

FORM LIQUIDATING TRUST AGREEMENT

THIS LIQUIDATING TRUST AGREEMENT (the "Agreement") is entered into this [●] day of February 2011, by and among Rock & Republic Enterprises, Inc. and Triple R, Inc. as debtors and debtors in possession (collectively, the "Debtors"); and David K. Gottlieb in his capacity as the Liquidating Trust Administrator of the Liquidating Trust (the "Liquidating Trust Administrator") (collectively, the "Parties").

W I T N E S S E T H:

WHEREAS, on April 1, 2010 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), Case No. 10-11728 (AJG) (jointly administered);

WHEREAS, on January 28, 2011, the Amended Joint Consolidated Chapter 11 Plan for Rock & Republic Enterprises, Inc. and its Affiliated Debtor and Debtor in Possession, Proposed Jointly by the Debtors, the Official Committee of Unsecured Creditors, and VF Corporation (the "Plan Proponents") (as amended, modified or supplemented, the "Plan") was filed with the Bankruptcy Court;

WHEREAS, on [●], 2011, the Bankruptcy Court entered an order confirming the Plan (the "Confirmation Order");

WHEREAS, the Plan provides, among other things, for the establishment of a liquidating trust for the benefit of holders of Allowed Claims (and, after the full and final satisfaction of all Allowed General Unsecured Claims and Allowed Subordinated Claims, to the holders of the Existing Equity Interests) (the "Liquidating Trust") and for the appointment of the Liquidating Trust Administrator as the trustee and manager of the Liquidating Trust;

WHEREAS, the Liquidating Trust is created pursuant to, and to effectuate, the Plan;

WHEREAS, the Liquidating Trust Administrator has agreed to act as liquidating trustee under the Agreement for purposes herein provided;

WHEREAS, the Liquidating Trust is established for the sole purpose of liquidating the Debtors' remaining assets and resolving Creditor Claims for the benefit of the holders of Allowed Claims (and, after the full and final satisfaction of all Allowed General Unsecured Claims and Allowed Subordinated Claims, to the holders of the Existing Equity Interests), in accordance with Treasury Regulations Section 301.7701-4(d), with no objective or authority to continue or engage in the conduct of a trade or business;

WHEREAS, the Liquidating Trust is intended to qualify as a liquidating trust within the meaning of Treasury Regulations Section 301.7701-4(d) that is treated as "grantor trust" for federal income tax purposes;

NOW, THEREFORE, for and in consideration of the promises and mutual covenants herein contained, pursuant to the Plan, the Parties do hereby covenant and agree as follows:

ARTICLE I

Definitions; Interpretive Rules.

1.1 Terms Defined in Plan. Any capitalized term used and not defined herein shall have the meaning assigned to it in the Plan.

1.2 Interpretive Rules. For purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires: (a) references to “Articles”, “Sections”, and other subdivisions, without reference to a particular document, are to be designated Articles, Sections, and other subdivisions of this Agreement; (b) the use of the term “including” means “including but not limited to”; and (c) the words “herein”, “hereof”, “hereunder”, and other words of similar import refer to this Agreement as a whole and not to any particular provision (unless otherwise specified). The enumeration and headings contained in this Agreement are for convenience of reference only and are not intended to have any substantive significance in interpreting this Agreement. The singular shall include the plural and the plural the singular, when the context so requires, and the feminine, the masculine, and the neuter genders shall be mutually inclusive.

ARTICLE II

Creation of the Liquidating Trust, Appointment of Liquidating Trust Administrator

2.1 Establishment of the Liquidating Trust. Pursuant to the Plan, the Parties hereby establish the Liquidating Trust. David K. Gottlieb is hereby appointed Liquidating Trust Administrator and David K. Gottlieb hereby accepts such appointment, to hold and administer the Sale Consideration and all of the Debtors’ assets transferred to the Liquidating Trust on the Effective Date (collectively, the “Liquidating Trust Assets”) on the terms and conditions as set forth in the Plan, Confirmation Order, VF Asset Purchase Agreement and in this Agreement. Pursuant to the Plan, all of the Sale Consideration (subject to the Sale Consideration Allocation) and the Debtors’ assets (other than the Purchased Assets, which shall be transferred to NewCo and the portion of the Sale Consideration remaining with the Debtors pursuant to the Sale Consideration Allocation) are hereby absolutely and irrevocably transferred, conveyed, assigned and set over to the Liquidating Trust free and clear of Claims, Liens and Interests, to be managed by the Liquidating Trust Administrator in accordance with the terms of this Agreement, the Plan, the VF Asset Purchase Agreement and Confirmation Order for the sole purpose of consummating and carrying out the terms of the Plan. This Agreement and the Liquidating Trust created hereunder are hereby declared to be irrevocable and the Debtors shall not have any right at any time to withdraw any of the property held hereunder or to revoke, annul, or cancel the Liquidating Trust created hereunder in whole or in part, or to alter, amend, or modify this Agreement in any respect.

