedures for Resolving and Treating Disputed Claims”). Nothing contained herein shall be deemed an admission by the Debtors or any of them that such rejection gives rise to or results in a Claim or shall be deemed a waiver by the Debtors or the Reorganized Debtors of any objections to such Claim if asserted.

9.3. **Assumption of Executory Contracts and Unexpired Leases.**

(a) Assumption of Executory Contracts and Unexpired Leases; Schedule of Assumed Executory Contracts and Unexpired Leases. On the Effective Date, the Debtors will assume all of the executory contracts and unexpired leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases attached as an Exhibit to the Disclosure Statement and/or the Plan Supplement. With respect to the executory contracts and unexpired leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases, the Debtors will designate a proposed Cure on the Schedule of Assumed Executory Contracts and Unexpired Leases. Unless subject to separate motion and order of the Bankruptcy Court, the Confirmation Order will constitute an order of the Bankruptcy Court approving assumption of all of the executory contracts and unexpired leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases attached to the Plan Supplement pursuant to sections 365(a) and 1123 of the Bankruptcy Code and the listed amount of Cure Claims.

(b) Modifications, Amendments, Supplements, Restatements, or Other Agreements. Unless otherwise provided in the Plan, each executory contract or unexpired lease that is assumed pursuant to the Plan will include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such executory contract or unexpired lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated, or is rejected or repudiated pursuant to the Plan or separate motion and Final Order of the Bankruptcy Court.

(c) Modification of the Schedule of Assumed Executory Contracts and Unexpired Leases. The Schedule of Assumed Executory Contracts and Unexpired Leases may be modified by either of the Plan Proponents to add or delete contracts and leases up to three (3) days prior to the scheduled Confirmation Hearing.

(d) Proof of Claim Based on Executory Contracts or Unexpired Leases that Have Been Assumed. Any and all proofs of claim relating to executory contracts or unexpired leases that have been assumed in the Chapter 11 Cases will be deemed amended and superseded by the amount of Cure Claim identified in the Plan, the Confirmation Order or other order of the Bankruptcy Court authorizing assumption of executory contracts to the Debtors or the Reorganized Debtors.

(e) Cure of Defaults for Assumed Executory Contracts and Unexpired Leases. With respect to each of the executory contracts or unexpired leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases, the Debtors will designate a proposed Cure and the assumption or assumption and assignment of such executory contract or unexpired lease will be conditioned on the disposition of all issues with respect to Cure. All Allowed Cure Claims will be satisfied by the Debtors by payment of the Cure in Cash to (i) holders of Allowed General Unsecured Claims Necessary for the Continued Operation of the Reorganized Debtors pursuant to Section 4.4 of the Plan (“Class 4”) per the terms of such section of the Plan, or (ii) holders of other Claims, or on the Effective Date or as soon as reasonably practicable thereafter, or (iii) on such other terms as may be either ordered by the Bankruptcy Court or agreed by the Debtors and the applicable contract counter-party without any further notice to or action, order, or approval of the Bankruptcy Court. Any provisions or terms of the Debtors’ executory contracts or unexpired leases to be assumed and assigned pursuant to the Plan that are, or may be, alleged to be in default, shall be satisfied solely by the Cure, or by an agreed-upon waiver of the Cure.

(f) Confirmation Order. Entry of the Confirmation Order will constitute a finding of adequate assurance of future performance by the Reorganized Debtors within the meaning of section 365 of the Bankruptcy Code. Any objections relating to adequate assurance of future performance, or any other matters relating to the assumption and assignment of executory contracts and unexpired leases (other than Cure Claim disputes) must be asserted as an objection to confirmation of the Plan. Assumption of any executory contract or unexpired lease pursuant to the Confirmation Order or other order of the Bankruptcy Court will limit the Claims of any such contract counter-party to the (i) Allowed Cure Claim and (ii) Claims for ongoing performance under the unexpired lease or executory contract by Reorganized Debtor pursuant to section 365(k) of the Bankruptcy Code.

9.4. **Insurance Policies and Agreements.** Notwithstanding anything contained in the Plan to the contrary, unless specifically rejected by order of the Bankruptcy Court, all of the Debtors’ insurance policies and any agreements, documents or instruments relating thereto, are treated as executory contracts under the Plan and will be assumed by the applicable Reorganized Debtor, effective as of the Effective Date. Nothing contained in this Section shall constitute or be deemed a waiver of any cause of action that the Debtors may hold against any entity, including, without limitation, the insurer, under any of the Debtors’ policies of insurance.



## ARTICLE X

**CONDITIONS PRECEDENT**

10.1. ***Conditions Precedent to Effectiveness of Plan.*** The Effective Date of the Plan shall not occur unless and until the following conditions shall have been satisfied or waived by the Plan Proponents, as determined in their sole discretion: (a) the Bankruptcy Court shall have entered the Confirmation Order in form and substance acceptable to the Plan Proponents, and such Confirmation Order shall be non-appealable, shall not have been appealed within fourteen (14) calendar days of entry or, if such Confirmation Order is appealed, shall not have been stayed pending appeal, and there shall not have been entered by any court of competent jurisdiction any reversal, modification or vacation, in whole or in part, of such Confirmation Order; (b) the Bankruptcy Court shall have approved the information contained in the Disclosure Statement as adequate pursuant to section 1125 of the Bankruptcy Code; (c) all documents, instruments and agreements provided for hereunder or necessary to implement the Plan shall have been executed and delivered by the parties thereto, unless such execution or delivery has been waived by the parties benefited thereby, in form and substance satisfactory to the Plan Proponents; (d) the date shall be on or after April 23, 2012 (the Bar Date for Governmental Units to file proofs of claim); (e) there is sufficient available Cash of the Debtors to pay all Allowed Administrative Claims (including Allowed Professional Claims), Allowed Priority Claims and Allowed Priority Tax Claims; and (f) no order of a court restraining the Debtors from consummating the Plan shall have been entered and shall remain in effect.

The conditions precedent specified above may be waived in whole or in part by the Plan Proponents, as determined in their sole discretion. Subject to the foregoing, any such written waiver of a condition precedent set forth in this Section may be effected at any time, without notice, without leave or order of the Bankruptcy Court, and without any formal action other than proceeding to consummate the Plan. Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action. If the Plan Proponents decide that one of the foregoing conditions cannot be satisfied, and the occurrence of such condition is not waived in writing by the Plan Proponents, then the Debtors shall file a notice of the failure of the Effective Date with the Bankruptcy Court, at which time the Plan and the Confirmation Order shall be deemed null and void.

10.2. ***Effect of Failure of Conditions to Effective Date.*** If all the conditions to effectiveness and the occurrence of the Effective Date have not been satisfied or duly waived on or before the first Business Day that is more than 120 days after the Confirmation Date, or by such later date as is proposed by the Plan Proponents, then upon motion by the Debtors made before the time that all of the conditions have been satisfied or duly waived, the Confirmation Order will be vacated by the Bankruptcy Court; provided, however, that notwithstanding the filing of such a motion, the Confirmation Order will not be vacated if each of the conditions to consummation is either satisfied or duly waived before the Bankruptcy Court enters an order granting the relief requested in such motion. If the Confirmation Order is vacated pursuant to this Section, the Plan will be null and void in all respects, and (i) no Distributions under the Plan shall be made, (ii) the Debtors and all holders of Claims and Equity Interests shall be restored to the status quo ante as of the day immediately preceding the Confirmation Date as though the

Confirmation Date never occurred, and (iii) all of the Debtors' obligations with respect to the Claims and Equity Interests shall remain unchanged and nothing contained herein shall be deemed to constitute a waiver or release of any claims by or against the Debtors or any other entity or to prejudice in any manner the rights of the Debtors or any other entity in any further proceedings involving the Debtors.

10.3. **Notice of Confirmation of the Plan.** Notice of entry of the Confirmation Order shall be provided as required by Bankruptcy Rule 3020(c)(2).

## ARTICLE XI

### **EFFECT OF CONFIRMATION**

11.1. **Vesting of Assets.** Upon the Effective Date, pursuant to section 1141(b) and (c) of the Bankruptcy Code, all property of the Debtors shall vest in the Reorganized Debtors free and clear of all Claims, Liens, encumbrances, charges, and other interests, except as provided in the Plan or the Confirmation Order. From and after the Effective Date, the Reorganized Debtors may operate the Debtors' business and may use, acquire, and dispose of property free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if there were no pending case under any chapter or provision of the Bankruptcy Code.

11.2. **Title to Assets; Discharge of Liabilities.** Except as otherwise provided in the Plan, on the Effective Date, title to all assets and properties and interests in property dealt with by the Plan shall vest in the Reorganized Debtors free and clear of all Claims, Equity Interests, Liens, encumbrances, charges, and other interests, and the Confirmation Order shall be a judicial determination of discharge of the liabilities of the Debtors arising prior to the Effective Date, except as may be otherwise provided in the Plan.

11.3. **Binding Effect.** Subject to the occurrence of the Effective Date, on and after the Confirmation Date, the provisions of the Plan shall bind the Debtors, the Reorganized Debtors, and any holder of a Claim against, or Equity Interest in, the Debtors and such holder's respective successors and assigns, whether or not the Claim or Equity Interest of such holder is Impaired under the Plan and whether or not such holder has accepted the Plan.

11.4. **Discharge of Claims and Termination of Equity Interests.** Except as provided herein, the rights afforded in the Plan and the payments and Distributions to be made hereunder shall discharge all existing debts and Claims, and shall terminate all Equity Interests, of any kind, nature, or description whatsoever against or in the Debtors or any of their assets or properties to the fullest extent permitted by section 1141 of the Bankruptcy Code. Except as provided herein, upon the Effective Date, all existing Claims against the Debtors and Equity Interests in the Debtors shall be, and shall be deemed to be, discharged and terminated, and all holders of Claims and Equity Interests shall be precluded and enjoined from asserting against the Reorganized Debtors, their respective successors or assignees, or any of their respective assets or properties, any other or further Claim or Equity Interest based upon any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date, whether or not such holder has filed a proof of claim or proof of equity interest, and whether or not the facts or legal bases therefore were known or existed prior to the Effective Date. Upon the Effective Date, all

such persons shall be forever precluded and enjoined, pursuant to section 524 of the Bankruptcy Code, from prosecuting or asserting any such discharged Claim against or terminated Equity Interest in the Debtors. Nothing in this Section should be interpreted as a discharge of the Debtors' or Reorganized Debtors' rights or obligations under the Plan.

11.5. **Discharge of the Debtors.** Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in the Confirmation Order, the Distributions and rights that are provided in the Plan will be in complete satisfaction, discharge, and release, of any and all Claims, whether known or unknown, against the Debtors or Reorganized Debtors or any of their assets or properties, regardless of whether the property has been distributed or retained pursuant to the Plan and termination of all Equity Interests. Without limiting the generality of the foregoing, the Debtors or Reorganized Debtors will be discharged from any and all Claims and debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, in each case whether or not (a) a proof of claim is filed or deemed filed under section 501 of the Bankruptcy Code, (b) a Claim is allowed under section 502 of the Bankruptcy Code, or (c) the holder of such a Claim accepted the Plan. Except as otherwise provided in the Plan, the Confirmation Order shall be a judicial determination of discharge of all liabilities of the Debtors arising before the Effective Date. Under section 524 of the Bankruptcy Code, the discharge granted under this section shall avoid any judgment against the Debtors at any time obtained (to the extent it relates to a discharged Claim), and operates as an injunction against the prosecution of any action against the Debtors or the Estates (to the extent such action relates to a discharged claim). Nothing in this Section should be interpreted as a discharge of the Debtors' or Reorganized Debtors' rights or obligations under the Plan.

11.6. **Injunction.** Except as otherwise expressly provided in the Plan, all Persons who have held, hold or may hold Claims or Equity Interests and all Persons who have held, hold or may hold claims or causes of action that have been released pursuant to **Section 11.10** hereof ("Releases") or are subject to exculpation pursuant to **Section 11.9** hereof ("Exculpation"), and all other parties in interest, along with their respective present or former employees, agents, officers, managers, directors, principals and Affiliates, are permanently enjoined, from and after the Effective Date, from (a) commencing, conducting or continuing in any manner any action or other proceeding of any kind with respect to any such Claim or Equity Interest, or such released or exculpated claim or cause of action, against the Debtors, the Reorganized Debtors, or the Released Parties or any of their respective property or assets or any interest therein, (b) the enforcement, attachment, levying, collection or recovery by any manner or means of any judgment, award, decree or order against the Debtors, the Reorganized Debtors, or the Released Parties or any of their respective property or assets or any interest therein, (c) creating, perfecting, or enforcing any Lien or encumbrance of any kind against the Debtors, the Reorganized Debtors, or the Released Parties or any of their respective property or assets or any interest therein, or (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtors, the Reorganized Debtors, the Released Parties or against any of their respective property or assets, or any interest therein, with respect to any such Claim or Equity Interest, or such released or exculpated claim or cause of action. Such injunction shall be included in the Confirmation Order and shall extend to any successors of the Debtors, the Reorganized Debtors, and the Released Parties and their respective properties and interest in properties.

11.7. **Term of Injunctions or Stays.** Unless otherwise provided, all injunctions or stays arising under or entered during the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, other than injunctions issued pursuant to the Plan (including injunctions under Section 11.6 (“Injunction”)), shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

11.8. **Injunction Against Interference With Plan of Reorganization.** Upon the entry of the Confirmation Order, all holders of Claims and Equity Interests and other parties in interest, along with their respective present or former employees, agents, officers, managers, directors, principals and Affiliates shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan.

11.9. **Exculpation.** Notwithstanding anything herein to the contrary, as of the Effective Date, none of (a) the Debtors or the Reorganized Debtors, (b) the Plan Proponents, and (c) any present director, manager, officer, member, equity holder (and their respective Affiliates), employee, agent, financial advisor, partner, Affiliate, attorney, other professional advisor or representative (and their respective Affiliates) of the persons or parties described in clauses (a) through (c) of this Section or of their respective Affiliates (but solely in their capacities as such) shall have or incur any liability for any claim, cause of action or other assertion of liability for any act taken or omitted to be taken since the Petition Date in connection with, related to, or otherwise arising out of, the Chapter 11 Cases, the formulation, negotiation, preparation, dissemination, implementation, confirmation, consummation, or administration of the Plan, property to be distributed under the Plan, or any other act or omission in connection with the Chapter 11 Cases, the Plan, the Disclosure Statement or, in each case, any contract, instrument, document or other agreement related thereto, including; provided, however, that the foregoing shall not affect the liability of any person that otherwise would result from any such act or omission to the extent such act or omission is determined by a final order of a court of competent jurisdiction to have constituted willful misconduct or gross negligence; provided, further, that each Released Party shall be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the above referenced documents, actions or inactions.

11.10. **Releases.** **As of the Effective Date, in consideration of (a) the services provided by the present directors, managers, officers, employees, agents, financial advisors, attorneys, and representatives of the Debtors to the Debtors who acted in such capacities after the Petition Date; and (b) the substantial contribution of the Plan Proponents: (i) the Debtors or the Reorganized Debtors; and (ii) each holder of a Claim or Equity Interest that votes to accept the Plan, or accepts a Distribution under the Plan, or is deemed to accept the Plan, or abstains from voting on the Plan, shall release unconditionally and forever each Released Party from any and all Claims, demands, causes of action and the like, relating to the Debtors existing as of the Effective Date or thereafter arising from any act, omission, event or other occurrence that occurred on or prior to the Effective Date; provided, however, that nothing in this Section shall be construed as a release of any claims against any such Released Party resulting from an act or omission determined by a final order of a court of competent jurisdiction to have constituted willful misconduct or gross**

**negligence, provided that each such Released Party shall be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, its actions or inactions.**

11.11. **Government Releases.** Nothing in the Plan or the Confirmation Order shall effect a release of any claim by the United States Government or any of its agencies or any state and local authority whatsoever, including without limitation any claim arising under the Internal Revenue Code, securities laws, the environmental laws or any criminal laws of the United States or any state and local authority against the Released Parties other than the Debtors, the Reorganized Debtors and the Plan Proponents, nor shall anything in the Plan or Confirmation Order enjoin the United States Government or any of its agencies or any state or local authority from bringing any claim, suit, action or other proceedings against the Released Parties other than the Debtors, the Reorganized Debtors and the Plan Proponents for any liability whatever, including without limitation any claim, suit or action arising under the Internal Revenue Code, securities laws, environmental laws or any criminal laws of the United States or any state or local authority, nor shall anything in the Plan or Confirmation Order exculpate any of the Released Parties other than the Debtors, the Reorganized Debtors and the Plan Proponents from any liability to the United States Government or any of its agencies or any state and local authority whatsoever, including any liabilities arising under the Internal Revenue Code, securities laws, environmental laws or any criminal laws of the United States or any state and local authority.

11.12. **Limitations on Exculpation and Releases of and Releases of Representatives.** Nothing in Section 11.9 (“Exculpation”) or Section 11.10 (“Releases”) hereof shall (i) be construed to release or exculpate any person from, or require indemnification of any Person against losses arising from, the fraud, malpractice, criminal conduct, intentional unauthorized misuse of confidential information that causes damages, or ultra vires acts of such Person, or (ii) limit the liability of the professionals of the Debtors, the Reorganized Debtors, to their respective clients pursuant to Rule 4-1.8(f) of the Florida Rules of Professional Conduct (“Limiting Liability for Malpractice”).

## ARTICLE XII

### **RETENTION OF JURISDICTION**

12.1. **Retention of Jurisdiction.** Pursuant to sections 1334 and 157 of title 28 of the United States Code, the Bankruptcy Court shall retain jurisdiction of all matters arising in, arising under, and related to the Chapter 11 Cases and the Plan, for the purposes of sections 105(a) and 1142 of the Bankruptcy Code, and for, among other things, the following purposes:

(a) to hear and to determine all controversies, disputes, and suits which may arise in connection with the execution, interpretation, implementation, consummation, or enforcement of the Plan, any documents related to the Plan, including the Plan Documents, the Confirmation Order, or in connection with the enforcement of any remedies made available hereunder;

(b) to take any action and issue such orders as may be necessary to construe, enforce, implement, execute and consummate the Plan or to maintain the integrity of the Plan following consummation;

(c) to enforce the terms of any settlement approved as a part of this Plan or otherwise in the Chapter 11 Cases;

(d) to determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(e) to enter, enforce and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

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

(g) to hear and determine any application or motion to modify the Plan in accordance with section 1127 of the Bankruptcy Code, to remedy any defect or omission or reconcile any inconsistency in the Plan, the Disclosure Statement or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

(h) to recover all property of the Estate, wherever located, which jurisdiction shall not be limited;

(i) to hear and to determine any and all objections to or applications concerning the allowance of Claims or Equity Interests or the allowance, classification, priority, compromise, estimation, or payment of any Claim or Equity Interest;

(j) to hear and determine any objections to the allowance of Claims or Equity Interests arising prior to the Effective Date, whether filed, asserted, or made before or after the Effective Date, including, without express or implied limitation, to hear and determine any objections to the classification, priority, compromise, estimation, or payment of any Claim or Equity Interest in whole or in part;

(k) to liquidate any Disputed, contingent, or Unliquidated Claims or to estimate any Disputed Claims;

(l) to hear and determine all motions or applications pending on the Confirmation Date for the rejection, assumption, or assumption and assignment of unexpired leases and executory contracts to which any Debtor is a party or with respect to which any Debtor may be liable, and the allowance of Claims resulting therefrom or from the expiration or termination prior to the Confirmation Date of any executory contract or unexpired lease;

(m) to hear and determine any disputes relating to the Distributions to holders of Allowed Claims as provided herein;

(n) to hear and determine all applications for allowances of compensation and reimbursement of expenses of Professional Claims and any other fees and expenses authorized to be paid or reimbursed under the Plan;

(o) to hear and determine any and all motions for the use, sale or lease of property pursuant to section 363 of the Bankruptcy Code and all issues related thereto, which transactions completed after the Confirmation Date shall be deemed to have been made pursuant to the Plan and therefore, exempt from recording and other taxes under section 1146 of the Bankruptcy Code;

(p) to hear and determine any and all adversary proceedings, applications, motions, and contested or litigated matters, including the Causes of Action, and any other litigated matter, as well as any remands from any appeals, that may be pending on the Effective Date or that, pursuant to the Plan, may be instituted by the Reorganized Debtors after the Effective Date, including, without express or implied limitation, any claims to avoid any preferences, fraudulent transfers, or other voidable transfers, or otherwise to recover assets for the benefit of the Debtors' estates;

(q) to enable the Reorganized Debtors to prosecute any and all Causes of Action, including proceedings which may be brought to set aside Liens or encumbrances and to recover any transfers, assets, properties or damages to which the Reorganized Debtors may be entitled under applicable provisions of the Plan, the Bankruptcy Code or any federal, state or local laws, including controversies, disputes and conflicts between the Debtors and any other party, including but not limited to any objections to Claims, motions for subordination on any grounds and claims preserved hereunder and pursuant to the Confirmation Order;

(r) to the extent that Bankruptcy Court approval is required, to consider and act on the compromise and settlement of any Claim or cause of action by or against any Debtors' Estate;

(s) to hear and determine matters concerning state, local, and federal taxes, fines, penalties, or additions to taxes for which the Debtors, as Debtors or Debtors in Possession, may be liable, directly or indirectly, in accordance with sections 346, 505, and 1146 of the Bankruptcy Code (including any request for expedited determination under section 505(b)(2) of the Bankruptcy Code);

(t) to enter, enforce and implement such orders (including orders entered prior to the Confirmation Date) as may be necessary or appropriate to execute, interpret, implement, consummate or enforce the terms and conditions of the Plan and the transactions contemplated hereunder;

(u) to issue such orders in aid of execution of the Plan to the extent authorized or contemplated by section 1142 of the Bankruptcy Code;

(v) to hear and to determine any other matter not inconsistent with the Bankruptcy Code and title 28 of the United States Code that may arise in connection with or related to the Plan; and

(w) to enter a final decree closing any and all of the Chapter 11 Cases.

12.2. **Abstention and Other Courts.** If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising

out of or relating to the Chapter 11 Cases, Article XII of the Plan (“Retention of Jurisdiction”) shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

### ARTICLE XIII

#### MISCELLANEOUS PROVISIONS

13.1. **Modification of the Plan.** The Plan may be altered, amended or modified by the Debtors, before or after the Confirmation Date, as provided in section 1127 of the Bankruptcy Code; provided, however, that no such alterations, amendments or modifications that are material shall be made without the consent of the Plan Proponents; provided further, however that the Plan Proponents may, with the approval of the Bankruptcy Court and without notice to holders of Claims and Equity Interests, correct any nonmaterial defect, omission, or inconsistency herein in such manner and to such extent as may be necessary or desirable. A holder of an Allowed Claim that has accepted the Plan shall be deemed to have accepted the Plan as modified if the proposed modification does not materially and adversely change the treatment of the Claim of such holder.

13.2. **Rights of Action.** Any rights, claims, or causes of action accruing to the Debtors pursuant to the Bankruptcy Code or pursuant to any statute or legal theory, and any rights to, claims or causes of action for recovery under any policies of insurance issued to or on behalf of the Debtors shall remain assets of the Debtors’ estates and, on the Effective Date, shall be transferred to the Reorganized Debtors.

13.3. **Notices.** Any notice required or permitted to be provided hereunder shall be in writing and served by either (a) certified mail, return receipt requested, postage prepaid, (b) hand delivery, or (c) prepaid overnight delivery service and addressed as follows:

- (1) Berger Singerman LLP  
1450 Brickell Avenue, Suite 1900  
Miami, Florida 33131  
Attention: James D. Gassenheimer, Esq.  
Christopher A. Jarvinen, Esq.  
Tel: (305) 755-9500  
Fax: (305) 714-4340

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



the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

13.5. **Headings**. The headings used in the Plan are inserted for convenience only and neither constitute a portion of the Plan nor in any manner affect the construction of the provisions of the Plan.

13.6. **Governing Law**. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), the laws of the State of Florida, without giving effect to the conflicts of laws principles thereof, shall govern the construction of the Plan and any agreements, documents, and instruments executed in connection with the Plan, except as otherwise expressly provided in such instruments, agreements or documents.

13.7. **Plan Documents**. All Plan Documents, including, but not limited to the exhibits and schedules to the Plan, the Plan Supplement and the schedules and exhibits to the Plan Supplement, are incorporated into and are a part of the Plan as set forth in full herein.

13.8. **Compliance with Tax Requirements**. In connection with the Plan, the Debtors and the Reorganized Debtors will comply with all withholding and reporting requirements imposed by federal, state and local taxing authorities, and all Distributions hereunder shall be subject to such withholding and reporting requirements.

13.9. **Expedited Determination of Postpetition Taxes**. The Debtors and the Reorganized Debtors are authorized (but not required) to request an expedited determination of taxes under section 505(b) of the Bankruptcy Code for all tax returns filed for, or on behalf of, the Debtors for all taxable periods (or portions thereof) from the Petition Date through (and including) the Effective Date.

13.10. **Sections 1125 and 1126 of the Bankruptcy Code**. As of and subject to the occurrence of the Confirmation Date: (a) the Debtors shall be deemed to have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including without limitation, sections 1125(a) and (e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation; and (b) the Debtors and the Plan Proponents, and each of their respective Affiliates, agents, directors, managers, officers, employees, advisors, and attorneys shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of any securities under the Plan, and therefore are not, and on account of such offer, issuance, and solicitation will not be, liable at any time for any violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or the offer and issuance of any securities under the Plan.

13.11. **Time**. In computing any period of time prescribed or allowed by the Plan, unless otherwise set forth herein or determined by the Bankruptcy Court, the provisions of Bankruptcy Rule 9006, as amended effective December 1, 2009, shall apply.

13.12. **Binding Effect**. Upon the entry of the Confirmation Order, all provisions of the Plan shall be binding upon, and shall inure to the benefit of, the Debtors, the Reorganized

Debtors, the holders of Claims and Equity Interests, and such Persons' respective successors and assigns.

13.13. **No Res Judicata Effect.** Notwithstanding anything to the contrary herein or in the Disclosure Statement, the provisions of the Disclosure Statement and the Plan that permit the Debtors or Reorganized Debtors to enter into settlements and compromises of any Cause of Action, shall not have, and are not intended to have, any res judicata or collateral estoppel effect with respect to any Cause of Action, as the case may be, that are not otherwise treated hereunder and shall not be deemed a bar to asserting such Cause of Action, regardless of whether or to what extent such Cause of Action are specifically described herein or Disclosure Statement relating hereto. Unless any of the Causes of Action are expressly waived, relinquished, exculpated, released, compromised or settled herein or by Final Order of the Bankruptcy Court, all such Causes of Action are expressly reserved and preserved for later adjudication and, therefore, no preclusion doctrine, including without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to such Causes of Action upon or after Confirmation or consummation of the Plan. Furthermore, notwithstanding any provision or interpretation to the contrary, nothing herein or the Confirmation Order, including the entry thereof, shall be deemed to constitute a release, waiver, impediment, relinquishment or bar, in whole or in part, of or to any recovery rights or any other claim, right or cause of action possessed by the Debtors prior to the Effective Date.

13.14. **Bankruptcy Rule 9019 Request; Impact.** The Plan, including the Plan Supplement or other Plan Document, may provide for one or more compromises or settlements. Pursuant to Bankruptcy Rule 9019, the Debtors hereby request approval of all compromises and settlements included in the Plan, and entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of any such compromise or settlement.

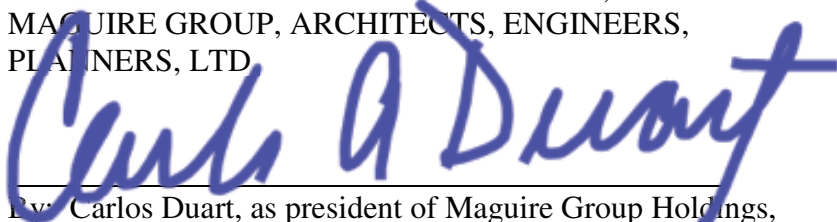
13.15. **Cramdown.** This section shall constitute the Plan Proponents' request, pursuant to section 1129(b)(1) of the Bankruptcy Code, that the Bankruptcy Court confirm the Plan notwithstanding the fact that the requirements of section 1129(a)(8) of the Bankruptcy Code may not be met.

13.16. Successors and Assigns. The rights, benefits and obligations of any Person named or referred to in the Plan shall be binding on, and shall inure to the benefit of, the heirs, executors, administrators, successors and/or assigns of such Person.

Dated: January 27, 2012

Respectfully Submitted

MAGUIRE GROUP HOLDINGS, INC.  
THE MAGUIRE CORPORATION  
MAGUIRE GROUP INC.  
EAST ATLANTIC CASUALTY COMPANY, LTD.  
MAGUIRE GROUP, ARCHITECTS, ENGINEERS,  
PLANNERS, LTD

  
By: Carlos Duart, as president of Maguire Group Holdings, Inc., Maguire Group Inc., East Atlantic Casualty Company, Ltd. and Maguire Group, Architects, Engineers, Planners, Ltd. and President and CEO of The Maguire Corporation

CARLOS DUART

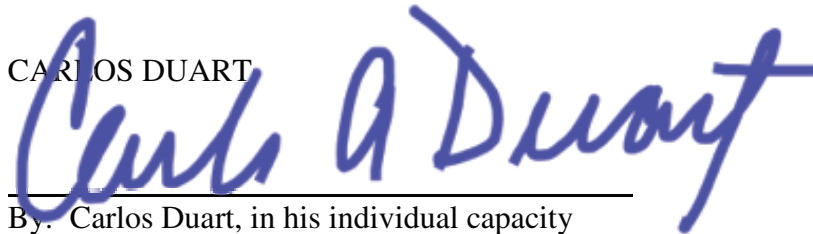
  
By: Carlos Duart, in his individual capacity

Exhibit 4.4

List of Allowed General Unsecured Claims Necessary  
for the Continued Operation of the Reorganized Debtors

Debtor	Case Number	CreditorID	Name	Contact Information	Claim Number	Scheduled / Books & Records Amount	Claimed Amount	Variance Between Scheduled / Books & Records and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	20902098	A & A CONSULTANTS INC	810 RIVER AVE STE 220		\$21,090.26			\$21,090.26	N	4
Maguire Group, Inc.	11-39350	20901862	ACKENHEIL ENGINEERS INC	1000 BANKSVILLE RD	77	\$1,040.49	\$1,040.49		\$1,040.49	N	4
Maguire Group, Inc.	11-39350	20901817	AEROTEK INC	PO BOX 198531 ATLANTA, GA	1	\$20,141.49	\$20,141.49		\$20,141.49	N	4
Maguire Group, Inc.	11-39350	20902011	ALLEGHENY ASBESTOS ANALYSIS INC	416 ANTHONY ST CARNEGIE, PA		\$2,664.00			\$2,664.00	N	4
Maguire Group, Inc.	11-39350	20901771	ALPHA ANALYTICAL INC	8 WALKUP DR WESTBOROUGH,		\$2,021.86			\$2,021.86	N	4
Maguire Group, Inc.	11-39350	20901942	AMERICAN GEOTECHNICAL & ENVIRONMENTAL SE	4 GRANDVIEW CIR SOUTHPOINTE		\$11,997.11			\$11,997.11	N	4
Maguire Group, Inc.	11-39350	20902032	ANTONIO P FRANCO & ASSOCIATES	ELECTRICAL ENGINEERS		\$283.66			\$283.66	N	4
Maguire Group, Inc.	11-39350	20901889	ARCHAEOLOGICAL & HISTORICAL CONSULTANTS	PO BOX 482 CENTRE HALL, PA	44	\$1,325.54	\$1,325.54		\$1,325.54	N	4
Maguire Group, Inc.	11-39350	20901740	ARROW LAND SOLUTIONS LLC	961 OLD SIXTH AVENUE RD		\$4,040.25			\$4,040.25	N	4
Maguire Group, Inc.	11-39350	20902077	ASBESTOS CONSULTANTS INC	61 UNITY AVE BELMONT, MA		\$695.00			\$695.00	N	4
Maguire Group, Inc.	11-39350	20901971	AWK CONSULTING ENGINEERS INC	1225 RODI RD TURTLE CREEK,		\$105,777.16			\$105,777.16	N	4
Maguire Group, Inc.	11-39350	20901923	AXIOM PARTNERS INC	979 MAIN ST WAKEFIELD, MA		\$4,569.00			\$4,569.00	N	4
Maguire Group, Inc.	11-39350	20800237	BL MAKEPEACE INC	WILLIAM R JOYCE PRESIDENT	9	\$2,196.91	\$2,196.91	\$0.00	\$2,196.91	N	4
Maguire Group, Inc.	11-39350	20901924	BLUELEAF INCORPORATED	57 DRESSER HILL RD		\$1,377.50			\$1,377.50	N	4
Maguire Group, Inc.	11-39350	20902058	BRADFORD ASSOCIATES ARCHITECTURE/LANDSCA	25 CREIGHTON ST PROVIDENCE, RI		\$869.10			\$869.10	N	4
Maguire Group, Inc.	11-39350	20902005	BRIGGS ENGINEERING & TESTING	PO BOX 369 ROCKLAND, MA	15	\$10,159.75	\$10,439.35	(\$279.60)	\$10,159.75	Y	4
Maguire Group, Inc.	11-39350	20901768	BROWN RICHARDSON & ROWE INC	3 POST OFFICE SQ BOSTON, MA		\$78,306.51			\$78,306.51	N	4
Maguire Group, Inc.	11-39350	20902112	BRYANT ASSOCIATES INC	14 BREAKNECK HILL RD STE 200		\$161,562.11			\$161,562.11	N	4
Maguire Group, Inc.	11-39350	20901798	CHRONICLE CONSULTING LLC	PO BOX 100093 PITTSBURGH, PA	29	\$19,502.00	\$24,206.00	(\$4,704.00)	\$19,502.00	Y	4
Maguire Group, Inc.	11-39350	20902040	CHRS INC	KEN BASALIK 451 N CANNON	37	\$1,195.87	\$2,567.01	(\$1,371.14)	\$1,195.87	Y	4
Maguire Group, Inc.	11-39350	20901980	COMPASS LAND SURVEYING LLC	14 JEFFERSON CT WETHERSFIELD,		\$75.00			\$75.00	N	4
Maguire Group, Inc.	11-39350	20901789	CONSTRUCTION CONSULTANT SER INC	SAINT CLAIRE PLZ 1121 BOYCE RD		\$72,869.28			\$72,869.28	N	4

Maguire Group, Inc.	11-39350	20901935	CONSTRUCTION COST ENGINEERING OF BOSTON	156 TILDEN RD MARSHFIELD, MA	36	\$22,700.00	\$22,700.00		\$22,700.00	N	4
Maguire Group, Inc.	11-39350	20901902	CONTEST ANALYTICAL LAB	39 SPRUCE ST 2ND FL	73	\$6,339.00	\$6,339.00		\$6,339.00	N	4
Maguire Group, Inc.	11-39350	20901849	CORVEN ENGINEERING INC	2882 REMINGTON GREEN CIR	74	\$79,213.91	\$79,213.91		\$79,213.91	N	4
Maguire Group, Inc.	11-39350	20901954	CROSSMAN ENGINEERING INC	151 CENTERVILLE RD	41	\$11,144.51	\$3,611.74	\$7,532.77	\$11,144.51	N	4
Maguire Group, Inc.	11-39350	20901808	CULLINAN ENGINEERING CO INC	200 AUBURN ST PO BOX 983112		\$1,218.00			\$1,218.00	N	4
Maguire Group, Inc.	11-39350	20901864	DAVID COATE CONSULTING	22 BARTLETT ST PEMBROKE, MA		\$13,467.00			\$13,467.00	N	4
Maguire Group, Inc.	11-39350	20800436	DAWOOD ENGINEERING INC	2020 GOOD HOPE ROAD	35	\$556.83	\$556.83	\$0.00	\$556.83	N	4
Maguire Group, Inc.	11-39350	20901941	DIANE C SOULE & ASSOC ASLA	422 FARNUM PIKE SMITHFIELD, RI		\$1,072.21			\$1,072.21	N	4
Maguire Group, Inc.	11-39350	20901743	DYSON ENGINEERING	35 PALL MALL EAST WALPOLE,		\$7,799.75			\$7,799.75	N	4
Maguire Group, Inc.	11-39350	20901835	EDWARD CONNORS & ASSOCIATES	39 DYER AVE RIVERSIDE, RI		\$75.24			\$75.24	N	4
Maguire Group, Inc.	11-39350	20901970	EXCELSIOR BLOWER SYSTEMS INC	PO BOX 15126 READING, PA		\$17,762.00			\$17,762.00	N	4
Maguire Group, Inc.	11-39350	20902023	FIRSTSEARCH TECHNOLOGY CORP	10 COTTAGE ST NORWOOD, MA		\$290.00			\$290.00	N	4
Maguire Group, Inc.	11-39350	20901925	FRENCH ENGINEERINGLLC	7 NORTH MORGANTOWN ST		\$1,233.99			\$1,233.99	N	4
Maguire Group, Inc.	11-39350	20902056	GANNETT FLEMING INC	FOSTER PLAZA III STE 200		\$5,386.89			\$5,386.89	N	4
Maguire Group, Inc.	11-39350	20902025	GARRITY AND KNISELY	21 MERCHANTS ROW STE 3B		\$1,050.00			\$1,050.00	N	4
Maguire Group, Inc.	11-39350	20901878	GATES LEIGHTON & ASSOC INC	865A WATERMAN AVE		\$286,568.13			\$286,568.13	N	4
Maguire Group, Inc.	11-39350	20902120	GATEWAY ENGINEERS INC	400 HOLIDAY DR STE 300		\$2,196.36			\$2,196.36	N	4
Maguire Group, Inc.	11-39350	20901976	GEOSCIENCES TESTING AND RESEARCH INC	55 MIDDLESEX ST STE 225		\$64.04			\$64.04	N	4
Maguire Group, Inc.	11-39350	20800608	GERSHMAN BRICKNER & BRATTON INC	8550 ARLINGTON BOULEVARD	11	\$5,005.92	\$4,573.17	\$432.75	\$5,005.92	Y	4
Maguire Group, Inc.	11-39350	20902018	GIFFORD DESIGN GROUP INC	4096 MENDON RD CUMBERLAND, RI		\$318.50			\$318.50	N	4
Maguire Group, Inc.	11-39347	20800613	GILBERT & MALONEY	170 RHODES STREET	59	\$5,820.50	\$7,616.50	(\$1,796.00)	\$5,820.50	Y	4
Maguire Group, Inc.	11-39350	20902084	GREEN INTERNATIONAL AFFILIATES INC	239 LITTLETON ROAD STE 3	60	\$27,480.06	\$23,205.63	\$4,274.43	\$27,480.06	N	4
Maguire Group, Inc.	11-39350	20802742	Greenhorne & OMara, Inc.	6110 Frost Place Laurel, MD 20707	4	\$65,405.25	\$65,404.85	\$0.40	\$65,405.25	N	4
Maguire Group, Inc.	11-39350	20902028	HADLYME ENVIRONMENTAL ENGINEERS LLC	39 BONE MILL RD EAST HADDAM, CT		\$300.00			\$300.00	N	4
Maguire Group, Inc.	11-39350	20901896	HALEY & ALDRICH INC	PO BOX 846026 BOSTON, MA	66	\$16,494.14	\$11,137.58	\$5,356.56	\$11,137.58	N	4
Maguire Group, Inc.	11-39350	20901749	HAROLD MORSILLI	2478 SUMMERVILLE		\$1,909.50			\$1,909.50	N	4

Maguire Group, Inc.	11-39350	20901985	HDR ENGINEERING INC	695 ATLANTIC AVE 2ND FL		\$1,327.30			\$1,327.30	N	4
Maguire Group, Inc.	11-39350	20901842	HENNINGSON DURHAM & RICHARDSON	500 SEVENTH AVE 15TH FL		\$15,000.00			\$15,000.00	N	4
Maguire Group, Inc.	11-39350	20901804	HORSLEY WITTEN GROUP	90 ROUTE 6A SANDWICH, MA		\$8,103.87			\$8,103.87	N	4
Maguire Group, Inc.	11-39350	20901999	INFORM	235 E MAIN ST STE 102B		\$96,762.52			\$96,762.52	N	4
Maguire Group, Inc.	11-39350	20902107	INNOVATIVE DATA LLC	50 ALDEN AVE BELCHERTOWN,	25	\$959.13	\$959.13		\$959.13	N	4
Maguire Group, Inc.	11-39350	20901950	J MILLETT & SONS INC	1 HASTINGS AVE MILLBURY, MA		\$800.00			\$800.00	N	4
Maguire Group, Inc.	11-39350	20901810	JEFF ZELL CONSULTANTS INC	1031 FOURTH AVE CORAOPOLIS, PA		\$12,267.14			\$12,267.14	N	4
Maguire Group, Inc.	11-39350	20902044	JOHNSON CHARLES D	50 LOVELACE LN NORTH BRIDGE,		\$1,788.30			\$1,788.30	N	4
Maguire Group, Inc.	11-39350	20901839	KEVILLE ENTERPRISES INC	475 SCHOOL ST STE 11		\$9,366.74			\$9,366.74	N	4
Maguire Group, Inc.	11-39350	20901793	KEVIN WITZELL	475 UNDERWOOD ST	64	\$5,172.44	\$5,181.44	(\$9.00)	\$5,172.44	Y	4
Maguire Group, Inc.	11-39350	20901881	KTA TATOR INC	115 TECHNOLOGY DR		\$8,338.21			\$8,338.21	N	4
Maguire Group, Inc.	11-39350	20902196	L C ASSOCIATES INC	1960 SILAS DEANE HWY		\$212,897.40			\$212,897.40	N	4
Maguire Group, Inc.	11-39350	20901991	LEFTFIELD LLC	96 JACOBS LANCE NORWELL, MA	90	\$62,758.77	\$62,759.39	(\$0.62)	\$62,758.77	N	4
Maguire Group, Inc.	11-39350	20901840	LIN ASSOCIATES INC	CONSULTING ENGINEERS		\$4,452.64			\$4,452.64	N	4
Maguire Group, Inc.	11-39350	20902088	LINCOLN ENVIRONMENTAL INC	333 WASHINGTON HWY		\$695.31			\$695.31	N	4
Maguire Group, Inc.	11-39350	20901967	LITTLE BULMAN MEDEIROS & WHITNEY PC	72 PINE ST PROVIDENCE, RI		\$876.00			\$876.00	N	4
Maguire Group, Inc.	11-39350	20901917	LOGICAL ENVIRONMENTAL SOLUTIONS LLC	354 SOUTH RIVER RD	28	\$20,023.38	\$12,017.00	\$8,006.38	\$20,023.38	N	4
Maguire Group, Inc.	11-39350	20901879	LUCHS CONSULTING ENGINEERS LLC	1952 WHITNEY AVE		\$2,100.00			\$2,100.00	N	4
Maguire Group, Inc.	11-39350	20901815	MA BORZA CONSULTING LLC	2624 MIDDLE RD GLENSHAW, PA		\$1,748.00			\$1,748.00	N	4
Maguire Group, Inc.	11-39350	20901769	MAPPING AND PLANNING SERVICES	21 HAMILTON AVE JAMESTOWN, RI		\$617.50			\$617.50	N	4
Maguire Group, Inc.	11-39350	20901968	MASON & ASSOCIATES INC	771 PLAINFIELD PIKE		\$4,952.50			\$4,952.50	N	4
Maguire Group, Inc.	11-39350	20901893	MAYO CONSULTING GROUP	PO BOX 2145 SOUTH HAMILTON,	56	\$4,000.00	\$7,000.00	(\$3,000.00)	\$4,000.00	Y	4
Maguire Group, Inc.	11-39350	20823473	MERIDEN COOPER CORPORATION	112 GOLDEN STREET PARK	12	\$461.10	\$795.00	(\$333.90)	\$461.10	Y	4
Maguire Group, Inc.	11-39350	20902078	MICHAEL BAKER JR INC	PO BOX 360451 PITTSBURGH, PA		\$162,504.69			\$162,504.69	N	4
Maguire Group, Inc.	11-39350	20800028	MONALOH BASIN ENGINEERS INC	PO BOX 3500 PITTSBURGH, PA	2	\$50,278.28	\$77,493.94	(\$27,215.66)	\$50,278.28	N	4
Maguire Group, Inc.	11-39350	20902034	NEW ENGLAND GEOTECH INC	PO BOX 91 JAMESTOWN, RI	23	\$1,280.35	\$1,280.35		\$1,280.35	N	4