2.2 Trust Name. The trust created hereby shall be known as the **Rock & Republic Liquidating Trust**, in which name the Liquidating Trust Administrator may, among other things, conduct the business of the Liquidating Trust, make and execute contracts on behalf of the Liquidating Trust, sue and be sued on behalf of the Liquidating Trust, and take such other actions as the Liquidating Trust Administrator is authorized hereunder to take.

ARTICLE III

Purpose, Administration

3.1 Purpose of the Liquidating Trust. The Liquidating Trust shall be established for the sole purpose of liquidating and distributing and resolving the claims to the Liquidating Trust Assets, in accordance with Treasury Regulations Section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business. Accordingly, the Liquidating Trust Administrator shall, in an expeditious but orderly manner, liquidate and convert to Cash the Liquidating Trust Assets of the Liquidating Trust, make timely Distributions and not unduly prolong the duration of the Liquidating Trust. The liquidation of the Liquidating Trust Assets may be accomplished either through the sale of Liquidating Trust Assets (in whole or in combination), prosecuting, abandoning, compromising or settling any Retained Causes of Action, or otherwise.

3.2 Purpose of Agreement. The parties hereby enter into this Agreement for the purposes of establishing the Liquidating Trust contemplated by the Plan and authorizing the Liquidating Trust Administrator to, among other things: (a) oversee the Claims resolution, distribution, and objection process (including, but not limited to, the ability to object to, seek to subordinate, compromise, or settle any or all Claims against the Debtors and Post Effective Date Debtors other than Claims that are Allowed under the Plan) in accordance with the terms of this Agreement; (b) evaluate and, if appropriate, commence and prosecute on behalf of the Debtors' Estates the Avoidance Actions and other Retained Causes of Action; (c) wind down the affairs of the Debtors, including through the sale or abandonment of the Estates' remaining assets (which, with the exception of the Purchased Assets and the portion of the Sale Consideration remaining with the Debtors pursuant to the Sale Consideration Allocation, shall be transferred to the Liquidating Trust); (d) dissolving the Post Effective Date Debtors at the appropriate time, (e) maintain books and records; (f) invest and manage Cash of the Liquidating Trust; (g) create appropriate reserves for Disputed Claims (the "Claim Reserve Fund") and a reserve account to fund all administrative costs and expenses of administering the Liquidating Trust; and (h) pay and satisfy trust expenses. All activities of the Liquidating Trust Administrator shall be reasonably necessary to, and consistent with, the accomplishment of these purposes; all of such purposes benefit the Liquidating Trust. Except as set forth herein, nothing contained herein shall be deemed to limit the authority of the Liquidating Trust Administrator.

(a) Administration of the Liquidating Trust Assets. From and after the Effective Date, the Liquidating Trust Administrator shall take all steps necessary to liquidate all Liquidating Trust Assets and distribute the proceeds in accordance with the Plan, Confirmation Order, VF Asset Purchase Agreement and this Agreement, including selling, leasing, prosecuting, litigating, settling or otherwise liquidating and reducing the Liquidating Trust Assets to money, or abandoning the Liquidating Trust Assets on such terms and for such consideration as he deems to be reasonable and in the best interests of holders of Allowed General Unsecured Claims, Allowed Subordinated Claims and Allowed Existing Equity Interests as the beneficiaries (the "Beneficiaries").

3.3 Tax Treatment of Liquidating Trust. For United States federal and applicable state income tax purposes, the transfer of the Liquidating Trust Assets to the

Liquidating Trust pursuant to and in accordance with the Plan shall be treated as a disposition of such assets directly to and for the benefit of the Beneficiaries. The Beneficiaries will be treated as the grantors and owners of the Liquidating Trust. All earnings of the Liquidating Trust shall be currently taxable to the Beneficiaries in the year in which such earnings are realized, including earnings retained in the Claim Reserve Fund. The Liquidating Trust is intended to qualify as a liquidating trust that is treated as a “grantor trust” for federal income tax purposes, and the Liquidating Trust Administrator shall use his best efforts to operate and maintain the Liquidating Trust in compliance with Internal Revenue Service Revenue Procedure 94-45, 1994-2 C.B. 684, and Treasury Regulation Sections 1.671-4(a) and 301.7701-4(d) and all subsequent guidelines regarding liquidating trusts issued by the Internal Revenue Service.