Maguire Group, Inc.	11-39350	20901998	NEW ENGLAND TESTING LAB INC	1254 DOUGLAS AVE	58	\$1,580.00	\$1,652.17	(\$72.17)	\$1,580.00	Y	4
Maguire Group, Inc.	11-39350	20901755	NEW HAMPSHIRE BORING INC	PO BOX 165 DERRY, NH 03038-		\$2,397.00			\$2,397.00	N	4
Maguire Group, Inc.	11-39350	20901812	OBRIEN & GERE ENGINEERS INC	DEPT 956 PO BOX 8000		\$58,715.81			\$58,715.81	N	4
Maguire Group, Inc.	11-39350	20901760	P3I INCORPORATED	77 MAIN ST HOPKINTON, MA		\$14,500.00			\$14,500.00	N	4
Maguire Group, Inc.	11-39350	20902057	PANAMERICAN ENGINEERING CONTRACTORS COR	7681 BELMONTE BLVD	31	\$13,200.00	\$13,200.00		\$13,200.00	N	4
Maguire Group, Inc.	11-39350	20901909	PARE CORP	8 BLACKSTONE VALLEY PL	16	\$33,482.03	\$8,211.85	\$25,270.18	\$8,211.85	N	4
Maguire Group, Inc.	11-39350	20901767	PAUL B ALDINGER & ASSOC INC	860A WATERMAN AVE STE 9		\$41,733.25			\$41,733.25	N	4
Maguire Group, Inc.	11-39350	20902223	PB AMERICAS INC	CHURCH STREET STATION		\$120,500.76			\$120,500.76	N	4
Maguire Group, Inc.	11-39350	20902000	PHOENIX ENVIRONMENTAL LAB	587 E MIDDLE TURNPIKE		\$10.75			\$10.75	N	4
Maguire Group, Inc.	11-39350	20901853	PINE ENVIRONMENTAL SERVICES INC	PO BOX 943 HIGHTSTOWN, NJ	47	\$11,293.36	\$11,293.36		\$11,293.36	N	4
Maguire Group, Inc.	11-39350	20901946	PLACES ASSOCIATES INC	510 KING ST STE 9 LITTLETON, MA		\$2,833.18			\$2,833.18	N	4
Maguire Group, Inc.	11-39350	20901900	PLEXUS CORPORATION	434 SMITH ST PROVIDENCE, RI		\$13,251.24			\$13,251.24	N	4
Maguire Group, Inc.	11-39350	20901986	PREMIER LABORATORY INC	61 LOUISA VIENS DR		\$45.00			\$45.00	N	4
Maguire Group, Inc.	11-39350	20801703	PUBLIC ARCHAEOLOGY LAB INC	210 LONSDALE AVENUE	67	770.38	\$5,345.95	(\$4,575.57)	\$770.38	Y	4
Maguire Group, Inc.	11-39350	20902037	RAUDENBUSH ENGINEERING INC	29 SOUTH UNION ST		\$26,025.18			\$26,025.18	N	4
Maguire Group, Inc.	11-39350	20901921	ROBERT W HUNT COMPANY	DEPT 77 3125 CHICAGO, IL 60678		\$1,908.99			\$1,908.99	N	4
Maguire Group, Inc.	11-39350	20901784	SAI CONSULTING ENGRS INC	1350 PENN AVE SUITE 300	6	\$354,601.70	\$507,112.80	(\$152,511.10)	\$354,601.70	N	4
Maguire Group, Inc.	11-39350	20901816	SO DEEP INC	8397 EUCLID AVE MANASSAS PARK,	5	\$11,635.48	\$11,635.48		\$11,635.48	N	4
Maguire Group, Inc.	11-39350	20901922	SOIL EXPLORATION CORP	148 PIONEER DR LEOMINSTER, MA		\$2,883.00			\$2,883.00	N	4
Maguire Group, Inc.	11-39350	20902072	SOLTEC INTERNATIONAL INC	PO BOX 267011 WESTON, FL		\$15,640.00			\$15,640.00	N	4
Maguire Group, Inc.	11-39350	20901871	SPECTRUM ANALYTICAL INC	11 ALMGREN DR AGAWAM, MA		\$5,578.00			\$5,578.00	N	4
Maguire Group, Inc.	11-39350	20801793	STRATEGIC BUILDING SOLUTIONS LLC	STEWART CYNDEE	72	\$44,644.00	\$44,644.00	\$0.00	\$44,644.00	N	4
Maguire Group, Inc.	11-39350	20902096	SUCEVIC PICCOLOMINI & KUCHAR ENGINEERIN	126 KAIDER ROAD UNIONTOWN, PA		\$39,699.88			\$39,699.88	N	4
Maguire Group, Inc.	11-39350	20901802	TAVARES DESIGN ASSOCIATES INC	319 MASSACHUSETTS		\$4,200.00			\$4,200.00	N	4
Maguire Group, Inc.	11-39350	20802307	TESTAMERICA LABORATORIES	4101 SHUFFEL ST NW	84	\$18,452.00	\$18,452.00	\$0.00	\$18,452.00	N	4
Maguire Group, Inc.	11-39350	20901905	THE STONEHAM INDEPENDENT	C O DAILY TIMES 1 ARROW DR		\$80.30			\$80.30	N	4



Maguire Group, Inc.	11-39350	20802312	THIELSCH ENGINEERING INC	PO BOX 845327 BOSTON, MA	52	\$325.00	\$325.00	\$0.00	\$325.00	N	4
Maguire Group, Inc.	11-39350	20901758	THOMAS BRYDA	77 STURBRIDGE DR	69	\$400.00	\$275.00	\$125.00	\$275.00	N	4
Maguire Group, Inc.	11-39350	20902002	THOMAS J KRAVITZ	55 REMINGTON AVE		\$2,037.50			\$2,037.50	N	4
Maguire Group, Inc.	11-39350	20901854	TW CONSULTANTS INC	ONE CORPORATE CTR	19	\$44,701.97	\$62,838.37	(\$18,136.40)	\$44,701.97	N	4
Maguire Group, Inc.	11-39350	20902003	TW ENGINEERING INCORPORATED	5500 CORPORATE DR STE 300	18	\$3,601.26	\$3,601.26		\$3,601.26	N	4
Maguire Group, Inc.	11-39350	20901856	U T S OF MASSACHUSETTS INC	5 RICHARDSON LN STONEHAM, MA		\$387.00			\$387.00	N	4
Maguire Group, Inc.	11-39350	20901949	UNDERGROUND SERVICES	24 HAGERTY BLVD STE 11		\$27,029.40			\$27,029.40	N	4
Maguire Group, Inc.	11-39350	20901807	UNITED INTERNATIONAL CORP	35 THORPE AVE STE 102		\$28,029.98			\$28,029.98	N	4
Maguire Group, Inc.	11-39350	20901747	URS CORPORATION	FOSTER PLZ 4 501 HOLIDAY DR		\$12,156.95			\$12,156.95	N	4
Maguire Group, Inc.	11-39350	20901846	VAISALA	PO BOX 8500 53423 PHILADELPHIA, PA		\$2,000.00			\$2,000.00	N	4
Maguire Group, Inc.	11-39350	20800021	VANASSE HANGEN BRUSTLIN INC	10 DORRANCE ST STE 400		\$111,549.45			\$111,549.45	N	4
Maguire Group, Inc.	11-39350	20902042	VIRGIN FOREST RESTORATIONS	9901 EMMAUS ST. JOHN, VI 00830		\$1,353.68			\$1,353.68	N	4
Maguire Group, Inc.	11-39350	20802448	VN ENGINEERS INC	116 WASHINGTON AVE	10	\$1,162.50	\$383.63	\$778.87	\$1,162.50	Y	4
Maguire Group, Inc.	11-39350	20902087	WILBUR SMITH ASSOCIATES	PO BOX 7993 COLUMBIA, SC		\$21,217.44			\$21,217.44	N	4
Maguire Group, Inc.	11-39350	20901918	WILLIAM D WARNER ARCHITECTS & PLANNERS	595 TEN ROD RD EXETER, RI 02822-		\$326,520.06			\$326,520.06	N	4
Maguire Group, Inc.	11-39350	20901775	WILLIAM F MCCOMB PE	PO BOX 303408 ST. THOMAS, VI		\$4,545.00			\$4,545.00	N	4
Maguire Group, Inc.	11-39350	20902021	WRIGHT PIERCE	99 MAIN ST TOPSHAM, ME	38	\$608.26	\$761.95	(\$153.69)	\$608.26	Y	4
Maguire Group, Inc.	11-39350	20901876	WSP FLACK KURTZ	88 BLACK FALCON AVE STE 210		\$14,983.00			\$14,983.00	N	4

\$3,236,432.89

Exhibit 4.5

List of General Unsecured Claims Not Necessary  
for the Continued Operation of the Reorganized Debtors

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group Holdings, Inc.	11-39347	BARBIERI LEONARD	46 BIRCH STREET WESTWOOD, MA 02090	68		UNLIQUIDATED	Undetermined	\$0.00	Y	5
Maguire Group Holdings, Inc.	11-39347	BAYPORT CONSTRUCTION CORPORATION	8 LAUREL CIRCLE MALVERN, PA 19355	40		\$0.00		\$0.00	Y	5
Maguire Group Holdings, Inc.	11-39347	Chartis Specialty Insurance Company, Lexington Insurance Company, National Union Fire Insurance Company et al	Michelle A. Levitt, Authorized Representative Chartis Inc. 175 Water Street, 18th Floor 175 Water Street, 18th Floor New York, NY 10038	80		UNLIQUIDATED	Undetermined	\$0.00	Y	5
Maguire Group Holdings, Inc.	11-39347	LEONARDO TOIBERMAN	C O ALBERTO GUZMAN CPA 9130 S DADELAND BLVD STE 1600 MIAMI, FL 33156		\$140,000.00			\$140,000.00	N	5
Maguire Group Holdings, Inc.	11-39347	RICHARD REPETA	40 OAK BLUFF AVON, CT 06001-0000		\$1,160,000.00			\$0.00	Y	5
The Maguire Corporation	11-39348	ALAN P ASIKAINEN	48 NUTHATCH KNOB GLASTONBURY, CT 06033-0000		\$18,000.00			\$18,000.00	N	5
The Maguire Corporation	11-39348	BARRY W KIMBALL	ONE PENINSULA DR STRATHAM, NH 03885-0000		\$15,741.00			\$15,741.00	N	5
The Maguire Corporation	11-39348	BENJAMIN A PEZZI	127 EDEN CREST DR CRANSTON, RI 02920-0000		\$4,640.00			\$4,640.00	N	5
The Maguire Corporation	11-39348	BRIAN A STERNER	303 EDGEWOOD DR SARVER, PA 16055-0000		\$11,136.00			\$11,136.00	N	5
The Maguire Corporation	11-39348	Chartis Specialty Insurance Company, Lexington Insurance Company, National Union Fire Insurance Company et al	Michelle A. Levitt, Authorized Representative Chartis Inc. 175 Water Street, 18th Floor 175 Water Street, 18th Floor New York, NY 10038	81		UNLIQUIDATED	Undetermined	\$0.00	Y	5
The Maguire Corporation	11-39348	DAVID B FREEMAN	75 PROSPECT LN PORTSMOUTH, RI 02871-0000		\$11,136.00			\$11,136.00	N	5
The Maguire Corporation	11-39348	DAVID R STOCK	135 BRICK KILN PL CHESHIRE, CT 06410-0000	46	\$13,920.00	\$13,920.00		\$13,920.00	N	5
The Maguire Corporation	11-39348	DAVID R WESTCOTT	439 ANGELL RD PROVIDENCE, RI 02904-0000		\$12,064.00			\$12,064.00	N	5
The Maguire Corporation	11-39348	DAVID W MORROW	135 ROCKY RD WHITINSVILLE, MA 01588-0000	22	\$15,080.00	\$15,080.00		\$15,080.00	N	5
The Maguire Corporation	11-39348	EDWARD J SPINARD	35 DARTMOUTH ST BRISTOL, RI 02809-0000		\$12,064.00			\$12,064.00	N	5
The Maguire Corporation	11-39348	HAROLD MORSILLI	5 HERITAGE CIR PROVIDENCE, RI 02904-0000		\$10,156.00			\$10,156.00	N	5
The Maguire Corporation	11-39348	JAMES B FRITZ	39 CARRIER CT SOUTHINGTON, CT 06489-0000	63	\$273,600.00	\$273,600.00		\$273,600.00	N	5
The Maguire Corporation	11-39348	JOHN K MAYNARD	42 TANSY AVE STRATHAM, NH 03885-0000		\$13,920.00			\$13,920.00	N	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
The Maguire Corporation	11-39348	JOHN TREICHEL	39 CT ST CROMWELL, CT 06416-0000		\$25,536.00			\$25,536.00	N	5
The Maguire Corporation	11-39348	KIMBALL BARRY	1 PENINSULA DRIVE STRATHAM, NH 03885	33		UNLIQUIDATED	Undetermined			5
The Maguire Corporation	11-39348	LOUIS D ROCCHINI	1506 OAK ST OAKMONT, PA 15139-0000	20	\$14,400.00	\$14,400.00		\$14,400.00	N	5
The Maguire Corporation	11-39348	PATRICIA D STEERE	355 LOG RD SMITHFIELD, RI 02917-0000		\$10,440.00			\$10,440.00	N	5
The Maguire Corporation	11-39348	PAUL T CARVER	82 WATERSIDE LN WEST HARTFORD, CT 06107-0000		\$51,660.00			\$51,660.00	N	5
The Maguire Corporation	11-39348	PETER MORRISON	80 DOWNER RD NORTH FALMOUTH, MA 02556-0000		\$36,000.00			\$36,000.00	N	5
The Maguire Corporation	11-39348	SEBASTIAN AMENTA	1166 WOODRUFF ST SOUTHINGTON, CT 06489-0000		\$6,639.00			\$6,639.00	N	5
The Maguire Corporation	11-39348	SHERRILL T PAPALIA	113 PRENDVILLE WAY MARLBOROUGH, MA 01752-0000	45	\$18,000.00	\$18,000.00	\$0.00	\$18,000.00	N	5
The Maguire Corporation	11-39348	SHERYL A KRETZER	FOUR ROGERS WAY NORTH ATTLEBORO, MA 02760-0000		\$8,352.00			\$8,352.00	N	5
The Maguire Corporation	11-39348	TERRY D MCCARTHY	63 MERLINE RD VERNON ROCKVILLE, CT 06066-0000		\$5,184.00			\$5,184.00	N	5
The Maguire Corporation	11-39348	THOMAS STOCKHAUSEN	203 ALLENBERRY CIR PITTSBURGH, PA 15234-0000	27	\$118,800.00	\$118,800.00		\$118,800.00	N	5
The Maguire Corporation	11-39348	VICTOR V CALABRETTA	11 AMERICA WAY JAMESTOWN, RI 02835-0000		\$175,576.00			\$175,576.00	N	5
The Maguire Corporation	11-39348	WILLIAM H YOST JR	13 BROADVIEW DR BARRINGTON, RI 02806		\$0.00			\$0.00	N	5
The Maguire Corporation	11-39348	WILLIAM J NUNNERY	12 COTTAGE ST NATICK, MA 01760-5892		\$6,574.00			\$6,574.00	N	5
Maguire Group, Inc.	11-39350	200 MAIN STREET ASSOCIATES LLC	C O CAPSTONE PROPERTIES, INC. 5 BURLINGTON WOOD STE 103 BURLINGTON, MA 01803-0000		\$351,257.77			\$0.00	Y	5
Maguire Group, Inc.	11-39350	ACEC MA	THE ENGINEERING CENTER ACEC MA ONE WALNUT ST BOSTON, MA 02108-3616		\$2,981.00			\$2,981.00	N	5
Maguire Group, Inc.	11-39350	ADP INC	PO BOX 9001006 LOUISVILLE, KY 40290-1006		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	ADVANCED REPROGRAPHICS LLC	50 CORPORATE AVE PLAINVILLE, CT 06062-0000	34	\$1,905.90	\$2,187.12	(\$281.22)	\$1,905.90	Y	5
Maguire Group, Inc.	11-39350	ADVANTICOM	1010 WESTERN AVE STE 700 PITTSBURGH, PA 15233-0000	39	\$387.88	\$387.88		\$387.88	N	5
Maguire Group, Inc.	11-39350	AIA	AIA CONTRACT DOCUMENTS LOCKBOX 64499 BALTIMORE, MD 21264-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	ALAN P ASIKAINEN	48 NUTHATCH KNOB GLASTONBURY, CT 06033-0000		\$250,000.00			\$0.00	Y	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	AMERICAN BENEFIT PARTNERS INC	1700 N DIXIE HWY NO 154 BOCA RATON, FL 33432-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	ANTONIAS INTERNATIONAL FOODS INC	369 CENTRAL ST FOXBORO, MA 02035-0000		\$239.16			\$239.16	N	5
Maguire Group, Inc.	11-39350	ASCENDANT LLC	1499 SILAS DEAN HWY ROCKY HILL, CT 06067-0000		\$125,000.00			\$125,000.00	N	5
Maguire Group, Inc.	11-39350	AT&T	ACCT 860 224 9141 744 PO BOX 8110 AURORA, IL 60507-8110		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	AVAYA INC	c/o RMS Bankruptcy Recovery Services PO Box 5126 Timonium, MD 21094	75	\$229.14	\$305.52	(\$76.38)	\$229.14	Y	5
Maguire Group, Inc.	11-39350	BAY RING COMMUNICATIONS	359 CORPORATE DR PORTSMOUTH, NH 03801-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	BENTLEY SYSTEMS INC	685 STOCKTON DR EXTON, PA 19341-1151		\$394.33			\$394.33	N	5
Maguire Group, Inc.	11-39350	BETTER LEASING	13940 SW 136 ST MIAMI, FL 33186-0000		\$19,159.29			\$19,159.29	N	5
Maguire Group, Inc.	11-39350	BLUE CROSS AND BLUE SHIELD OF FLORIDA	PO BOX 660299 DALLAS, TX 75266-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	BRAGAN REPORTING ASSOCIATES INC	PO BOX 1387 MANCHESTER, NH 03105-1387		\$502.06			\$502.06	N	5
Maguire Group, Inc.	11-39350	CAPSTONE PROPERTIES LLC	PAUL GRIESINGER PRESIDENT 5 BURLINGTON WOODS STE 103 BURLINGTON, MA 01803-0000		\$0.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	CERIDIAN BENEFIT SERVICES	3201 34TH ST SOUTH SAINT PETERSBURG, FL 33711-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	Chartis Specialty Insurance Company, Lexington Insurance Company, National Union Fire Insurance Company et al	Michelle A. Levitt, Authorized Representative Chartis Inc. 175 Water Street, 18th Floor 175 Water Street, 18th Floor New York, NY 10038	82		UNLIQUIDATED	Undetermined	\$0.00	Y	5
Maguire Group, Inc.	11-39350	CINTAS DOCUMENT MANAGEMENT	200 N CARY ST BROCKTON, MA 02302-2351		\$285.71			\$285.71	N	5
Maguire Group, Inc.	11-39350	CIT TECHNOLOGY FIN SEV INC	21146 NEWORK PL CHICAGO, IL 60673-1211		\$319.01			\$319.01	N	5
Maguire Group, Inc.	11-39350	COFFEE BREAK CORP	20 CONNECTICUT SOUTH DR PO BOX 1300 PO BOX 1300 EAST GRANBY, CT 06026-0000		\$158.86			\$158.86	N	5
Maguire Group, Inc.	11-39350	COMPUCOM SYTEMS INC	CLAUDIA VENTURA 7171 FOREST LN DALLAS, TX 75230		\$0.00			\$0.00	Y	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	CONTRACTORS SUPPLY INC	3340 PAWTUCKET AVE PO BOX 15086 PO BOX 15086 EAST PROVIDENCE, RI 02915-0000		\$420.62			\$420.62	N	5
Maguire Group, Inc.	11-39350	CORE BUSINESS TECHNOLOGIES	2224 PAWTUCKET AVE EAST PROVIDENCE, RI 02914-0000		\$82.00			\$82.00	N	5
Maguire Group, Inc.	11-39350	COX COMMUNICATIONS	PO BOX 182318 COLUMBUS, OH 43218-2318		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	CRANMORE FITZGERALD & MEANEY	49 WETHERSFIELD AVE HARTFORD, CT 06114-1102		\$3,477.63			\$3,477.63	N	5
Maguire Group, Inc.	11-39350	CRYSTAL SPRINGS	PO BOX 660579 DALLAS, TX 75266-0579		\$115.63			\$115.63	N	5
Maguire Group, Inc.	11-39350	CUTLER ASSOCIATES	43 HARVARD ST PO BOX 15049 PO BOX 15049 WORCESTER, MA 01615-0000		\$7,500.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	CUTLER ASSOCIATES	ERNEST OBRIEN PRESIDENT 43 HARVARD ST WORCESTER, MA 01609-0000		\$97,500.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	CWPAA	RAY BAHR PE WATER & WASTE EQUIPMENT INC CROMWELL, CT 06416-0000		\$305.00			\$305.00	N	5
Maguire Group, Inc.	11-39350	DANE & HOWE COUNSELLORS AT LAW	45 SCHOOL ST BOSTON, MA 02108-3204		\$8,220.00			\$8,220.00	N	5
Maguire Group, Inc.	11-39350	DBIA NEW ENGLAND	530 SOUTH MAIN ST WOONSOCKET, RI 02895-0000		\$1,449.00			\$1,449.00	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$78.80			\$78.80	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$111.51			\$111.51	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$142.76			\$142.76	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$157.60			\$157.60	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$157.60			\$157.60	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$334.96			\$334.96	N	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$336.98			\$336.98	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$336.98			\$336.98	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$340.16			\$340.16	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$345.44			\$345.44	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$352.16			\$352.16	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$486.16			\$486.16	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$648.10			\$648.10	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$649.50			\$649.50	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$669.92			\$669.92	N	5
Maguire Group, Inc.	11-39350	DELL FINANCIAL SERVICES	PAYMENT PROCESSING CENTER PO BOX 5292 CAROL STREAM, IL 60197-5292		\$875.76			\$875.76	N	5
Maguire Group, Inc.	11-39350	DELL MARKETING	C O DELL USA LP PO BOX 643561 PITTSBURGH, PA 15264-3561		\$691.86			\$691.86	N	5
Maguire Group, Inc.	11-39350	Deltek, Inc.	2291 Wood Oak Drive Herndon, VA 20171	55	\$7,650.00	\$5,850.00	\$1,800.00	\$7,650.00	Y	5
Maguire Group, Inc.	11-39350	DONOVAN HATEM LLP	TWO SEAPORT LN BOSTON, MA 02210-0000		\$3,560.45			\$3,560.45	N	5
Maguire Group, Inc.	11-39350	Dun & Bradstreet	c/o Receivable Management Services RMS PO Box 5126 Timonium, MD 21094	71	\$177.00	\$142.74	\$34.26	\$177.00	Y	5
Maguire Group, Inc.	11-39350	ECONOTEL BUSINESS SYSTEMS INC	15 CIRCLE ST EAST PROVIDENCE, RI 02916-0000		\$2,455.58			\$2,455.58	N	5
Maguire Group, Inc.	11-39350	ENZO RENDINI	800 OCEAN DR APT 202 NORTH PALM BEACH, FL 33408		\$0.00			\$0.00	Y	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	EPICOR SOFTWARE CORPORATION	DEPARTMENT 1547 LOS ANGELES, CA 90084-1547		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	ESS GROUP INC	401 WAMPANOAG TRAIL STE 400 EAST PROVIDENCE, RI 02915-0000		\$47.85			\$47.85	N	5
Maguire Group, Inc.	11-39350	ESTATE OF ROBERT TASSIELLO	STEPHEN KEOUGH PERSONAL REP C O KEVIN GRECO 707 SUMMER ST 707 SUMMER ST STAMFORD, CT 06905-0000		\$2,500.00			\$2,500.00	N	5
Maguire Group, Inc.	11-39350	FEDERAL EXPRESS CORP	PO BOX 371461 PITTSBURGH, PA 15250-7461		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	FEELEY & DRISCOLL PC	CERTIFIED PUBLIC ACCOUNTANTS 200 PORTLAND ST BOSTON, MA 02114-1709		\$20,053.71			\$20,053.71	N	5
Maguire Group, Inc.	11-39350	FILTERFRESH OCEAN STATE	22 MORGAN MILL RD JOHNSTON, RI 02919-0000		\$431.89			\$431.89	N	5
Maguire Group, Inc.	11-39350	FOUNDATION & MARINE CONTRACTORS ASSOC OF	ONE EDGEWATER DR NORWOOD, MA 02062-0000		\$97.50			\$97.50	N	5
Maguire Group, Inc.	11-39350	FOWLER WHITE BURNETT PA	ESPIRITIO SANTO PLZ 1395 BRICKELL AVE 14TH FL 1395 BRICKELL AVE 14TH FL MIAMI, FL 33131-0000		\$4,409.90			\$4,409.90	N	5
Maguire Group, Inc.	11-39350	FRANCOTYP POSTALIA INC	PO BOX 4510 CAROL STREAM, IL 60197-4510		\$54.41			\$54.41	N	5
Maguire Group, Inc.	11-39350	GIDAS FLOWERS	3719 FORBES AVE PITTSBURGH, PA 15213-0000		\$78.43			\$78.43	N	5
Maguire Group, Inc.	11-39350	GreatAmerica Leasing Corporation	PO Box 609 Cedar Rapids, IA 52406	49	\$2,916.08	\$12,099.55	(\$9,183.47)	\$2,916.08	Y	5
Maguire Group, Inc.	11-39350	GSA FUNDING	AR COLLECTIONS AND SALES PO BOX 97917 ST. LOUIS, MO 63197-0000		\$198.49			\$198.49	N	5
Maguire Group, Inc.	11-39350	GUARDIAN LIFE INSURANCE CO	PO BOX 95101 CHICAGO, IL 60694-5101		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	HARTFORD	PO BOX 2907 HARTFORD, CT 06104-2907	85	\$28,776.62	\$28,776.62		\$28,776.62	N	5
Maguire Group, Inc.	11-39350	HYDRATEC INC	64 HAVERHILL RD RT 111 WINDHAM, NH 03087-1516		\$90.00			\$90.00	N	5
Maguire Group, Inc.	11-39350	IMPERIAL CREDIT CORPORATION	PO BOX 9045 NEW YORK, NY 10087-9045		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	INFOMAP TECHNOLOGIES	105 EAST EVANS ST WEST CHESTER, PA 19380-0000	42	\$2,250.00	\$2,250.00		\$2,250.00	N	5
Maguire Group, Inc.	11-39350	INFRARED DIAGNOSTIC LLC	9 ELAINE RD SUDBURY, MA 01776-0000		\$800.00			\$800.00	N	5
Maguire Group, Inc.	11-39350	INNOVYSE	618 MICHILLINDA AVE STE 200 ARCADIA, CA 91007-0000		\$2,400.00			\$2,400.00	N	5



Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	INVENSYS SYSTEMS INC	C O NANCY BENJAMIN MAIL STATION C42 1B FOXBORO, MA 02035-0000		\$57,167.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	INVENSYS SYSTEMS INC	C O PAUL R DIAMOND ESQ ARNSTEIN AND LEHR LLP 1200 S RIVERIDE PLZ STE 1200 1200 S RIVERIDE PLZ STE 1200 CHICAGO, IL 60606-0000		\$360,511.11			\$0.00	Y	5
Maguire Group, Inc.	11-39350	IRON MOUNTAIN RECORDS MANAGEMENT INC	PO BOX 27128 NEW YORK, NY 10087-7128		\$4,061.75			\$4,061.75	N	5
Maguire Group, Inc.	11-39350	JACA & SIERRA TESTING LABORATORIES INC	PO BOX 363116 SAN JUAN, PR 00936	14		\$0.00		\$0.00	N	5
Maguire Group, Inc.	11-39350	JAMES B FRITZ	39 CARRIER CT SOUTHINGTON, CT 06489-0000		\$81.96			\$0.00	N	5
Maguire Group, Inc.	11-39350	JAMES B. FRITZ	39 CARRIER COURT SOUTHINGTON, CT 06489	61		\$9,069.75	(\$9,069.75)	\$0.00	Y	5
Maguire Group, Inc.	11-39350	JAMES B. FRITZ	39 CARRIER COURT SOUTHINGTON, CT 06489	62		\$227,051.79	(\$227,051.79)	\$0.00	Y	5
Maguire Group, Inc.	11-39350	JONES MOVING & STORAGE INC	59 CENTRAL ST PROVIDENCE, RI 02907-2293		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	JR FAZIO JAMES	1499 SILAS DEANE HWY ROCKY HILL, CT 06067-0000		\$1,599.93			\$1,599.93	N	5
Maguire Group, Inc.	11-39350	JUDYS VILLAGE FLOWERS INC	34 SCHOOL ST FOXBORO, MA 02035-0000		\$131.49			\$131.49	N	5
Maguire Group, Inc.	11-39350	K&L Gates LLP (formerly, Kirkpatrick & Lockhart LLP)	Attn Glenn Graner K&L Gates LLP K&L Gates Center K&L Gates Center 210 Sixth Avenue Pittsburgh, PA 15222	54		\$2,590.73	(\$2,590.73)	\$0.00	Y	5
Maguire Group, Inc.	11-39350	KSE ENGINEERS PC	24 COMMERCE ST 15TH FL NEWARK, NJ 07102-0000	48	\$20,642.16	\$20,642.16		\$20,642.16	N	5
Maguire Group, Inc.	11-39350	L C ASSOCIATES INC	1960 SILAS DEANE HWY ROCKY HILL, CT 06067-1310		\$250,000.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	LERCH BATES INC	8089 SOUTH LINCOLN SUITE 300 LITTLETON, CO 80122	87		\$1,500.00	(\$1,500.00)		Y	5
Maguire Group, Inc.	11-39350	MAGUIRE GROUP INC	33 COMMERCIAL ST STE 1 FOXBORO, MA 02035-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	MARLIN LEASING CORP	PO BOX 13604 PHILADELPHIA, PA 19101-3604		\$5,695.34			\$5,695.34	N	5
Maguire Group, Inc.	11-39350	MARY G RENDINI	800 OCEAN DR APT 202 NORTH PALM BEACH, FL 33408		\$0.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	MARY G RENDINI	800 OCEAN DR UNIT 202 JUNO BEACH, FL 33408-0000		\$1,342.49			\$0.00	Y	5
Maguire Group, Inc.	11-39350	MARY G RENDINI	800 OCEAN DR UNIT 202 NORTH PALM BEACH, FL 33408-0000		\$179,167.00			\$0.00	Y	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	MCGLYNN & MCGLYNN	4 NORMAN ST SALEM, MA 01970-0000	21	\$9,000.00	\$9,000.00		\$9,000.00	N	5
Maguire Group, Inc.	11-39350	MINUTEMAN PRESS	109 GOSLING RD NEWINTON, NH 03801-3328		\$1,239.79			\$1,239.73	N	5
Maguire Group, Inc.	11-39350	MORRISON PETER	80 DOWNER RD POST OFFICE BOX 880 POST OFFICE BOX 880 N. FALMOUTH, MA 02556-0000	89	\$2,500.00	\$2,450.00	\$50.00	\$2,450.00	N	5
Maguire Group, Inc.	11-39350	NEW HORIZON COMMUNICATION	420 BEDFORD ST NO 250 LEXINGTON, MA 02420-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	NEWSTONE LLC	915 SEA WATCH LN VERO BEACH, FL 32963		\$0.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	NORTH STAR MARKETING INC	1130 TEN ROD ROAD SUITE D-208 NORTH KINGSTOWN, RI 02852	70	0	\$5,000.00	(\$5,000.00)	\$0.00	Y	5
Maguire Group, Inc.	11-39350	NOW DELIVERY	PO BOX 6945 PROVIDENCE, RI 02940-0000		\$792.64			\$792.64	N	5
Maguire Group, Inc.	11-39350	OCCUPATIONAL HEALTH CENTERS OF THE SOUTH	PO BOX 20127 CRANSTON, RI 02920-0942		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	OFFICE DEPOT	PO BOX 633211 CINCINNATI, OH 45263-3211		\$309.26			\$309.26	N	5
Maguire Group, Inc.	11-39350	OLENN & PENZA	530 GREENWICH AVE WARWICK, RI 02886-0000		\$15,676.35			\$15,676.35	N	5
Maguire Group, Inc.	11-39350	PAPALIA SHERRILL	113 PRENDVILLE WAY MARLBOROUGH, MA 01752	7	0	\$18,000.00	(\$18,000.00)	\$0.00	Y	5
Maguire Group, Inc.	11-39350	PC CONNECTION SALES CORP	PO BOX 382808 PITTSBURGH, PA 15250-8808		\$1,475.80			\$1,475.80	N	5
Maguire Group, Inc.	11-39347	Pitney Bowes Global Financial Services	Pitney Bowes Inc. 27 Waterview Dr Shelton, CT 06484	79	0	\$1,814.26	(\$1,814.26)	\$0.00	Y	5
Maguire Group, Inc.	11-39350	PITNEY BOWES GLOBAL FINANCIAL SERVICES L	PO BOX 856460 LOUISVILLE, KY 40285-6460		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	PRECISION SIGN & AWNING	3 GLASS ST CARNEGIE, PA 15106-0000		\$30.38			\$30.38	N	5
Maguire Group, Inc.	11-39350	PREMIER WATER SYSTEMS INC	PO BOX 644006 CINCINNATI, OH 45264-4006	51	\$40.00	\$515.00	(\$475.00)	\$40.00	Y	5
Maguire Group, Inc.	11-39350	PRINT O STAT	PO BOX 15055 YORK, PA 17405-7055	57	\$289.83	\$348.37	(\$58.54)	\$289.83	Y	5
Maguire Group, Inc.	11-39350	PROVIDENCE ENGINEERING SOCIETY	C O ERIN GALLOGLY 21 DOUNETOS ST WEST WARWICK, RI 02893-0000		\$550.00			\$550.00	N	5
Maguire Group, Inc.	11-39350	PSMJ RESOURCES INC	10 MIDLAND AVE NEWTON, MA 02458-0000		\$100.00			\$100.00	N	5
Maguire Group, Inc.	11-39350	PSNH	PO BOX 638 MANCHESTER, NH 03105-0638		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	PURCHASE POWER	PO BOX 856042 LOUISVILLE, KY 40285-6042		\$25.52			\$25.52	N	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	PURCHASE POWER	PO BOX 856042 LOUISVILLE, KY 40285-6042		\$82.16			\$82.16	N	5
Maguire Group, Inc.	11-39350	RAYMOND T BUSH	3 HAYFIELD LN CUMBERLAND, RI 02864-0000	86	\$725,083.00	\$726,158.00	(\$1,075.00)	\$0.00	Y	5
Maguire Group, Inc.	11-39350	REGIONS INSURANCE INC	1465 E JOYCE BLVD STE 205 FAYETTEVILLE, AR 72703-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	RHODE ISLAND DEPT OF TRANSPORTATION	C O LISA MARTINELLI ESQ OFFICE OF LEGAL COUNSEL 2 CAPITAL HILL RM 251 2 CAPITAL HILL RM 251 PROVIDENCE, RI 02909-0000		\$12,000,000.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	RICE	GEORGE F MONAGHAN JR TREASURER C O BRYANT ASSOCIATES INC LINCOLN, RI 02865-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	RICHARD REPETA	40 OAK BLUFF AVON, CT 06001-0000		\$1,877,500.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	RICOH AMERICAS	PO BOX 41602 PHILADELPHIA, PA 19101-0000		\$3,119.34			\$3,119.34	N	5
Maguire Group, Inc.	11-39350	RICOH AMERICAS CORPORATION	PO BOX 4245 CAROL STREAM, IL 60197-4245		\$5,252.08			\$5,252.08	N	5
Maguire Group, Inc.	11-39350	ROBERT E STRUCK JR AND CO	1250 SMITH STREET PROVIDENCE, RI 02908	8	\$8,000.00	\$12,000.00	(\$4,000.00)	\$8,000.00	Y	5
Maguire Group, Inc.	11-39350	SD TECHNOLOGIES	320 S FLAMINGO RD NO282 PEMBROKE PINES, FL 33027-0000		\$6,889.21			\$6,889.21	N	5
Maguire Group, Inc.	11-39350	SECURITY LIFE OF DENVER	5627 INNOVATION WAY CHICAGO, IL 60682-0056		\$13,749.33			\$13,749.33	N	5
Maguire Group, Inc.	11-39350	Service Point USA	5 Commonwealth Ave Unit 5 Woburn, MA 01801	88	\$2,269.33	\$2,241.55	\$27.78	\$2,269.33	Y	5
Maguire Group, Inc.	11-39350	SIEMENS ENTERPRISE COMMUNICATIONS INC	PO BOX 99076 CHICAGO, IL 60693-9076		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	SIR SPEEDY LLC	200 MAIN ST NEW BRITAIN, CT 06051-0000	17	\$142.51	\$142.51		\$142.51	N	5
Maguire Group, Inc.	11-39350	SOBEL & RACITI ASSOCIATES INC	55 CEDAR ST PROVIDENCE, RI 02903-0000		\$1,881.24			\$1,881.24	N	5
Maguire Group, Inc.	11-39350	SOUTH STREET CAF	54 SOUTH ST PROVIDENCE, RI 02903-0000		\$342.25			\$342.25	N	5
Maguire Group, Inc.	11-39350	SOUTHPOINT LLC	77 ARLINGTON STREET LEOMINSTER, MA 01453-2727	32		\$0.00		\$0.00	N	5
Maguire Group, Inc.	11-39350	SPIRAL BINDING COMPANY INC	ONE MALTESE DR PO BOX 286 PO BOX 286 TOTOWA, NJ 07511-0000		\$38.01			\$38.01	N	5
Maguire Group, Inc.	11-39350	SPRINT	PO BOX 4181 CAROL STREAM, IL 60197-4181		\$0.00			\$0.00	N	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	SPRINT	PO BOX 4181 CAROL STREAM, IL 60197-4181		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	SPRINT	PO BOX 4181 CAROL STREAM, IL 60197-4181		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	STAPLES BUSINESS ADVANTAGE	DEPT DET PO BOX 83689 PO BOX 83689 CHICAGO, IL 60696-3689		\$1,162.77			\$1,162.77	N	5
Maguire Group, Inc.	11-39350	STATE OF CONNECTICUT	DEPT OF TRANSPORTATION AR UNIT PO DRAWER 317546 NEWINGTON, CT 06131-7546		\$97,889.86			\$0.00	Y	5
Maguire Group, Inc.	11-39350	STATE OF CONNECTICUT	C O RICHARD BLUMENTHAL ATTY GEN 55 ELM ST HARTFORD, CT 06106-0000		\$14,965,762.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	STATE OF RHODE ISLAND	GENERAL TREASURER PROVIDENCE, RI 02903-0000		\$100.00			\$100.00	N	5
Maguire Group, Inc.	11-39350	STATE OF RI AND PROVIDENCE PLANTATIONS	OFFICE OF THE SECRETARY OF STATE 148 W RIVER ST PROVIDENCE, RI 02904-2615		\$1,000.00			\$1,000.00	N	5
Maguire Group, Inc.	11-39347	STEIKER FISCHER EDWARDS & COMPANY PC	10 SHURS LANE SUITE 102 PHILADELPHIA, PA 19127	50		\$0.00		\$0.00	N	5
Maguire Group, Inc.	11-39350	STORE EXPRESS	200 S 22ND ST PITTSBURGH, PA 15212-0000		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	STYLEDU LLC	9130 S DADELAND BLVD STE 1600 MIAMI, FL 33156-0000		\$89,000.00			\$89,000.00	N	5
Maguire Group, Inc.	11-39350	TB BANK NA	JOHN SHEA VP 15 MONUMENT SQ LEOMINSTER, MA 01453-0000		\$1,218.00			\$1,218.00	N	5
Maguire Group, Inc.	11-39350	THOMAS STOCKHAUSEN	203 ALLENBERRY CR PITTSBURGH, PA 15234-0000		\$192,725.15			\$192,725.15	N	5
Maguire Group, Inc.	11-39350	TRANE US INC	PO BOX 406469 ATLANTA, GA 30384-6469		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	TRANSOFT SOLUTIONS INC	13575 COMMERCE PARKWAY SUITE 250 SUITE250 RICHMOND, BC V6V 2L1 CANADA	43	0	\$1,570.00	(\$1,570.00)	\$0.00	Y	5
Maguire Group, Inc.	11-39350	TRINITY	PO BOX 7167 PASADENA, CA 91109-7167		\$608.29			\$608.29	N	5
Maguire Group, Inc.	11-39350	UNITED WAY OF THE GREATER SEACOAST	112 CORPORATE DR UNIT 3 PORTSMOUTH, NH 03801-0000		\$26.00			\$26.00	N	5
Maguire Group, Inc.	11-39350	UNITIL NH	PO BOX 981010 BOSTON, MA 02298-1010	30	\$0.00	\$73.87	\$1.69	\$0.00	N	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	UNIVERSITY OF SPORTS PUBLICATIONS	1800 MINERAL SPRING AVE DEPT 211 DEPT 211 NORTH PROVIDENCE, RI 02904-0000		\$1,980.00			\$1,980.00	N	5
Maguire Group, Inc.	11-39350	US BANCORP EQUIPMENT FINANCE INC	PO BOX 790448 ST. LOUIS, MN 63179-0448		\$2,691.68			\$2,691.68	N	5
Maguire Group, Inc.	11-39350	US DEPARTMENT OF TRANSPORTATION	C O US DEPARTMENT OF JUSTICE ABRAHAM A RIBICOFF FEDERAL BLDG 450 MAIN ST RM 238 450 MAIN ST RM 238 HARTFORD, CT 06103-0000		\$7,886,387.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	VERIZON CONFERENCING	PO BOX 371838 PITTSBURGH, PA 15250-7838		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	VERIZON WIRELESS	PO BOX 15062 ALBANY, NY 12212-5062		\$0.00			\$0.00	N	5
Maguire Group, Inc.	11-39350	VINCENT CALABRETTA	11 AMERICA WAY JAMESTOWN, RI 02835-0000		\$837,713.00			\$0.00	Y	5
Maguire Group, Inc.	11-39350	VOLKERT INC	TWO NORTH TWENTIETH BLDG 220TH ST NORTH STE 300 220TH ST NORTH STE 300 BIRMINGHAM, AL 35203-0000		\$16,320.00			\$16,320.00	N	5
Maguire Group, Inc.	11-39350	WB MASON INC	PO BOX 55840 BOSTON, MA 02205-5840		\$6,043.53			\$6,043.53	N	5
Maguire Group, Inc.	11-39350	ZAMPELL BUILDING SERVICES	9 STANLEY TUCKER DR NEWBURYPORT, MA 01950-0000		\$693.34			\$693.34	N	5
Maguire Group, Inc.	11-39350	RICKY KENNETT AND SOMERSET ENTERPRISES, INC. T/D/B/A FUTURE BUILDING OF AMERICA COMPANY	C/O TRISHA GILL, ESQ. LITCHFIELD CAVO, LLP THE GULF TOWER SUITE 1400 707 GRANT STREET PITTSBURGH, PA 15219		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	TOWN OF GRAFTON	TIMOTHY P. MCINERNEY TOWN ADMINISTRATOR KEVIN J. MIZIKAR ASSISTANT TOWN ADMINISTRATOR GRAFTON MEMORIAL MUNICIPAL CENTER 30 PROVIDENCE ROAD GRAFTON, MA 01519		UNLIQUIDATED			\$0.00	Y	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	MAURICE FOX AND LAURENCE PARNOFF	MAURICE FOX AND LAURENCE PARNOFF 3392 HUNTINGTON ROAD STRATFORD, CT 06614		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	EAGLE CONCRETE PRODUCTS COMPANY	EAGLE CONCRETE PRODUCTS COMPANY 1019 E. BAKERVILLE EDIE ROAD SOMERSET, PA 15501		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	ALLIE CHAMPNEY AND SUSAN CHAMPNEY	C/O DAVID F. SLAWSKY, ESQ. NIXON, RAICHE, VOGELMAN, BARRY & SLAWSKY & SIMONEAU, P.A. 77 CENTRAL STREET MANCHESTER, NH 03101		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	PAINT TOWNSHIP BOARD OF SUPERVISORS AND PAINT TOWNSHIP MUNICIPAL WATER AUTHORITY	C/O WILLIAM E. HAGER, III, LLC ATTY FOR PAINT TWNSHP 352 BROAD STREET NEW BETHLEHEM, PA 16242		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	AT&T	LUCIA CHOCCIO, ESQ. CUDDY & FEDER – CUDDY H. FEDER 445 HAMILTON AVE., 14TH FLOOR WHITE PLAINS, NY 10601		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	I-90 CENTRAL ARTERY TUNNEL C09A4/C09B1	I-90 CENTRAL ARTERY TUNNEL C09A4/C09B1 ERIC EISENBERG 28 STATE STREET BOSTON, MA 02109-1175		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION (Project: Peter Road, Town of Southbury)	JIM CONNERY STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION 2800 BERLIN TURNPIKE P.O BOX 317546 NEWINGTON, CT 06131-7546		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	TD BANK, N.A.	JOHN SHEA, VP TD BANK, N.A. 15 MONUMENT SQUARE LEONMINSTER, MA 01453		UNLIQUIDATED			\$0.00	Y	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	ECC	BRAD CONGDON, PMP PROJECT MANAGER ECC 33 BOSTON POST RD WEST, SUITE 340 MARLBOROUGH, MA 01752-1887		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	CONNECTICUT DEPARTMENT OF TRANSPORTATION (Project: Route 66)	CONNECTICUT DEPARTMENT OF TRANSPORTATION MR. EUGENE V. FALCONE MANAGER, FINANCIAL MANAGEMENT & SUPPORT 2800 BERLIN TURNPIKE P.O BOX 317546 NEWINGTON, CT 06131-7546		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	ESTATE OF PRICE	ESTATE OF PRICE C/O LOUIS TARASI, JR. ESQUIRE 510 THIRD AVE PITTSBURGH, PA 15219		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	TERRY MCCARTHY	TERRY MCCARTHY 63 MERLINE ROAD VERNIN CT, 06066		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	TOWN OF ENFIELD- ENFIELD ROADS PROJECT	TOWN OF ENFIELD PIYA HAWKES, P.E. DIRECTOR OF PUBLIC WORKS 40 MOODY ROAD ENFIELD, CT 06082		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	MAINE DEPARTMENT OF TRANSPORTATION	MAINE DEPARTMENT OF TRANSPORTATION NAOMI PETLEY CONTRACT SPECIALIST 16 STATE HOUSE STATION AUGUSTA, ME 04333-0016		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	ESTATE OF MARK BELLISARIO	ESTATE OF MARK BELLISARIO C/O TURNER CONSTRUCTION TWO PNC PLAZA 620 LIBERTY AVENUE PITTSBURGH, PA 15222		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	ESTATE RICHARD PATNEK	ESTATE RICHARD PATNEK C/O AGSTEN CONSTRUCTION CO. 110 WYOMING STREET CHARLESTON, WV 25302		UNLIQUIDATED			\$0.00	Y	5

Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	CITY OF GARDNER, MASSACHUSETTS (Lower Main Street Gateway Improvement Project)	CITY OF GARDNER, MASSACHUSETTS CITY OF GARDNER – DEPARTMENT OF COMMUNITY DEVELOPMENT AND PLANNING CITY HALL ANNEX 115 PLEASANT STREET, ROOM 201 GARDNER, MA 01440		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	TOWN OF FOSTER GLOCESTER	TOWN OF FOSTER GLOCESTER PROJECT #17528 TOWN OF FOSTER GLOCESTER 1145 PUTNAM PIKE P.O. BOX B CHEPACHET, RI 02814-0702		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	VEOLIA/US FILTER OPERATING	VEOLIA/US FILTER OPERATING SERVICES, INC. PROJECT #15515, #15694 RHIAN M. J. CULL, ESQ. HINCKLEY ALLEN & SNYDER LLP 28 STATE STREET BOSTON, MA 02109		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	TOWN OF WESTBOROUGH	TOWN OF WESTBOROUGH PROJECT #17373 CARL BALDUF TOWN ENGINEER WESTBOROUGH DEPT. OF PUBLIC WORKS 131 OAK STREET WESTBOROUGH MA 01581		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	TOWN OF SUTTON	TOWN OF SUTTON PROJECT #16086 SUTTON LLC 219 EAST MAIN STREET MILFORD, MA 01757-2823		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	SUTTON LLC	SUTTON LLC PROJECT #16086 219 EAST MAIN STREET MILFORD, MA 01757-2823		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	HANSCOM AIR FORCE BASE	HANSCOM AIR FORCE BASE PROJECT #16424.01 UNITED STATES AIR FORCE PHIL CINCOTTA 16 EGLIN STREET HANSCOM AFB, MA 01731-2107		UNLIQUIDATED			\$0.00	Y	5



Debtor	Case Number	Name	Contact Information	Claim Number	Scheduled / Books & Records / Potential Litigation Amount	Claimed Amount	Variance Between Scheduled / Books & Records / Potential Litigation and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group, Inc.	11-39350	COUNTY OF MERCER	COUNTY OF MERCER (MERCER BRIDGE 6-540) MCDADE ADMINISTRATION BLDG 640 SPUTH BROAD STREET PO BOX 8068 TRENTON, NJ 08650-0068		UNLIQUIDATED			\$0.00	Y	5
Maguire Group, Inc.	11-39350	DICKIE MCCAMEY	DICKIE MCCAMEY STEVE HOUGHTON, ESQ TWO PPG PLACE SUITE 400 PITTSBURGH, PA 15222-5402		UNLIQUIDATED			\$0.00	Y	5
East Atlantic Casualty Company, Ltd.	11-39352	AON INSURANCE MANAGERS BERMUDA LTD	AON HOUSE 30 WOODBOURNE AVE PEMBROKE, HM 08 BERMUDA		\$9,143.75			\$9,143.75	N	5
East Atlantic Casualty Company, Ltd.	11-39352	CODAN SERVICES	CLARENDON HOUSE 2 CHURCH ST HAMILTON, HM 11 BERMUDA		\$1,902.50			\$1,902.50	N	5
Maguire Group Architects, Engineers, Planners, Ltd	11-39354	Commonwealth of Massachusetts	Department of Revenue P.O. Box 9564 Boston, MA 02114-9564	76	\$0.00	\$4.56	(\$4.56)	\$0.00	Y	5
Maguire Group Architects, Engineers, Planners, Ltd	11-39354	HANNIGAN ENGINEERING INC	8 MONUMENT SQUARE LEOMINSTER, MA 01453-6060	24	\$0.00	\$2,260.00	(\$2,260.00)	\$0.00	Y	5

Note: The claims listed on this Exhibit 4.5 are subject to further adjustment and objection by the Debtors

\$42,815,317.28

Exhibit 4.6

List of Subordinated Unsecured Claims

Debtor	Case Number	CreditorID	Name	Contact Information	Claim Number	Scheduled / Books & Records Amount	Claimed Amount	Variance Between Scheduled / Books & Records and Filed Amounts	Undisputed Amount	Disputed Y/N	Class
Maguire Group Holdings, Inc.	11-39347	20902156	CARLOS DUART	13940 SW 136TH ST MIAMI, FL 33186		\$298,500.00			\$298,500.00	N	6
Maguire Group Holdings, Inc.	11-39347	20902144	VICTOR M BENITEZ	12191 SW 92ND AVE MIAMI, FL 33176		\$500,000.00			\$500,000.00	N	6
Maguire Group, Inc.	11-39350	20902068	CARLOS DUART	13940 SW 136TH ST MIAMI, FL 33186-0000		\$40,000.00			\$40,000.00	N	6
Maguire Group, Inc.	11-39350	20901992	METRIC ENGINEERING INC	13940 SW 136 ST MIAMI, FL 33186-0000		\$439,924.08			\$439,924.08	N	6
Maguire Group, Inc.	11-39350	20901845	METRIC ENGINEERING INC	13940 SW 136TH ST MIAMI, FL 33186-0000		\$913,358.00			\$913,358.00	N	6

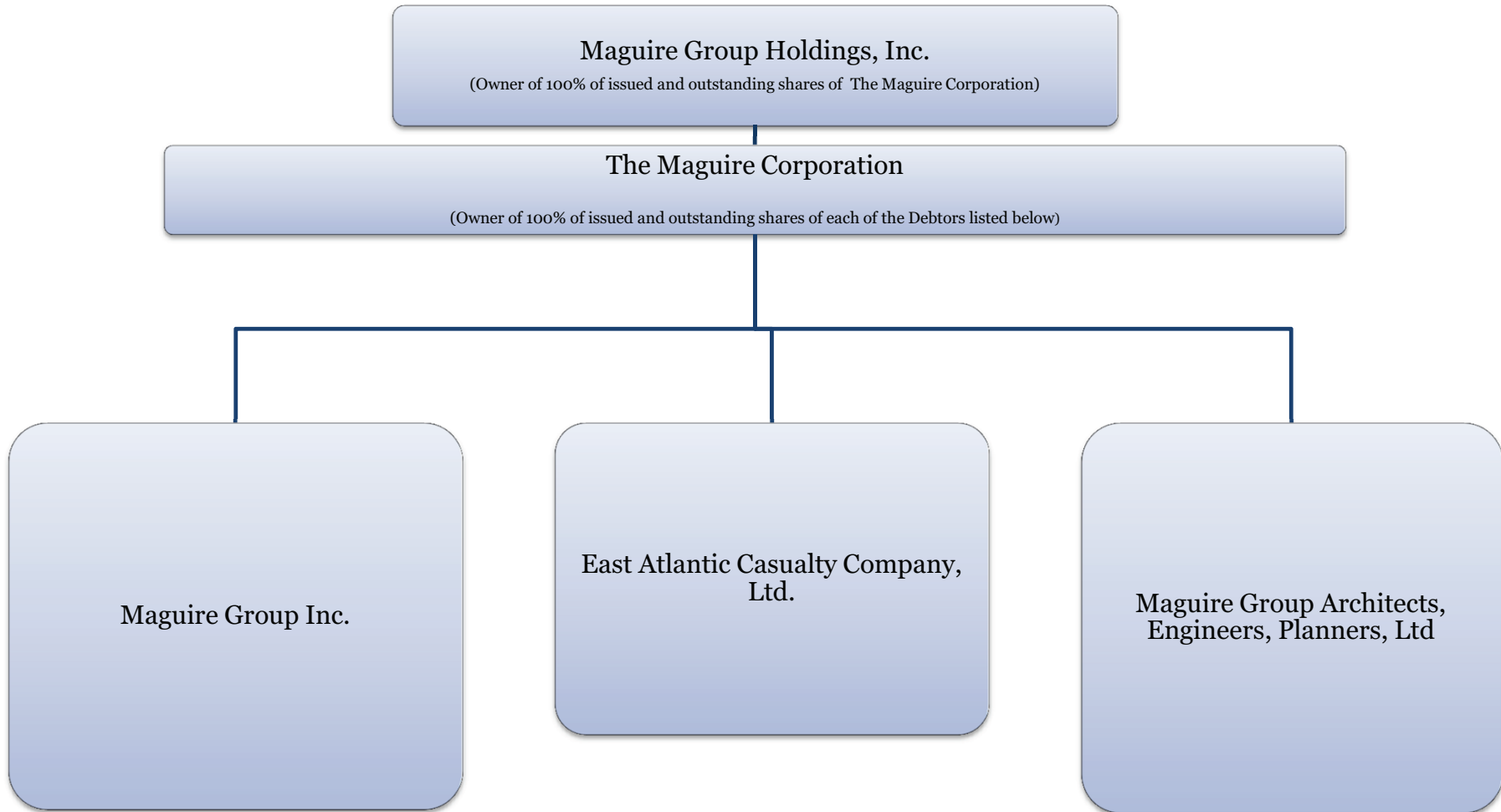
\$2,191,782.08

**EXHIBIT "B"**

**The Bankruptcy Court's Disclosure Statement Approval and Solicitation Order**

**EXHIBIT "C"**

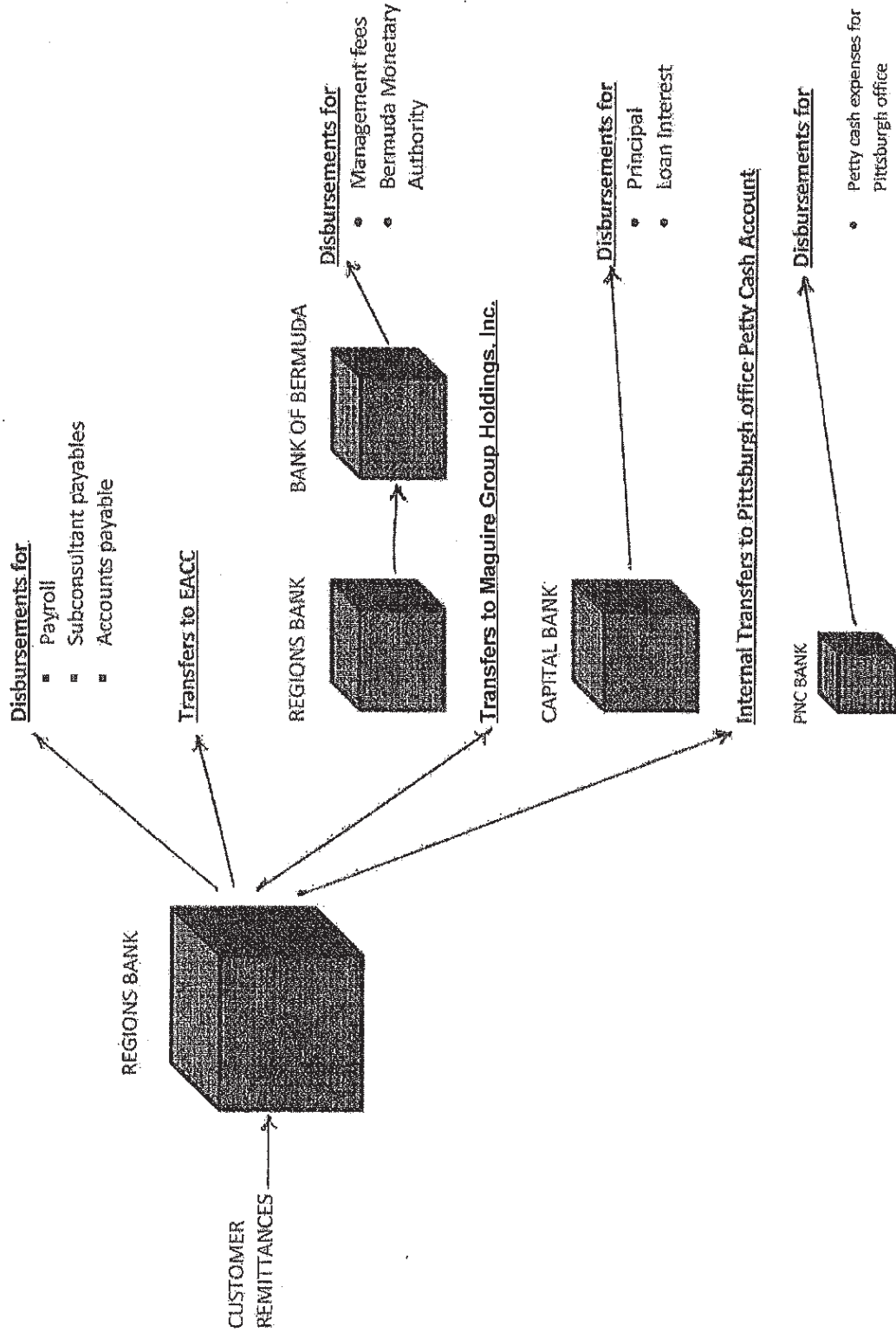
**The Debtors' Pre-Petition Organizational Chart**



**EXHIBIT "D"**

**The Debtors' Pre-Petition Consolidated Cash Management System**

# Maguire Group Holdings Cash Management System





**EXHIBIT "E"**

**The Projected Financial Information**

**MAGUIRE GROUP HOLDINGS, INC.**  
**EXHIBIT E to DISCLOSURE STATEMENT**  
**FINANCIAL PROJECTIONS**

**Responsibility for and Purpose of the Financial Projections.**

As a condition to confirmation of a plan, the Bankruptcy Code requires, among other things, that the Bankruptcy Court determine that confirmation is not likely to be followed by the liquidation or the need for further financial reorganization of the debtor. In connection with the development of the Plan, and for purposes of determining whether the Plan satisfies this feasibility standard, the Debtors' management has analyzed the ability of the Debtors to meet their obligations under the Plan and retain sufficient liquidity and capital resources to conduct their business.

**Pro Forma Financial Projections.**

The Debtors believe that the Plan meets the Bankruptcy Code's feasibility requirement that Plan confirmation is not likely to be followed by liquidation, or the need for further financial reorganization of the Debtors or any successor under the Plan.

In connection with developing the Plan, and to assist each holder of a Claim in determining whether to accept or reject the Plan, the Debtors have developed a set of financial projections (the "Financial Projections").

The Financial Projections are based on a number of significant assumptions as set forth below, and while the Debtors have prepared the Financial Projections in good faith and believe the assumptions to be reasonable, it is important to note that the Debtors can provide no assurance that such assumptions will ultimately be realized. The Financial Projections should be read in conjunction with the qualifications contained herein and the risk factors described in the Disclosure Statement.

The Debtors do not, as a matter of course, publish their business plans and strategies or financial projections or anticipated financial position or results of operations. Accordingly, the Debtors do not anticipate that they will, and disclaim any obligation to, furnish updated business plans or financial projections to holders of Claims after the Confirmation Date, or to include such information in documents required to be filed with the Securities and Exchange Commission (if any) or otherwise make such information public.