3.4 Incorporation of Plan. The Plan is hereby incorporated into this Agreement and made a part hereof by this reference.

ARTICLE IV

Debtors’ Estates, Board of Directors, Advisory Board

4.1 Limited Existence. Pursuant to the terms of the Plan and this Agreement, from and after the Effective Date, the Debtors shall remain in existence for the sole purpose of permitting the Liquidating Trust Administrator to wind up the Debtors’ business, including liquidating the Liquidating Trust Assets and making all Distributions from the liquidation of the Liquidating Trust Assets to the holders of Allowed Claims (and, after the full and final satisfaction of all Allowed General Unsecured Claims and Allowed Subordinated Claims, to the holders of the Existing Equity Interests) in accordance with the provisions of the Plan. Upon the completion of such liquidation and the material completion of all duties under the Plan and Confirmation Order, the Liquidating Trust Administrator on behalf of the Debtors and Post Effective Date Debtors shall file a certificate of dissolution or cancellation and other certificates or documents as may be or become necessary with the State of California to implement the termination of the legal existence of the Debtors and/or Post Effective Date Debtors.

4.2 Board of Directors; Officers. As of the Effective Date, all members of the Board of Directors and officers of the Debtors shall be deemed to have resigned their positions and shall have no continuing rights or powers as such, nor shall they have any continuing duties or obligations as members of the Board of Directors or officers of the Debtors, the Estates or the creditors of the Debtors.

4.3 Post-Effective Date Management. As provided for in the Plan and herein, the Liquidating Trust Administrator shall have the exclusive right and duty to manage the Estates, all Liquidating Trust Assets, and fulfill the duties of the former Board of Directors and officers, subject, however, to the oversight of the Advisory Board and certain limitations of liability as set forth herein.

4.4 Advisory Board. The Liquidating Trust Administrator shall be supervised by an oversight committee (the “Advisory Board”), which shall have the rights set forth in this Agreement and the Plan.

(a) The Advisory Board shall be created on the Effective Date and shall consist of three (3) members (two (2) members selected by the Creditors' Committee and one (1) member selected by the Debtors); provided, however, that upon the payment in full in Cash of all Allowed General Unsecured Claims, the Advisory Board shall be reconstituted to consist of one (1) member selected by the Creditors' Committee and two (2) members selected by the Ball Representative. In the event of a vacancy of a member selected by the Creditors' Committee, the other member selected by the Creditors' Committee, in consultation with the Liquidating Trust Administrator, shall have the authority to fill such vacancy. In the event of a vacancy of a member selected by the Debtor, Michael Ball, in consultation with the Liquidating Trust Administrator, shall have the authority to fill such vacancy. In the event any position is vacant for more than thirty (30) days, the Liquidating Trust Administrator shall have the authority, without need of notice to the remaining members of the Advisory Board, to fill such vacancy.

(b) The Liquidating Trust Administrator shall consult regularly with the Advisory Board when carrying out the purpose and intent of the Liquidating Trust. The Advisory Board shall be entitled to monitor the status and progress of Disputed Claims and Retained Causes of Action. The Advisory Board may meet and/or consult periodically with the Liquidating Trust Administrator and keep itself apprised of the affairs of the Liquidating Trust.

ARTICLE V

Duties, Rights and Powers of Liquidating Trust Administrator

5.1 Status of Liquidating Trust Administrator. The Liquidating Trust Administrator shall be the "representative of the estate" as that phrase is used in section 1123(b)(3)(B) of the Bankruptcy Code with respect to the rights and powers granted in this Agreement and in the Plan and Confirmation Order. Except as otherwise set forth in the Plan and Confirmation Order, the Liquidating Trust shall be the successor-in-interest to the Debtors with respect to Retained Causes of Action which were or could have been commenced by the Debtors or the Estates prior to the Effective Date and shall be deemed substituted for the same as the party in such action. All actions, claims, rights or interests constituting Liquidating Trust Assets are preserved and retained and may be enforced by the Liquidating Trust as the representative of the Debtors and/or the Estates pursuant to section 1123(b)(3)(B) of the Bankruptcy Code. Neither the Plan nor the Confirmation Order shall limit or modify the right of the Liquidating Trust to commence or prosecute Retained Causes of Action. The Liquidating Trust shall be a party-in-interest as to all matters over which the Bankruptcy Court has jurisdiction and shall be the only party to have standing to file, prosecute, settle or compromise Retained Causes of Action.

5.2 Duties of Liquidating Trust Administrator. The Liquidating Trust Administrator shall have the exclusive right and duty to liquidate the Liquidating Trust Assets, file, prosecute, litigate, compromise, settle and abandon Retained Causes of Action assigned and delivered to the Liquidating Trust, oversee the Claims resolution and objection process, and collect all income and make distributions to the Beneficiaries from the Liquidating Trust, as provided hereunder and under the Plan and Confirmation Order.

5.3 Standard of Care. The Liquidating Trust Administrator shall exercise its rights and powers vested in it by this Agreement and use reasonable business judgment in its exercise of his duties. Subject to applicable law, the Liquidating Trust Administrator shall not be liable to the Liquidating Trust or any Beneficiary for any act he may do or omit to do as a Liquidating Trust Administrator while acting in good faith and in the exercise of his reasonable business judgment. The foregoing limitation on liability will apply equally to the agents, professionals, attorneys, and/or employees of and Liquidating Trust Administrator acting on behalf of the any Liquidating Trust Administrator in the fulfillment of the Liquidating Trust Administrator's duties hereunder.

5.4 Bond. The Liquidating Trust Administrator shall not be required to post a bond.

5.5 Liquidating Trust Administrator's Rights and Powers. The Liquidating Trust Administrator shall act on behalf of the Liquidating Trust and except as otherwise provided for under the Agreement, shall be vested with all rights, powers, privileges and benefits afforded to the Debtors' Estates and/or a "trustee" under sections 704 and 1106 of the Bankruptcy Code, including, without limitation, attorney-client and work product privilege and he shall be vested with any such rights, powers, privileges and benefits of the Debtors and their Estates. The Liquidating Trust Administrator shall have all the powers and authority set forth herein and in the Plan and Confirmation Order necessary to effect the disposition, orderly liquidation, and/or distribution of all Liquidating Trust Assets and proceeds of the Retained Causes of Action. As of the Effective Date, the rights and powers of the Liquidating Trust Administrator shall include, subject to the limitations set forth in the Plan, Confirmation Order, VF Asset Purchase Agreement and this Agreement, the right and power, without further Bankruptcy Court approval, to:

- (a) Liquidate or otherwise reduce to Cash the Liquidating Trust Assets in accordance with this Agreement and the VF Asset Purchase Agreement;
- (b) Object to Claims and to file, prosecute, compromise and settle Retained Causes of Action assigned and delivered to the Liquidating Trust, whether or not the Retained Causes of Action or objections to Claims have been commenced prior to the Effective Date, and shall be substituted as the real party in interest in any such action or objection by or against the Debtors or the Creditors' Committee;
- (c) Make distributions to holders of Allowed Claims (and, after the full and final satisfaction of all Allowed General Unsecured Claims and Allowed Subordinated Claims, to the holders of the Existing Equity Interests) as the Beneficiaries hereunder;
- (d) Settle, resolve and object to Claims including General Unsecured Claims;
- (e) Seek an estimation of contingent or unliquidated Claims including General Unsecured Claims under section 502(c) of the Bankruptcy Code;
- (f) Invest the Liquidating Trust Assets, which investment powers of the Liquidating Trust Administrator are limited by Section 5.14 herein;

(g) Establish the Claim Reserve Fund and Administrative Reserve (as defined herein);

(h) Maintain and administer the Cash in the Liquidating Trust;

(i) Pay and satisfy Allowed Claims (and, after the full and final satisfaction of all Allowed General Unsecured Claims and Allowed Subordinated Claims, to the holders of the Existing Equity Interests) and trust expenses from the Net Available Cash in the Liquidating Trust (and, if funds remain in the Winddown Budget after the Liquidating Trust Administrator has completed all duties set forth in the Liquidating Trust Agreement, from the remaining Cash included in the Winddown Budget) and pay all fees due pursuant to Section 1930 of Chapter 123 of Title 28 of the United States Code until such time as the Bankruptcy Court enters a final decree closing the Chapter 11 Cases;