In connection with the planning and development of the Plan, the Financial Projections were prepared by the Debtors with the assistance of Berkowitz to present the anticipated impact of the Plan and assume that the Plan will be implemented in accordance with its stated terms. The Financial Projections have been included by the Debtors strictly for purposes of complying with the confirmation requirement under section 1129(a)(11) of the Bankruptcy Code and have no impact on the actual terms of the Plan or the transactions contemplated therein. Nothing in the Financial Projections shall obligate or be construed to obligate the Reorganized Debtors, or the Plan Proponents as the 100% owners of the Reorganized Debtors, to incur any of the liabilities contained in the Financial Projections (except as otherwise provided for in the Plan) or to operate the Reorganized Debtors in accordance with the Debtors' assumptions contained in the Financial Projections. The Reorganized Debtors will operate in the ordinary course in accordance with their own business plan. Since the Financial Projections are based on forecasts of key economic variables

such as economic growth rates and the resulting impact on demand for the Debtors' services, future interest rates, capital market conditions, as well as key operational assumptions such as the Debtors' ability to maintain customer relationships, the ability to win new customer contracts on profitable terms, and the ability to manage costs and growth of the operations, the estimates and assumptions underlying the Financial Projections are inherently uncertain. Though considered reasonable by the Debtors as of the date hereof, the Financial Projections are subject to significant business, economic and competitive uncertainties. Accordingly, such Financial Projections, estimates and assumptions are not necessarily indicative of current values or future performance, which may be significantly less favorable or more favorable than as set forth. The Financial Projections were substantially completed in January, 2012.

**THE FINANCIAL PROJECTIONS HAVE NOT BEEN AUDITED BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS. ALTHOUGH EVERY EFFORT WAS MADE TO BE ACCURATE, THE FINANCIAL PROJECTIONS ARE ONLY AN ESTIMATE, AND ACTUAL RESULTS MAY VARY CONSIDERABLY FROM THE FINANCIAL PROJECTIONS. CONSEQUENTLY, THE PROJECTED INFORMATION INCLUDED HEREIN SHOULD NOT BE REGARDED AS A REPRESENTATION BY THE DEBTORS, THE DEBTORS' ADVISORS, OR ANY OTHER PERSON THAT THE PROJECTED RESULTS WILL BE ACHIEVED. IMPAIRED CREDITORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THE FINANCIAL PROJECTIONS IN DETERMINING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN OR SUBSCRIBE TO THE RIGHTS OFFERING. ALL HOLDERS OF CLAIMS SHOULD CAREFULLY READ AND CONSIDER FULLY THE RISK FACTORS SET FORTH IN SECTION IX OF THIS DISCLOSURE STATEMENT ("CERTAIN FACTORS AFFECTING THE DEBTORS") BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.**

The Financial Projections assume that (i) the Plan will be confirmed and consummated in accordance with its terms, (ii) there will be no material change in legislation or regulations, or the administration thereof, that will have an unexpected effect on the operations of the Debtors, (iii) there will be no change in generally accepted accounting principles in the United States that will have a material effect on the reported financial results of the Debtors, (iv) the application of "fresh start" accounting will not materially change the Debtors' revenue accounting procedures, and (v) there will be no material contingent or unliquidated litigation or indemnity Claims applicable to the Debtors.

To the extent that the assumptions inherent in the Financial Projections are based upon future business decisions and objectives, they are subject to change. In addition, although they are presented with numerical specificity and considered reasonable by the Debtors when taken as a whole, the assumptions and estimates underlying the Financial Projections are subject to significant business, economic and competitive uncertainties and contingencies, many of which will be beyond the control of the Debtors. Accordingly, the Financial Projections are only an estimate and, therefore, necessarily speculative in nature. It can be expected that some or all of the assumptions in the Financial Projections will not be realized and that actual results will vary from the Financial Projections, which variations may be material and are likely to increase over time. The Financial Projections are subjective in many respects, and thus are susceptible to interpretations and periodic revisions based on actual experience and recent developments. Moreover, inasmuch as the Plan Proponents will own 100% of the equity of the Reorganized Debtors and have the ability to control the Debtors, the Reorganized Debtors may elect to operate the business according to a business plan that is materially different than the business plan underlying the Financial Projections. No representations can be made as to the accuracy of the Financial Projections or the Debtors' ability to achieve the projected results. Therefore, the Financial Projections may not be relied upon as a

guaranty or other assurance of the actual results that will occur. The inclusion of the Financial Projections herein should not be regarded as an indication that the Debtors consider the Financial Projections to predict future performance reliably. In light of the foregoing, in deciding whether to vote to accept or reject the Plan, holders of Claims are cautioned not to place undue reliance on the Financial Projections and such holders must make their own determination as to the reasonableness of such assumptions and the reliability of the Financial Projections. The Financial Projections should be read together with the information, assumptions, qualifications and footnotes (if any) to tables containing the Financial Projections (which include projected statements of operations, projected balance sheets, and projected statements of cash flows) set forth herein and the historical financial information set forth in Section IX.A hereof (“Certain Bankruptcy Law Considerations”).

The Financial Projections were not prepared with a view toward general use, but rather for the limited purpose of providing information in conjunction with the Plan. The Financial Projections should be read in conjunction with Article XI of this Disclosure Statement (“Alternatives to Confirmation and Consummation of the Plan”) for a discussion of the risks related to the Plan.

The Financial Projections assume a Confirmation Date of March 31, 2012, and as required, the concepts of “fresh start” accounting will be applied for periods after the Effective Date. These principles, which had historically been contained in the American Institute of Certified Public Accountants Statement of Position 90-7, “Financial Reporting by Entities in Reorganization Under the Bankruptcy Code”, have been codified in the Financial Accounting Standards Codification (ASC) 852, “Reorganizations”. Adoption of “fresh start” accounting requires the determination of the reorganization value of the entity that emerges from bankruptcy. Reorganization value generally approximates fair value of the entity before considering liabilities.

The process of fair valuing assets as part of “fresh start” accounting may result in: (i) changes to the carrying value of assets and liabilities, including property, plant, and equipment or (ii) may result in the creation of new intangibles.

**SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995.** The Financial Projections contain statements which constitute “forward-looking statements” within the meaning of the Securities Act and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. “Forward-looking statements” in the Financial Projections include the intent, belief or current expectations of the Debtors and members of their management team with respect to the timing of, completion of and scope of the Plan, the current strategic business plan, bank financing, and debt and equity market conditions and the Debtors’ future liquidity, as well as the assumptions upon which such statements are based, which assumptions are based on their experience and perception of historical trends, current conditions, expected future developments and other factors they believe are appropriate in the circumstances. While the Debtors believe that the expectations are based on reasonable assumptions within the bounds of their knowledge of their business and operations, parties in interest are cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Important factors currently known to the Debtors’ management that could cause actual results to differ materially from those contemplated by the forward-looking statements in the Financial Projections include, but are not limited to, adverse developments in the timing or results of the Debtors’ strategic business plan (including the timeline to emerge from chapter 11), the ability of the Debtors to retain and attract new customers and maintain favorable relationships with such customers, the Debtors’ liquidity, the difficulty in controlling operating costs, the level and nature of any restructuring and other one-time charges, and the possible negative effects of a change in applicable legislation.

**A. General**

- i. Methodology.* The Financial Projections are based upon the Debtors' detailed operating budget for the period from March 1, 2012, to February 28, 2015, in conjunction with relevant industry outlooks.
- ii. Plan Consummation.* The operating assumptions assume the Plan will be confirmed and consummated by March 31, 2012.
- iii. Macroeconomic and Industry Environment.* The Financial Projections reflect numerous assumptions with respect in industry performance, general business, economic, market and financial conditions and other matters, all of which are difficult to predict and many of which are beyond the Debtors' control.

**B. Adjusted Pro-Forma Balance Sheet**

The estimated post-confirmation balance sheet ("Reorganized Balance Sheet") is based upon an estimated pre-confirmation balance sheet ("Pre-Confirmation Balance Sheet"), as modified by reorganization adjustments. The Pre-Confirmation Balance Sheet, which provides estimates of assets and liabilities just prior to confirmation, is based upon the Debtor's November 2011 balance sheet modified by pro-forma adjustments to adjust assets and liabilities to more current values. The actual reorganization and any adjustments will depend upon the balance sheet as of the actual confirmation date, and any differences between those values included in the Reorganized Balance Sheet and actual values may be material.

1. The following is a summary of pro-forma adjustments made to the Debtor's unaudited balance sheet as of November 30, 2011:
  - a. Cash and Cash Equivalents.* A \$661 thousand downward adjustment was made to adjust the November 30, 2011 cash balance to the approximately \$397 thousand cash balance as of January 18, 2012.
  - b. Accounts Receivable.* An upward adjustment in the amount of \$1.203 million was made to adjust work-in-process and accounts receivable to the combined balance as of January 18, 2012.
  - c. Other Current Assets.* A \$205 thousand downward adjustment was made to eliminate expenses that had temporarily been booked as an asset in a suspense and need to be reclassified to the appropriate expense account(s). The balance in this account does not represent any value to the Debtor on a going concern basis.
  - d. Long Term Accounts Receivable / Retainage.* Long Term Retainage consists primarily of amounts retained by a large client for which the Debtor is engaged in litigation. Per discussions with counsel, the likelihood of any recovery of this retainage is extremely unlikely and is thus assumed to not represent any value to the Debtor on a going concern basis.

- e. *Goodwill.* The Debtor's balance sheet includes goodwill recorded as part of a 1992 leveraged buyout, which represent no value to the Company on a going concern basis.
  - f. *Deposits.* The November 30, 2011 balance sheet includes deposits for rents, utilities and professional retainers related to the bankruptcy filing. A \$124 thousand downward adjustment has been made to eliminate the professional retainers, which will be depleted over the Chapter 11.
  - g. *Lines of Credit.* The November 30, 2011 balance sheet continued to reflect a \$950 outstanding balance on the Company's line of credit with Regions Bank. This line of credit, however, was satisfied when Regions Bank appropriated repayment of the line from a related party. A further downward adjustment of approximately \$115 thousand was made to reflect the current zero balance on the Debtor's P-Card account.
  - h. *Accounts Payable.* The Debtor's November 30, 2011 accounts payable balance of \$3.528 million was adjusted to reflect the latest accounts payable balance of \$4.085 million attributable to pre-petition liabilities and \$720 thousand attributable to post-petition liabilities that remained outstanding as of January 18, 2012.
2. The following is a summary of Reorganization Adjustments made to the Debtor's Pre-Confirmation balance sheet to reflect the projected Reorganized Balance sheet upon confirmation:
- a. *Cash and Cash Equivalents.* Cash balances were adjusted to reflect an estimated \$250 thousand generated over the remaining Chapter 11 period, net of professional fees, plus an additional \$350 thousand to be contributed by Carlos Duart as required by the Plan less \$250 thousand that will be used to satisfy Class 5 creditor claims.
  - b. *Accounts Receivable and Work-in-Process.* Combined accounts receivable and work-in-process were reduced by \$772 thousand to reflect the projected \$6.41 million post-confirmation balance.
  - c. *Deferred Taxes.* Current and long-term deferred income taxes were eliminated in that it is anticipated that these deferred tax assets will no longer represent any going concern value to the Debtor upon confirmation.
  - d. *Investments.* Investments are comprised of a 50% ownership interest in 200 Main Street Associates, LLC, which owns a commercial building in Connecticut. A positive adjustment of \$261 thousand was made to adjust it to the net realizable value of this interest, which is projected to be sold in late 2012.
  - e. *Other Assets.* Other assets consist primarily of the unadjusted cash surrender value of life insurance policies, net of loans. As these amounts had not been updated, pursuant to an analysis of existing policies owned by the

Company, after repayment of loans taken against these policies, there is not expected to be any cash surrender value at confirmation.

- f. *Accounts Payable.* Pre-petition accounts payable were adjusted downward by \$849 thousand to reflect Class 4 claims that will be retained post-confirmation. Post-petition accounts payable were adjusted upward by \$80 thousand to reflect anticipated additional amounts due to creditors.
- g. *Class 5 and Class 6 Liabilities.* Pursuant to the Plan, a one-time payment of \$250,000 will be used to satisfy Class 5 creditor claims.

### C. Projected Statements of Operations

The Financial Projections include monthly statements of operation for the first twelve months following confirmation and annual statements of operation for year 2 and year 3. Key assumptions are as follows:

- i. *Revenues.* Revenues were based upon an analysis of anticipated fees generated from existing backlog, which accounted for approximately \$14.1 million, or 76% of the projected \$18.6 million in year 1 revenues (excluding amounts billed by subcontractors). Prospective new contracts accounted for the remaining \$4.5 million, or 24%, of projected year 1 revenues (excluding amounts billed by subcontractors).
- ii. *Reimbursable Revenues / Reimbursable Costs.* Of the approximately \$24.3 million in projected year 1 revenues, \$5.7 million was attributed to fees billed by sub-consultants and related expenses. These amounts are reflected on the Financial Projections as revenues that have been passed through to clients with equal and offsetting expenses on the Debtor's books.
- iii. *Direct Costs.* Direct costs are made up primarily of direct labor costs paid to the Debtor's employees, along with amounts billed by subconsultants for labor and expenses that cannot be passed through to clients. Direct labor costs are projected to equal approximately 37% of billed professional fees, which were estimated based upon an analysis of the Debtor's historical labor costs.
- iv. *Indirect Costs.* Indirect costs, which include the Debtor's sales, general and administrative expenses required to support projected operations were estimated based upon an analysis of (a) the Debtor's historical operating expenses, (b) current payroll records, (c) existing leases and other vendor agreements with vendors that the Debtor intends to retain and (d) anticipated opportunities for additional post-confirmation cost savings. Administrative payroll and benefits, insurance costs and rent expense account for approximately \$7.0 million of the projected \$10.1 million in indirect costs.
- v. *Carlos Duarte Salary Add-back.* As reflected in the Plan, Carlos Duarte will not receive any salary from the Reorganized Debtors, or any dividends or distributions from the Reorganized Debtors (other than customary tax distributions) until (i) all

Allowed Claims in Class 4 (“General Unsecured Claims Necessary for the Reorganization of the Debtors”) are paid in full to the extent provided in the Plan, and Disputed Claims in such Class 4 are resolved, and (ii) the Class 5 Claims Distribution has been fully funded. The Financial Projections assume that he will receive no salary in year 1 and will recommence receiving salary in year 2.

- vi. *Income Tax Provision.* Provision for federal and state income taxes was estimated at 40% of pre-tax income. Net operating losses (NOLs) have not been considered in the Projected Financials given that it is anticipated that any such benefits would be reduced or eliminated in connection with the cancellation of debt income that would result pursuant to the Plan.

#### **D. Projected Balance Sheets**

The Financial Projections include monthly projected balance sheets for the first twelve months following confirmation and annual balance sheets for year 2 and year 3. Key assumptions are as follows:

- i. *Accounts Receivable.* Combined accounts receivable and work-in-process balances have been estimated based upon historical collections activity, and assume 86 days of client billings plus an additional \$1.01 million related to unbilled work-in-process by subcontractors that will be paid to subcontractors upon receipt of funds from clients.
- ii. *Prepaid Expenses.* Prepaid expenses are estimated to increase at an average rate of 2% per year.
- iii. *Fixed Assets.* Fixed assets are projected to increase at a net \$12 thousand per year, which assumes approximately \$48 thousand per year in capital expenditures offset by an estimated \$36 thousand per year in depreciation.
- iv. *Investments.* Investments are comprised of a 50% ownership interest in 200 Main Street Associates, LLC, which owns a commercial building in Connecticut. The projections assume that the LLC interest will be sold at the end of calendar year 2012.
- v. *Deposits.* Rental and utility deposits are not projected to change.
- vi. *Accounts Payable – Pre-Petition.* Pre-petition accounts payable are projected to be repaid over a nine month period based, in part, upon available cash flow. Recognizing the seasonality of the Debtor’s business, it is assumed that initial payments will be made to Class 4 creditors in April and May 2012, with no projected payments made from June through August 2012, and all remaining amounts owed to be paid from September through December 2012. In addition, as reflected in the Plan, accounts payable owed to sub-contractors related to fees not yet received will be paid as funds are received. Given the uncertainty of the timing of these cash receipts, neither the cash receipt nor the offsetting payment to sub-contracts are reflected in the financial projections, which, because of the pass-through nature of these transactions, would have no impact to net cash flow.



- vii. *Accounts Payable – Post Petition.* Accounts payable balances are estimated to range between approximately 38 and 60 days of outstanding expenses, predicated on the Company's cash flow needs.
- viii. *Accrued Expenses.* Accrued expense balances, which are comprised primarily of payroll and employee benefit related items, are estimated to equal payroll and employee benefits for one two-week payroll period plus estimated accrued vacation time.

**E. Projected Statements of Cash Flow**

The Financial Projections include monthly Projected Statements of Cash Flow for the first twelve months following confirmation and annual Statements of Cash Flow for year 2 and year 3, which incorporate net income reflected in the Projected Statements of Operation and changes in asset and liability accounts, as reflected in the Projected Balance Sheets.

In re Maguire Group Holdings, Inc., et al.  
Adjusted Pro-Forma Balance Sheet

Schedule 1

	Unadjusted Book Balance Sheet (Nov. 2011)	Pro-Forma Adjustments	Pre-Confirmation Balance Sheet	Reorganization Adjustments	Reorganized Balance Sheet
<b>Current Assets:</b>					
Cash and Cash Equivalents	\$1,058,000	-\$660,000 (1a)	\$398,000	\$250,000 (2a) \$350,000 (2a) -\$250,000 (2a)	\$748,000
Accounts Receivable and Work-In-Process	5,979,000	1,203,000 (1b)	7,182,000	-772,000 (2b)	6,410,000
Prepaid Expenses	129,000	0	129,000	0	129,000
Current Portion of Deferred Taxes	97,000	0	97,000	-97,000 (2c)	0
Other Current Assets	205,000	-205,000 (1c)	0	0	0
	<u>7,468,000</u>	<u>338,000</u>	<u>7,806,000</u>	<u>-519,000</u>	<u>7,287,000</u>
<b>Long Term Assets:</b>					
Fixed Assets	84,000	0	84,000	0	84,000
Long Term Accounts Receivable, Retainage	1,614,000	-1,614,000 (1d)	0	0	0
Goodwill - Net of Amortization	1,000,000	-1,000,000 (1e)	0	0	0
Deferred Income Taxes	208,000	0	208,000	-208,000 (2c)	0
Investments	239,000	0	239,000	261,000 (2d)	500,000
Deposits	284,000	-124,000 (1f)	160,000	0	160,000
Other Assets	294,000	0	294,000	-294,000 (2e)	0
	<u>3,723,000</u>	<u>-2,738,000</u>	<u>985,000</u>	<u>-241,000</u>	<u>744,000</u>
<b>Total Assets</b>	<b><u>\$11,191,000</u></b>	<b><u>-\$2,400,000</u></b>	<b><u>\$8,791,000</u></b>	<b><u>(\$760,000)</u></b>	<b><u>\$8,031,000</u></b>
<b>Liabilities:</b>					
Line of Credit - Regions	950,000	-950,000 (1g)	0	0	0
Line of Credit - Pcard	115,000	-115,000 (1g)	0	0	0
Accounts Payable - Pre-petition (Class 4)	3,528,000	557,000 (1h)	4,085,000	-849,000 (2f)	3,236,000
Accounts Payable - Post-petition		720,000 (1h)	720,000	80,000 (2f)	800,000
Accrued Payroll and Expenses	1,649,000	0	1,649,000	-549,000 (2g)	1,100,000
Deferred Compensation	643,000	0	643,000	-643,000 (2g)	0
Related Party Loans	872,000	0	872,000	-872,000 (2g)	0
Accrued Supplemental Retirement Liabilities	2,031,000	0	2,031,000	-2,031,000 (2g)	0
Long Term Debt Owed to Former / Active Employees / Owners	889,000	0	889,000	-889,000 (2g)	0
	<u>10,677,000</u>	<u>212,000</u>	<u>10,889,000</u>	<u>-5,753,000</u>	<u>5,136,000</u>
<b>Total Liabilities</b>	<b><u>10,677,000</u></b>	<b><u>212,000</u></b>	<b><u>10,889,000</u></b>	<b><u>-5,753,000</u></b>	<b><u>5,136,000</u></b>
<b>Equity / (Deficit)</b>	<b><u>514,000</u></b>	<b><u>-2,612,000</u></b>	<b><u>-2,098,000</u></b>	<b><u>4,993,000</u></b>	<b><u>2,895,000</u></b>
<b>Total Liabilities and Equity</b>	<b><u>\$11,191,000</u></b>	<b><u>-\$2,400,000</u></b>	<b><u>\$8,791,000</u></b>	<b><u>-\$760,000</u></b>	<b><u>\$8,031,000</u></b>

**Projected Statements of Operation**

	2012										2013			Total
	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar		
<b>Revenue</b>														
Revenues - Professional Fees	\$1,822,339	\$1,405,379	\$1,610,136	\$1,837,230	\$1,459,360	\$1,621,305	\$1,489,143	\$1,477,975	\$1,561,739	\$1,386,765	\$1,485,420	\$1,453,776	\$18,610,566	
Revenue - Subconsultants	531,384	409,801	469,507	535,726	425,541	472,764	434,226	430,969	455,395	404,373	433,140	423,913	5,426,739	
Revenue - Expenses	23,537	18,152	20,796	23,730	18,849	20,941	19,234	19,089	20,171	17,911	19,186	18,777	240,373	
Revenue - Unbilled													0	
<b>Total Revenue</b>	<b>2,377,260</b>	<b>1,833,331</b>	<b>2,100,439</b>	<b>2,396,686</b>	<b>1,903,751</b>	<b>2,115,009</b>	<b>1,942,603</b>	<b>1,928,033</b>	<b>2,037,305</b>	<b>1,809,049</b>	<b>1,937,746</b>	<b>1,896,466</b>	<b>24,277,679</b>	
<b>Reimbursable Costs</b>														
Reimbursable Subconsultants	531,384	409,801	469,507	535,726	425,541	472,764	434,226	430,969	455,395	404,373	433,140	423,913	5,426,739	
Reimbursable Expenses	23,537	18,152	20,796	23,730	18,849	20,941	19,234	19,089	20,171	17,911	19,186	18,777	240,373	
<b>Revenue Less Reimbursable Costs</b>	<b>1,822,339</b>	<b>1,405,379</b>	<b>1,610,136</b>	<b>1,837,230</b>	<b>1,459,360</b>	<b>1,621,305</b>	<b>1,489,143</b>	<b>1,477,975</b>	<b>1,561,739</b>	<b>1,386,765</b>	<b>1,485,420</b>	<b>1,453,776</b>	<b>18,610,566</b>	
<b>Direct Costs</b>														
Direct Labor	674,265	519,990	595,750	679,775	539,963	599,883	550,983	546,851	577,843	513,103	549,606	537,897	6,885,910	
Direct Subconsultants	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000	
Direct Expenses	18,850	18,850	18,850	18,850	18,850	18,850	18,850	18,850	18,850	18,850	18,850	18,850	226,200	
<b>Revenues Less Reimbursables and Direct Costs</b>	<b>1,079,224</b>	<b>816,539</b>	<b>945,536</b>	<b>1,088,605</b>	<b>850,547</b>	<b>952,572</b>	<b>869,310</b>	<b>862,274</b>	<b>915,045</b>	<b>804,812</b>	<b>866,965</b>	<b>847,029</b>	<b>10,898,457</b>	
<b>Indirect Costs</b>														
Advertising	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	
Auto Expense	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	102,000	
Bank Charges	500	500	500	500	500	500	500	500	500	500	500	500	6,000	
Bad Debt Expense	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	
Computer Services	20,000	20,000	28,000	21,000	20,000	28,000	20,000	48,000	29,000	20,000	20,000	28,000	302,000	
Conventions, Seminars, Training/Tuition	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	
Depreciation & Amortization	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	
Dues, Memberships & Licenses	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	
Employees Welfare	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	
Equipment Rental	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000	
Insurance	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	1,512,000	
Miscellaneous Expense	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	
Office Supplies	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000	
Payroll Administrative	437,361	337,291	386,433	440,935	350,246	389,113	357,394	354,714	374,817	332,823	356,501	348,906	4,466,536	
Penalties	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	
401K Plan Expense	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	102,000	
Postage/Shipping	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	
Professional Fees	63,333	63,333	63,333	63,333	63,333	63,333	63,333	63,333	63,333	63,333	63,333	63,333	760,000	
Rent	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	672,000	
Repairs & Maintenance - Building	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000	
Publications and Subscriptions	600	600	600	600	600	600	600	600	600	600	600	600	7,200	
Taxes - Payroll	92,427	74,587	73,587	73,344	71,447	69,795	67,571	64,872	60,747	124,548	110,912	98,847	982,684	
Taxes - Other	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	108,000	
Telephone & Communications	20,300	20,300	20,300	20,300	19,300	19,300	19,200	19,200	18,900	19,300	20,300	20,300	237,000	
Travel, Meals and Entertainment	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	174,000	
Utilities	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	
<b>Total Indirect Costs</b>	<b>909,021</b>	<b>791,111</b>	<b>847,252</b>	<b>894,513</b>	<b>799,927</b>	<b>845,142</b>	<b>803,099</b>	<b>825,719</b>	<b>822,398</b>	<b>835,605</b>	<b>846,646</b>	<b>834,986</b>	<b>10,055,420</b>	
C. Duart Salary Add back	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	187,200	
C. Duart Benefits Add back	1,193	1,193	1,193	1,193	284	226	226	226	226	1,193	1,193	1,193	9,543	
<b>Total Operating Income</b>	<b>186,996</b>	<b>42,221</b>	<b>115,077</b>	<b>210,886</b>	<b>66,504</b>	<b>123,257</b>	<b>82,037</b>	<b>52,381</b>	<b>108,474</b>	<b>-14,000</b>	<b>37,112</b>	<b>28,836</b>	<b>1,039,780</b>	
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Income / (Expenses)	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Pre-Tax Income</b>	<b>186,996</b>	<b>42,221</b>	<b>115,077</b>	<b>210,886</b>	<b>66,504</b>	<b>123,257</b>	<b>82,037</b>	<b>52,381</b>	<b>108,474</b>	<b>-14,000</b>	<b>37,112</b>	<b>28,836</b>	<b>1,039,780</b>	
Federal and State Income Taxes (40%)	-74,798	-16,889	-46,031	-84,354	-26,602	-49,303	-32,815	-20,952	-43,389	5,600	-14,845	-11,534	-415,912	
Taxes on Sale of Investment	0	0	0	0	0	0	0	0	-39,150	0	0	0	-39,150	
<b>Net Income</b>	<b>\$112,197</b>	<b>\$25,333</b>	<b>\$69,046</b>	<b>\$126,532</b>	<b>\$39,903</b>	<b>\$73,954</b>	<b>\$49,222</b>	<b>\$31,428</b>	<b>\$25,934</b>	<b>-\$8,400</b>	<b>\$22,267</b>	<b>\$17,302</b>	<b>\$584,718</b>	

**Projected Statements of Operation**

	2010		2011 E		Year 1		Year 2		Year 3	
<b>Revenue</b>										
Revenues - Professional Fees	\$21,844,296	78.7%	\$20,286,792	79.5%	\$18,610,566	76.7%	\$18,982,778	76.7%	\$19,362,433	76.7%
Revenue - Subconsultants	5,283,712	19.0%	5,110,364	20.0%	5,426,739	22.4%	5,535,274	22.4%	5,645,980	22.4%
Revenue - Expenses	421,669	1.5%	446,398	1.7%	240,373	1.0%	245,181	1.0%	250,084	1.0%
Revenue - Unbilled	214,448	0.8%	-331,975	-1.3%	0	0.0%	0	0.0%	0	0.0%
<b>Total Revenue</b>	<b>27,764,125</b>	<b>100.0%</b>	<b>25,511,579</b>	<b>100.0%</b>	<b>24,277,679</b>	<b>100.0%</b>	<b>24,763,232</b>	<b>100.0%</b>	<b>25,258,497</b>	<b>100.0%</b>
<b>Reimbursable Costs</b>										
Reimbursable Subconsultants	5,366,489	19.3%	4,896,285	19.2%	5,426,739	22.4%	5,535,274	22.4%	5,645,980	22.4%
Reimbursable Expenses	513,156	1.8%	383,516	1.5%	240,373	1.0%	245,181	1.0%	250,084	1.0%
<b>Revenue Less Reimbursable Costs</b>	<b>21,884,480</b>	<b>78.8%</b>	<b>20,231,778</b>	<b>79.3%</b>	<b>18,610,566</b>	<b>76.7%</b>	<b>18,982,778</b>	<b>76.7%</b>	<b>19,362,433</b>	<b>76.7%</b>
<b>Direct Costs</b>										
Direct Labor	8,079,541	29.1%	7,454,389	29.2%	6,885,910	28.4%	7,023,628	28.4%	7,164,100	28.4%
Direct Subconsultants	791,063	2.8%	723,374	2.8%	600,000	2.5%	612,000	2.5%	624,240	2.5%
Direct Expenses	240,753	0.9%	280,129	1.1%	226,200	0.9%	230,724	0.9%	235,338	0.9%
<b>Revenues Less Reimbursables and Direct Costs</b>	<b>12,773,123</b>	<b>46.0%</b>	<b>11,773,887</b>	<b>46.2%</b>	<b>10,898,457</b>	<b>44.9%</b>	<b>11,116,426</b>	<b>44.9%</b>	<b>11,338,754</b>	<b>44.9%</b>
<b>Indirect Costs</b>										
Advertising	31,048	0.1%	13,483	0.1%	12,000	0.0%	12,240	0.0%	12,485	0.0%
Auto Expense	108,064	0.4%	123,642	0.5%	102,000	0.4%	104,040	0.4%	106,121	0.4%
Bank Charges	5,476	0.0%	19,923	0.1%	6,000	0.0%	6,120	0.0%	6,242	0.0%
Bad Debt Expense	75,085	0.3%	0	0.0%	60,000	0.2%	61,200	0.2%	62,424	0.2%
Computer Services	369,143	1.3%	323,970	1.3%	302,000	1.2%	308,040	1.2%	314,201	1.2%
Conventions, Seminars, Training/Tuition	109,392	0.4%	86,291	0.3%	60,000	0.2%	61,200	0.2%	62,424	0.2%
Depreciation & Amortization	110,876	0.4%	25,464	0.1%	36,000	0.1%	36,000	0.1%	36,000	0.1%
Dues, Memberships & Licenses	76,777	0.3%	84,959	0.3%	60,000	0.2%	61,200	0.2%	62,424	0.2%
Employees Welfare	13,904	0.1%	17,815	0.1%	12,000	0.0%	12,240	0.0%	12,485	0.0%
Equipment Rental	99,973	0.4%	38,234	0.1%	48,000	0.2%	48,960	0.2%	49,939	0.2%
Insurance	2,303,143	8.3%	1,780,345	7.0%	1,512,000	6.2%	1,542,240	6.2%	1,573,085	6.2%
Miscellaneous Expense	58,176	0.2%	74,298	0.3%	60,000	0.2%	61,200	0.2%	62,424	0.2%
Office Supplies	109,901	0.4%	80,795	0.3%	78,000	0.3%	79,560	0.3%	81,151	0.3%
Payroll Administrative	5,205,981	18.8%	4,666,139	18.3%	4,466,536	18.4%	4,555,867	18.4%	4,646,984	18.4%
Penalties	23,051	0.1%	14,483	0.1%	12,000	0.0%	12,240	0.0%	12,485	0.0%
401K Plan Expense	173,795	0.6%	115,081	0.5%	102,000	0.4%	104,040	0.4%	106,121	0.4%
Postage/Shipping	48,423	0.2%	38,149	0.1%	36,000	0.1%	36,720	0.1%	37,454	0.1%
Professional Fees	1,470,201	5.3%	1,423,071	5.6%	760,000	3.1%	775,200	3.1%	790,704	3.1%
Rent	1,159,886	4.2%	1,078,764	4.2%	672,000	2.8%	685,440	2.8%	699,149	2.8%
Repairs & Maintenance - Building	94,476	0.3%	128,999	0.5%	90,000	0.4%	91,800	0.4%	93,636	0.4%
Publications and Subscriptions	10,356	0.0%	10,726	0.0%	7,200	0.0%	7,344	0.0%	7,491	0.0%
Taxes - Payroll	1,164,025	4.2%	1,125,158	4.4%	982,684	4.0%	1,002,338	4.0%	1,022,384	4.0%
Taxes - Other	112,003	0.4%	128,852	0.5%	108,000	0.4%	110,160	0.4%	112,363	0.4%
Telephone & Communications	220,946	0.8%	246,944	1.0%	237,000	1.0%	241,740	1.0%	246,575	1.0%
Travel, Meals and Entertainment	147,280	0.5%	227,448	0.9%	174,000	0.7%	177,480	0.7%	181,030	0.7%
Utilities	159,270	0.6%	79,289	0.3%	60,000	0.2%	61,200	0.2%	62,424	0.2%
<b>Total Indirect Costs</b>	<b>13,460,654</b>	<b>48.5%</b>	<b>11,952,322</b>	<b>46.9%</b>	<b>10,055,420</b>	<b>41.4%</b>	<b>10,255,808</b>	<b>41.4%</b>	<b>10,460,204</b>	<b>41.4%</b>
C. Duart Salary Add back		0.0%		0.0%	187,200	0.8%	0	0.0%	0	0.0%
C. Duart Benefits Add back		0.0%		0.0%	9,543	0.0%	0	0.0%	0	0.0%
<b>Total Operating Income</b>	<b>-687,531</b>	<b>-2.5%</b>	<b>-178,435</b>	<b>-0.7%</b>	<b>1,039,780</b>	<b>4.3%</b>	<b>860,618</b>	<b>3.5%</b>	<b>878,550</b>	<b>3.5%</b>
Interest Expense	-48,252	-0.2%	-61,877	-0.2%	0	0.0%	0	0.0%	0	0.0%
Other Income / (Expenses)	778,348		41,100							
<b>Pre-Tax Income</b>	<b>42,565</b>	<b>0.2%</b>	<b>-199,212</b>	<b>-0.8%</b>	<b>1,039,780</b>	<b>4.3%</b>	<b>860,618</b>	<b>3.5%</b>	<b>878,550</b>	<b>3.5%</b>
Federal and State Income Taxes (40%)					-415,912	-1.7%	-344,247	-1.4%	-351,420	-1.4%
Taxes on Sale of Investment					-39,150					
<b>Net Income</b>					<b>\$584,718</b>	<b>2.4%</b>	<b>\$516,371</b>	<b>2.1%</b>	<b>\$527,130</b>	<b>2.1%</b>

## In re Maguire Group Holdings, Inc., et al.

Projected Balance Sheets

	2012									2013		
	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
<b>Current Assets:</b>												
Cash and Cash Equivalents	\$288,234	\$56,238	\$183,523	\$416,274	\$273,031	\$119,332	\$51,937	\$30,083	\$257,001	\$241,299	\$304,900	\$377,239
Accounts Receivable and Work-In-Process	6,898,515	6,800,980	6,924,821	7,034,902	7,060,803	7,025,998	6,654,071	6,643,143	6,594,174	6,463,048	6,454,549	6,351,753
Prepaid Expenses	129,215	129,430	129,645	129,860	130,075	130,290	130,505	130,720	130,935	131,150	131,365	131,580
	7,315,963	6,986,648	7,237,989	7,581,036	7,463,909	7,275,620	6,836,513	6,803,947	6,982,110	6,835,497	6,890,814	6,860,572
<b>Long Term Assets:</b>												
Fixed Assets	\$85,000	\$86,000	\$87,000	\$88,000	\$89,000	\$90,000	\$91,000	\$92,000	\$93,000	\$94,000	\$95,000	\$96,000
Investments	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	0	0	0	0
Deposits	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
	745,000	746,000	747,000	748,000	749,000	750,000	751,000	752,000	253,000	254,000	255,000	256,000
<b>Total Assets</b>	<b>8,060,963</b>	<b>7,732,648</b>	<b>7,984,989</b>	<b>8,329,036</b>	<b>8,212,909</b>	<b>8,025,620</b>	<b>7,587,513</b>	<b>7,555,947</b>	<b>7,235,110</b>	<b>7,089,497</b>	<b>7,145,814</b>	<b>7,116,572</b>
<b>Liabilities</b>												
Accounts Payable - Pre-petition (Class 4)	3,036,000	2,836,000	2,836,000	2,836,000	2,836,000	2,436,000	2,036,000	1,836,000	1,716,000	1,716,000	1,716,000	1,716,000
Accounts Payable - Post-petition	872,739	855,184	976,528	1,124,901	1,085,071	1,175,261	1,129,352	1,271,113	1,020,857	905,110	915,889	885,029
Accrued Expenses	1,145,027	1,008,934	1,070,885	1,140,027	1,023,828	1,072,395	1,030,974	1,026,218	1,049,704	1,028,237	1,051,509	1,035,825
<b>Total Liabilities</b>	<b>5,053,766</b>	<b>4,700,117</b>	<b>4,883,413</b>	<b>5,100,928</b>	<b>4,944,899</b>	<b>4,683,656</b>	<b>4,196,326</b>	<b>4,133,332</b>	<b>3,786,561</b>	<b>3,649,348</b>	<b>3,683,398</b>	<b>3,636,854</b>
<b>Equity</b>	<b>3,007,197</b>	<b>3,032,530</b>	<b>3,101,576</b>	<b>3,228,108</b>	<b>3,268,010</b>	<b>3,341,964</b>	<b>3,391,187</b>	<b>3,422,615</b>	<b>3,448,549</b>	<b>3,440,149</b>	<b>3,462,416</b>	<b>3,479,718</b>
<b>Total Liabilities and Equity</b>	<b>\$8,060,963</b>	<b>\$7,732,648</b>	<b>\$7,984,989</b>	<b>\$8,329,036</b>	<b>\$8,212,909</b>	<b>\$8,025,620</b>	<b>\$7,587,513</b>	<b>\$7,555,947</b>	<b>\$7,235,110</b>	<b>\$7,089,497</b>	<b>\$7,145,814</b>	<b>\$7,116,572</b>

Projected Statements of Cash Flow

	2012									2013			Total
	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
Net Income	\$112,197	\$25,333	\$69,046	\$126,532	\$39,903	\$73,954	\$49,222	\$31,428	\$25,934	-\$8,400	\$22,267	\$17,302	\$584,718
Depreciation and Amortization	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Change in Accounts Receivable / Work-in-Process	-488,515	97,535	-123,841	-110,081	-25,901	34,805	371,927	10,927	48,970	131,126	8,499	102,796	58,247
Change in Prepaid Expenses	-215	-215	-215	-215	-215	-215	-215	-215	-215	-215	-215	-215	-2,580
Change in Accounts Payable - Pre-Petition (Class 4)	-200,000	-200,000	0	0	0	-400,000	-400,000	-200,000	-120,000	0	0	0	-1,520,000
Change in Accounts Payable - Post-Petition	72,739	-17,556	121,344	148,373	-39,831	90,190	-45,909	141,761	-250,257	-115,746	10,779	-30,860	85,029
Change in Accrued Expenses	45,027	-136,093	61,951	69,143	-116,199	48,567	-41,421	-4,756	23,486	-21,467	23,272	-15,684	-64,175
Cash Generated by Operating Activities	-455,766	-227,996	131,285	236,751	-139,243	-149,699	-63,395	-17,854	-269,082	-11,702	67,602	76,339	-822,761
Capital Expenditures	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-48,000
Sale of Investment Property	0	0	0	0	0	0	0	0	500,000	0	0	0	500,000
Cash Generated by Investing Activities	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000	496,000	-4,000	-4,000	-4,000	452,000
Borrowing / Repayment of Debt	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Generated by Financing Activities	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Cash Flow</b>	<b>-\$459,766</b>	<b>-\$231,996</b>	<b>\$127,285</b>	<b>\$232,751</b>	<b>-\$143,243</b>	<b>-\$153,699</b>	<b>-\$67,395</b>	<b>-\$21,854</b>	<b>\$226,918</b>	<b>-\$15,702</b>	<b>\$63,602</b>	<b>\$72,339</b>	<b>-\$370,761</b>
Beginning Cash	\$748,000	\$288,234	\$56,238	\$183,523	\$416,274	\$273,031	\$119,332	\$51,937	\$30,083	\$257,001	\$241,299	\$304,900	
Net Cash Flow	-459,766	-231,996	127,285	232,751	-143,243	-153,699	-67,395	-21,854	226,918	-15,702	63,602	72,339	
Ending Cash	\$288,234	\$56,238	\$183,523	\$416,274	\$273,031	\$119,332	\$51,937	\$30,083	\$257,001	\$241,299	\$304,900	\$377,239	

## In re Maguire Group Holdings, Inc., et al.

Projected Balance Sheets

	Year 1	Year 2	Year 3
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$377,239	\$810,560	\$1,253,220
Accounts Receivable and Work-In-Process	6,351,753	6,458,588	6,567,560
Prepaid Expenses	131,580	134,212	136,896
	<u>6,860,572</u>	<u>7,403,360</u>	<u>7,957,675</u>
<b>Long Term Assets:</b>			
Fixed Assets	\$96,000	\$108,000	\$120,000
Investments	0	0	0
Deposits	160,000	160,000	160,000
	<u>256,000</u>	<u>268,000</u>	<u>280,000</u>
<b>Total Assets</b>	<u><b>7,116,572</b></u>	<u><b>7,671,360</b></u>	<u><b>8,237,675</b></u>
<b>Liabilities</b>			
Accounts Payable - Pre-petition (Class 4)	1,716,000	1,716,000	1,716,000
Accounts Payable - Post-petition	885,029	902,730	920,785
Accrued Expenses	1,035,825	1,056,542	1,077,672
	<u>3,636,854</u>	<u>3,675,272</u>	<u>3,714,457</u>
<b>Total Liabilities</b>	<u><b>3,636,854</b></u>	<u><b>3,675,272</b></u>	<u><b>3,714,457</b></u>
<b>Equity</b>	<u><b>3,479,718</b></u>	<u><b>3,996,088</b></u>	<u><b>4,523,218</b></u>
<b>Total Liabilities and Equity</b>	<u><u><b>\$7,116,572</b></u></u>	<u><u><b>\$7,671,360</b></u></u>	<u><u><b>\$8,237,675</b></u></u>

Projected Statements of Cash Flow

	Year 1	Year 2	Year 3
Net Income	\$584,718	\$516,371	\$527,130
Depreciation and Amortization	36,000	36,000	36,000
Change in Accounts Receivable / Work-in-Process	58,247	-106,835	-108,972
Change in Prepaid Expenses	-2,580	-2,632	-2,684
Change in Accounts Payable - Pre-Petition (Class 4)	-1,520,000	0	0
Change in Accounts Payable - Post-Petition	85,029	17,701	18,055
Change in Accrued Expenses	-64,175	20,717	21,131
<b>Cash Generated by Operating Activities</b>	<u><b>-822,761</b></u>	<u><b>481,321</b></u>	<u><b>490,659</b></u>
Capital Expenditures	-48,000	-\$48,000	-\$48,000
Sale of Investment Property	500,000	0	0
<b>Cash Generated by Investing Activities</b>	<u><b>452,000</b></u>	<u><b>-48,000</b></u>	<u><b>-48,000</b></u>
Borrowing / Repayment of Debt	0	0	0
<b>Cash Generated by Financing Activities</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Net Cash Flow</b>	<u><b>-\$370,761</b></u>	<u><b>\$433,321</b></u>	<u><b>\$442,659</b></u>
Beginning Cash	748,000	377,239	810,560
<b>Net Cash Flow</b>	<u><b>-370,761</b></u>	<u><b>433,321</b></u>	<u><b>442,659</b></u>
<b>Ending Cash</b>	<u><u><b>\$377,239</b></u></u>	<u><u><b>\$810,560</b></u></u>	<u><u><b>\$1,253,220</b></u></u>

**EXHIBIT "F"**

**The Liquidation Analysis**

**MAGUIRE GROUP HOLDINGS, INC.**  
**EXHIBIT F to DISCLOSURE STATEMENT**  
**LIQUIDATION ANALYSIS**

**A. Introduction.**

In connection with the Plan and Disclosure Statement, the following hypothetical liquidation analysis (the "Liquidation Analysis") has been prepared by the Debtor with the assistance of its financial advisor. This Liquidation Analysis should be read in conjunction with the Plan and the Disclosure Statement.