(j) Assign the Liquidating Trust's interest in the Holdback (as defined in the VF Asset Purchase Agreement) to the holders of the Existing Equity Interests or their designee upon satisfaction of Allowed Claims (or in the Liquidating Trust Administrator's discretion the establishment of adequate reserves set aside in the Claim Reserve Fund and the Administrative Reserve to satisfy such Allowed Claims and all administrative expenses and fees of the Liquidating Trust);

(k) Wind up the affairs of the Debtors and the Estates;

(l) Enforce, carry out, and comply with the terms of the Plan, Confirmation Order, this Agreement and VF Asset Purchase Agreement provided, however, that the cost of compliance with the VF Asset Purchase Agreement shall be borne by VF;

(m) Enforce, carry out and perform the Debtors' and/or the Post Effective Date Debtors' duties under the VF Asset Purchase Agreement;

(n) Sell at public or private sale, or exchange, transfer, or convey, on such terms and conditions, and at such time or times as the Liquidating Trust Administrator shall determine, any or all of the Liquidating Trust Assets (subject to the terms of the VF Asset Purchase Agreement); to that end, grant options, make contracts, retain brokers, and sign, seal, acknowledge, and deliver any and all proper deeds, or other instruments of conveyance or transfer thereof; and delegate to an attorney-in-fact the power to execute all documents necessary to accomplish a sale, lease, transfer, or exchange of such property;

(o) Obtain and maintain such space, facilities, equipment, supplies and personnel as shall be reasonably necessary for the performance of the Liquidating Trust Administrator's duties hereunder and under the Plan and Confirmation Order;

(p) Pay all expenses and obligations of the Liquidating Trust, including professional fees, out of the Liquidating Trust Assets;

(q) Retain counsel or special counsel, financial advisor or accountant, and employ other individuals in connection with the administration of the liquidation, and pay all

reasonable and necessary costs of any litigation directly or indirectly involving the Debtors or the Estates, Retained Causes of Action or the Liquidating Trust Assets;

(r) Consult regularly with and provide information to the Advisory Board at such times and with respect to such issues relating to the conduct of the Liquidating Trust as is appropriate;

(s) Prepare and deliver written statements or notices, quarterly or otherwise, required by law or by the terms of this Agreement to be delivered to Beneficiaries and the Advisory Board;

(t) Exercise all powers regarding the Debtors' tax matters, including filing tax returns, to the same extent as if the Liquidating Trust Administrator were the debtor in possession provided, however, that the Debtors' professionals, Marcum, LLP, have authority to prepare and file the tax returns for fiscal year 2010 and Michael Ball has authority to execute the 2010 returns on behalf of the Debtors;

(u) When all Disputed Claims filed against the Debtors have become Allowed Claims or have been disallowed by Final Order, and all of the Liquidating Trust Assets have been liquidated and distributed in accordance with the Plan, seek authority from the Bankruptcy Court to close the Chapter 11 Cases in accordance with the Bankruptcy Code and the Bankruptcy Rules;

(v) If at any time the Liquidating Trust Administrator determines, in reliance upon such professionals as the Liquidating Trust Administrator may retain and with the consent of the Advisory Board, that the expense of administering the Liquidating Trust so as to make a final distribution to the Beneficiaries is likely to exceed the value of the assets remaining in the Liquidating Trust, the Liquidating Trust Administrator shall apply to the Bankruptcy Court for authority to (i) reserve any amounts necessary to close the Chapter 11 Cases, (ii) donate any balance to a charitable organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code that is unrelated to the Rock & Republic Liquidating Trust, the Liquidating Trust Administrator and Ball, and (iii) close the Chapter 11 Cases in accordance with the Bankruptcy Code and Bankruptcy Rules;

(w) Hold legal title to any and all rights of the Beneficiaries in or arising from the Liquidating Trust or Liquidating Trust Assets;

(x) Execute and file any and all documents, regulatory filings and transfer applications and take any and all other actions related to, or in connection with, the liquidation of the Liquidating Trust, the exercise of the Liquidating Trust Administrator's powers granted herein and the enforcement of any and all instruments, contracts, agreements or causes of action relating to the Liquidating Trust or the Liquidating Trust Assets;

(y) Open and maintain bank accounts and deposit funds, draw checks and make disbursements in accordance with this Agreement and the Plan;

(z) File, if necessary, any and all tax and information returns with respect to the Liquidating Trust treating the Liquidating Trust as a grantor trust pursuant to Section 1.671-

4(a) of the Treasury Regulations and pay taxes properly payable by the Liquidating Trust, if any, and make distributions to Beneficiaries net of any such taxes;