Pursuant to section 1129(a)(7) of the Bankruptcy Code, often called the "best interests test," holders of allowed claims must either (a) accept the plan of reorganization or (b) receive or retain under the plan property of a value, as of the plan's assumed effective date, that is not less than the value such non-accepting holders would receive or retain if the debtor were to be liquidated under chapter 7 of the Bankruptcy Code on such date. The Debtor believes that the Plan meets the "best interest test" as set forth in section 1129(a)(7) of the Bankruptcy Code.

To demonstrate compliance with the "best interests test," the Debtor, with the assistance of its financial advisor, estimated a range of proceeds, net of liquidation-related costs, which would be generated from a hypothetical chapter 7 liquidation. The Liquidation Analysis indicates the values, if a chapter 7 trustee (the "Trustee") were appointed and charged with disposing of any and all of the Debtor's assets for cash, as an alternative to continued operation of the business as proposed under the Plan. Accordingly, values discussed herein are different than amounts referred to in the Plan, which illustrate the value of the Debtor's business as a going concern. The Debtor compared this hypothetical liquidation value to the value and recovery provided for under the Plan. As reflected in more detail in the Liquidation Analysis, the Debtor believes that the value of any distributions if the Chapter 11 case were converted to a case under chapter 7 of the Bankruptcy Code would not be greater than the value of distributions under the Plan.

The Liquidation Analysis reflects management's estimated net value of the Debtor's assets if the Debtor were liquidated under the provisions of chapter 7 of the Bankruptcy Code, and the net proceeds of the liquidation were applied in strict priority to satisfy Claims against the Debtor. The Liquidation Analysis has been prepared assuming the Debtor's current chapter 11 case converts to a chapter 7 proceeding under the Bankruptcy Code on or about March 31, 2012 (the "Liquidation Date") and its assets are liquidated in a traditional liquidation with the loss of going concern value attributable to these assets. The Liquidation Analysis assumes a range of recoveries for these assets assuming a forced liquidation asset sale process conducted by the Debtor's Trustee. To maximize recovery, the liquidation is assumed to occur over a three to six month period (the "Wind-Down Period"). The Liquidation Analysis is based on unaudited book values as of November 30, 2011, which are subject to change, and these values, in total, are assumed to be representative of the Debtor's assets and liabilities as of the Liquidation Date. Account balances were updated where more current information was available.



The Liquidation Analysis does not include recoveries resulting from any potential preference claims, fraudulent conveyance litigation, or other avoidance actions.

**B. Scope, Intent, and Purpose of the Liquidation Analysis.**

Estimating recoveries in any hypothetical chapter 7 liquidation case is an uncertain process due to the number of unknown variables and is necessarily speculative. Thus, extensive use of estimates and assumptions has been made that, although considered reasonable by Debtor's management and its financial advisor, are inherently subject to significant business, economic and competitive uncertainties and contingencies beyond the control of the Debtor. Inevitably, some assumptions in the Liquidation Analysis would not materialize in an actual chapter 7 liquidation. In addition, the Debtor's management cannot judge with any degree of certainty the effect of the forced liquidation asset sales on the recoverable value of the Debtor's assets. The Liquidation Analysis was prepared for the sole purpose of generating a reasonable good faith estimate of the proceeds that would be generated if the Debtor were liquidated in accordance with chapter 7 of the Bankruptcy Code.

THE DEBTOR MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF THE ESTIMATES AND ASSUMPTIONS OR A TRUSTEE'S ABILITY TO ACHIEVE FORECASTED RESULTS. IN THE EVENT THE CHAPTER 11 CASE IS CONVERTED TO CHAPTER 7 PROCEEDINGS, ACTUAL RESULTS MAY VARY MATERIALLY FROM THE ESTIMATES AND PROJECTIONS SET FORTH IN THE LIQUIDATION ANALYSIS.

In preparing the Liquidation Analysis, the amount of Allowed Claims has been projected based upon a review of scheduled Claims and filed Proofs of Claims associated with pre-petition and post-petition obligations. In the event litigation were necessary to resolve Claims asserted in a chapter 7 liquidation, the delay could be prolonged and Claims could further increase. The effects of this delay on the value of distributions under the hypothetical liquidation have not been considered. No Order or finding has been entered by the Bankruptcy Court estimating or otherwise fixing the amount of Claims at the estimated amounts set forth in the Liquidation Analysis.

NOTHING CONTAINED IN THIS HYPOTHETICAL LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION OF THE DEBTOR. THE ESTIMATED AMOUNT OF ALLOWED CLAIMS SET FORTH IN THE LIQUIDATION ANALYSIS SHOULD NOT BE RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING, WITHOUT LIMITATION, ANY DETERMINATION OF THE VALUE OF ANY DISTRIBUTION TO BE MADE ON ACCOUNT OF ALLOWED CLAIMS UNDER THE PLAN. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THE CHAPTER 11 CASE COULD MATERIALLY AND SIGNIFICANTLY DIFFER FROM THE AMOUNT OF CLAIMS ESTIMATED IN THE LIQUIDATION ANALYSIS. EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THIS LIQUIDATION ANALYSIS WAS PREPARED MAY BE DIFFERENT FROM THOSE ASSUMED, OR, ALTERNATIVELY, MAY HAVE BEEN UNANTICIPATED, AND THUS THE OCCURRENCE OF THESE EVENTS MAY AFFECT THIS ANALYSIS IN A MATERIALLY ADVERSE OR MATERIALLY BENEFICIAL MANNER. THE DEBTOR AND REORGANIZED DEBTOR DO NOT INTEND AND DO NOT UNDERTAKE ANY OBLIGATION TO UPDATE OR OTHERWISE REVISE

THE LIQUIDATION ANALYSIS (OR ANY OTHER PART OF THE DISCLOSURE STATEMENT) TO REFLECT EVENTS OR CIRCUMSTANCES EXISTING OR ARISING AFTER THIS LIQUIDATION ANALYSIS IS INITIALLY FILED OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS. THEREFORE, THE LIQUIDATION ANALYSIS MAY NOT BE RELIED UPON AS A GUARANTEE OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR. IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN, HOLDERS OF CLAIMS OR INTERESTS MUST MAKE THEIR OWN DETERMINATIONS AS TO THE REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE LIQUIDATION ANALYSIS.

THIS LIQUIDATION ANALYSIS WAS DEVELOPED SOLELY FOR PURPOSES OF THE FORMULATION AND NEGOTIATION OF THE PLAN AND TO ENABLE THE HOLDERS OF CLAIMS AND INTERESTS ENTITLED TO VOTE UNDER THE PLAN TO MAKE AN INFORMED JUDGMENT ABOUT THE PLAN AND SHOULD NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING CLAIMS OR INTERESTS IN, THE DEBTOR OR ANY OF ITS AFFILIATES.

**C. Results of the Liquidation Analysis.**

The estimated proceeds of a hypothetical chapter 7 liquidation for all assets of the Debtor was calculated based on assumptions provided herein and applied to estimated Claims values for this entity to determine recovery estimates among creditor Classes. In addition, these recovery estimates among creditor Classes were compared to estimated recoveries under the Plan.

As is demonstrated in the analysis, all impaired creditor Classes are estimated to receive less in the Liquidation Analysis than under the Plan. Based on the estimated recoveries in the Plan and Liquidation Analysis, it is the Debtor's opinion that the Plan satisfies the "best interests test." Under the Plan, each Class will receive at least the same value or more than it would if the business were to be subject to a chapter 7 liquidation.

**D. Notes to the Liquidation Analysis.**

**1. Conversion Date and Appointment of a Chapter 7 Trustee.**

The Liquidation Analysis assumes conversion of the Debtor's chapter 11 case to a chapter 7 liquidation case on March 31, 2012. On the conversion date, it is assumed that the Bankruptcy Court would appoint one Trustee to oversee the liquidation of the estate.

**2. Likely consequences of a conversion to Chapter 7**

Active employees would be retained for a period of 60 days, at which time all employees that are not essential to the continued liquidation of the Debtor's assets would be terminated. Only those employees essential for the liquidation process would be retained such as accounts

receivable collectors to collect on accounts receivable and recover deposits, administrative staff members for preparation of monthly operating reports and final tax resolution, termination of employees, and wind-down of facilities.

With the termination of operations, the only source of cash flow would be the then existing cash balance and proceeds from the collection of accounts receivable and liquidation of assets.

Due to lack of continuing operations, the long-term nature of most active jobs and the disruption that a termination of services would cause to many of the Debtor's clients, outstanding receivables would be difficult to collect, as many customers would likely hold back payments in consideration of the additional costs and a duplication of work that would be incurred to replace the Debtor with alternative professionals.

### **3. Assets to be liquidated.**

The Liquidation Analysis assumes a liquidation of all of the Debtor's assets, which primarily consist of Cash and Accounts Receivable, as well as its investment in 200 Main Street Associates, LLC.

### **4. Estimated Costs of Liquidation.**

The Liquidation Analysis includes expenses expected to be incurred during the Wind-down Period, including those related to Trustee fees, legal and other professional fees, and operating/wind-down expenses.

This Liquidation Analysis should be read in conjunction with the accompanying Notes. Financial information is based on the Debtor's November 30, 2011 Unaudited Balance Sheet Data per the Monthly Operating Report for the period from November 1, 2011 through November 30, 2011, except as otherwise indicated.

**Maguire Group, Inc. and Related Entities**  
**Hypothetical Liquidation Analysis**  
(unaudited)

This Liquidation Analysis should be read in conjunction with the accompanying Notes.

Based on the Debtors' November 30, 2011 Unaudited Balance Sheet Data (as adjusted where more current information was available).

	Adjusted Book Value	Recovery (%)		Recovery (\$)		Notes
		Low	High	Low	High	
<b>ASSETS</b>						
Current Assets						
Cash	\$ 398,000	100.0%	100.0%	\$ 398,000	\$ 398,000	1a
Accounts Receivable, net	5,046,000	28.0%	45.0%	1,412,880	2,270,700	1b
Earnings in excess of billings	2,136,000	10.0%	20.0%	213,600	427,200	1c
Prepaid Expenses	129,000	50.0%	75.0%	64,500	96,750	1d
Current Portion of Deferred Taxes	97,000	0.0%	0.0%	-	-	1e
Other Current Assets	205,000	0.0%	0.0%	-	-	1f
Total Current Assets	8,011,000			2,088,980	3,192,650	
Property, Plant & Equipment, net	84,000	25.0%	50.0%	21,000	42,000	1g
Long Term Accounts Receivable, Retainage	1,614,000	0.0%	0.0%	-	-	1h
Goodwill, Net of Amortization	1,000,000	0.0%	0.0%	-	-	1i
Deferred Income Taxes	208,000	0.0%	0.0%	-	-	1j
Investments	239,000	167.4%	251.0%	400,000	600,000	1k
Deposits	284,000	0.0%	0.0%	-	-	1l
Cash Surrender Value of Life Insurance	294,000	0.0%	0.0%	-	-	1m
<b>TOTAL ASSETS / PROCEEDS</b>	<b>\$ 11,734,000</b>			<b>\$ 2,509,980</b>	<b>\$ 3,834,650</b>	
<b>WIND-DOWN EXPENSES</b>						
Wind-Down Operating Costs				\$ 2,500,000	\$ 3,000,000	2a
Trustee Fees				75,299	115,040	2b
Professional Fees				200,000	400,000	2c
<b>TOTAL WIND-DOWN EXPENSES</b>				<b>\$ 2,775,299</b>	<b>\$ 3,515,040</b>	
<b>PROCEEDS AVAILABLE FOR DISTRIBUTION TO SECURED CREDITORS</b>				<b>\$ (265,319) \$ 319,611</b>		
				<u>Claim Amount</u>		
<b>SECURED CREDITORS</b>						
None				\$ -	\$ -	
<b>PROCEEDS AVAILABLE FOR DISTRIBUTION TO ADMINISTRATIVE AND PRIORITY CLAIMS</b>				<b>\$ (265,319) \$ 319,611</b>		
<b>PRIORITY CLAIMS</b>						
None				\$ -	\$ -	
<b>ADMINISTRATIVE CLAIMS</b>						
Post-Petition Claims				\$ 700,000	\$ 800,000	3a
Post-Petition Professional Fees				200,000	250,000	3b
<b>TOTAL ADMINISTRATIVE CLAIMS</b>				<b>\$ 900,000</b>	<b>\$ 1,050,000</b>	
<b>NET PROCEEDS AVAILABLE FOR PAYMENT OF GENERAL UNSECURED CLAIMS</b>				<b>\$ (1,165,319) \$ (730,390)</b>		
<b>GENERAL UNSECURED CLAIMS</b>		\$ 48,738,000		\$ -	\$ -	
<b>NET PROCEEDS AVAILABLE FOR PAYMENT OF EQUITY INTERESTS</b>				<b>\$ - \$ -</b>		

**E. Footnotes to the Liquidation Analysis****1. Assets**

- a. Cash and Equivalents – Cash and Equivalents are assumed to be recovered at 100% of stated value in both the high and low recovery cases. Balance shown is the ending balance as of January 18, 2012<sup>(1)</sup>.
- b. Accounts Receivable – Accounts Receivable consist of trade accounts, current portion of retainage and other miscellaneous receivables. The estimate of Debtor's allowance for doubtful accounts is based on historical collection experience, together with a review of the current receivables in light of the termination of services on uncompleted projects. Recovery is assumed to be 28% to 45% of the net balance of outstanding receivables at January 18, 2012<sup>(1)</sup>.
- c. Earnings in Excess of Billings – For purposes of this liquidation analysis, recovery is assumed to be 10% to 20% of the book balance, reflecting a reduced anticipated recovery on unbilled work-in-process relative to projected recoveries on services already billed.
- d. Prepaid Expenses – Consists of prepaid lease and insurance expenses. Recovery is assumed from a low of 50% to a high of 75% of the net book value of these prepaid assets.
- e. Current Portion of Deferred Taxes – Deferred taxes are assumed to yield no value in a liquidation.
- f. Other Current Assets – Consists of expenses that were temporarily put in a suspense account as an asset and need to be reclassified to the appropriate expense account(s); The balance in this account is not expected to yield any recovery in a liquidation.
- g. Property, Plant and Equipment, net – Property, plant and equipment consists of furniture, computers and other office equipment, and leasehold improvements to the rented facility. Recovery is assumed from a low of 25% to a high of 50% of the net book value of these depreciated assets.
- h. Long Term Accounts Receivable, Retainage - Long Term Retainage consists primarily of amounts retained by a large client for which the Debtor is engaged in litigation. Per discussions with counsel, the likelihood of any recovery in the

---

<sup>1</sup> For purposes of this liquidation analysis, amounts listed as of January 18, 2012, are assumed to approximate the amounts as of March 31, 2012, or the Liquidation Date.

event of a liquidation is extremely unlikely and is thus assumed to not yield any recovery in liquidation.

- i. Goodwill, net of amortization –The intangible assets consist of goodwill recorded as part of a 1992 leveraged buyout. All intangible assets are assumed to yield no value in a liquidation.
- j. Long-term Portion of Deferred Taxes – Deferred taxes are assumed to yield no value in a liquidation.
- k. Investments - Consists of an investment in 200 Main Street Associates, LLC, an affiliated realty trust that owns a 50% interest in an office building formerly used by the Debtor in Connecticut. Recovery is assumed to range from a low of \$400,000 to a high of \$600,000.
- l. Deposits - Consists primarily of security deposits held by landlords on properties rented by the debtor and legal retainers. These deposits are assumed to yield no value in a liquidation.
- m. Other Assets – Other assets consist primarily of the cash value of officers’ life insurance policies. As these amounts had not been updated, pursuant to an analysis of existing policies owned by the Company, after repayment of loans taken against these policies, there is not expected to be any net cash surrender value.

## **2. Estimated Costs of Chapter 7 Liquidation**

Estimated costs of Chapter 7 liquidation are assumed to comprise three to six months of certain operating expenses that would be required to maintain the operations during a sale process.

- a. Wind-down operating costs – Wind-down operating costs are forecast to range from a low of \$2,500,000 to a high of \$3,000,000, which is comprised primarily of employee payroll and benefits, rent, insurance, utilities and other expenses that will be incurred during the liquidation period. The Debtor currently incurs monthly payroll and employee benefits of approximately \$1.05 million per month. By including two months of continued payroll and employee costs for all active employees (to be scaled down significantly after 60 days), it is assumed that the WARN Act will not be triggered, which would require that employees be paid two months severance.
- b. Trustee Fees – Chapter 7 trustee fees include those fees associated with the compensation of a Chapter 7 trustee in accordance with section 326 of the

Bankruptcy Code. Chapter 7 Trustee fees were assumed at the statutory maximum rate of 3% of available liquidation proceeds.

- c. Trustee Appointed Professional Fees – It is assumed that the Trustee would appoint his or her own legal and advisory professionals. Professional fees are forecast to range from a low of \$200,000 to a high of \$400,000.

### 3. Administrative Claims

- a. Post-Petition Claims – Post-petition claims include all post-petition liabilities identified by the Debtors as subject to compromise. The Debtor estimates that total post Chapter 11 claims outstanding would range from a low of \$0.7 million to a high of \$0.8 million. Post-petition accounts payable as of January 18, 2012 is approximately \$0.7 million. Accrued payroll and benefits as of November 30, 2011 were approximately \$1.1 million. These obligations have not been included in post petition claims given the assumption that active employees will continue to work for 60 days subsequent to a conversion.
- b. Post-Petition Professional Fees – Post-petition professional fees include all Chapter 11 professional claims for services rendered during a Chapter 11, but converted to an unsecured claim in a Chapter 7 that had not been paid during the case. The Debtor estimates that total post Chapter 11 claims outstanding would range from \$200,000 to \$250,000.

After consideration of the effects that a chapter 7 liquidation would have on the ultimate proceeds available for distribution to creditors in a chapter 11 case, including (i) the increased costs and expenses of a liquidation under chapter 7 arising from fees payable to a trustee in bankruptcy and professional advisors to such trustee, (ii) where applicable, the erosion in value of assets in a chapter 7 case in the context of the expeditious liquidation required under chapter 7 and the “forced sale” atmosphere that would prevail, and (iii) substantial increases in claims which would be satisfied on a priority basis, the Debtors have determined that in a chapter 7 case the holders of the Claims in (i) Class 4 (“General Unsecured Claims Necessary for the Future of the Reorganized Debtors”) and Class 5 (“General Unsecured Claims Not Necessary for the Future of the Reorganized Debtors”) would receive either less than the distribution provided for under the Plan or no distribution whatsoever, and (ii) Class 6 (“Subordinated Unsecured Claims”) and Class 7 (“Equity Interests”) would receive no distribution. Consequently, confirmation of the Plan will provide each creditor of the Debtors with a recovery that is not less than it would receive pursuant to a liquidation of the Debtors under Chapter 7.

Moreover, the Debtors believe that the value of any distributions from the liquidation proceeds to each class of allowed claims in a chapter 7 case would be the same or less than the value of distributions under the Plan because such distributions in a chapter 7 case may not occur for a substantial period of time. In this regard, it is possible that distribution of the proceeds of the liquidation could be delayed for a year or more after the completion of such liquidation in order to resolve the claims and prepare for distributions.

In the event litigation were necessary to resolve claims asserted in the chapter 7 case, the delay could be further prolonged and administrative expenses further increased.