(aa) In the event the Liquidating Trust Administrator determines that any of the Beneficiaries or the Trust may, will or has become subject to adverse tax consequences, take such actions that in his reasonable discretion will, or are intended to, alleviate such adverse tax consequences, such as dividing the Liquidating Trust Assets into several trusts or other structures and/or paying certain Beneficiaries in a manner different than that originally contemplated hereunder (but not otherwise inconsistent with the provisions of this Agreement or the Plan);

(bb) Withhold from the amount distributable to any Entity such amount as may be sufficient to pay any tax or other charge which the Liquidating Trust has determined, in his reasonable discretion, may be required to be withheld therefrom under the income tax laws of the United States or of any state or political subdivision thereof. In the exercise of his discretion and judgment, the Liquidating Trust Administrator may enter into agreements with taxing or other governmental authorities for the payment of such amounts as may be withheld in accordance with the provisions hereof;

(cc) Seek any relief from or resolution of any disputes by the Bankruptcy Court;

(dd) Appear and participate in any proceeding before the Bankruptcy Court with respect to any matter regarding or relating to this Agreement, the Plan, VF Asset Purchase Agreement, Confirmation Order or Liquidating Trust; and

(ee) Otherwise take such other actions as shall be necessary to implement the Plan, VF Asset Purchase Agreement, Confirmation Order, the terms of this Agreement, wind down the Debtors' affairs and effect the closing of the Chapter 11 Cases or to carry out its obligations and to exercise its rights in accordance with and subject to the Plan and Confirmation Order and shall perform all of the duties, responsibilities and obligations as set forth in this Agreement.

5.6 Limitation on Liquidating Trust Administrator's Authority.

(a) Notwithstanding Section 5.5, the Liquidating Trust Administrator shall procure approval by a unanimous vote of the members of the Advisory Board prior to (i) taking any action with respect to a Liquidating Trust Asset (including settling or selling) having a value of \$100,000 or more, (ii) commencing any litigation, other than objections to Disputed Claims or Avoidance Actions, or making any settlement with respect to any Retained Cause of Action, or such litigation, in connection with which there is a recovery (or potential recovery) to the Liquidating Trust of \$100,000 or more, (iii) settling any Disputed Claim for an amount of \$100,000 or more or (iv) taking any action that would give rise to or alleviate adverse tax consequences to the Liquidating Trust or the Beneficiaries, provided, however, in the event the Advisory Board fails to approve any of the above action by a unanimous vote, the matter may be submitted to the Bankruptcy Court for approval of such action.

(b) The Liquidating Trust Administrator will consult with the Advisory Board on a regular basis, but in no event less than on a monthly basis, and inform the Advisory Board

of actions that the Liquidating Trust Administrator is pursuing and is planning to pursue in connection with the discharge of the Liquidating Trust Administrator's duties hereunder. Except as provided herein, the Liquidating Trust Administrator will exercise independent business judgment with respect to the administration of the Liquidating Trust.

5.7 Estimation of Claims. The Liquidating Trust Administrator may at any time request that the Bankruptcy Court estimate any Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether any of the Debtors, the Post Effective Date Debtors, or the Liquidating Trust Administrator previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection (for the avoidance of doubt, however, to the extent a Claim has been Allowed by a Bankruptcy Court order, such Claim is no longer subject to estimation), 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 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 Liquidating Trust Administrator may pursue supplementary proceedings to object to the allowance of such Claim. All of the aforementioned objection, estimation, and resolution procedures are intended to be cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court, provided, however, any Claim settled for an amount in excess of \$100,000 would be subject to prior unanimous approval by the Advisory Board.

5.8 Limitations on Liquidating Trust Administrator's and Advisory Board's Liabilities. The Liquidating Trust Administrator, the members of the Advisory Board or any professional retained by the Liquidating Trust Administrator shall not be responsible, or shall not have any liability whatsoever to any person for any loss or liability the Debtors or the Estates may sustain or incur, except as otherwise provided in Section 5.12 of this Agreement.

5.9 Selection of Agents. The Liquidating Trust Administrator may select and employ, and determine compensation for, law firms, brokers, consultants, custodians, investment advisors, asset services, auditors, accountants, and other agents as the Liquidating Trust Administrator deems necessary (collectively, the "Trustee Professionals") to assist it in carrying out his duties, with the reasonable fees and expenses of such professionals to be paid by the Liquidating Trust. It is agreed that (a) [●] shall act as general counsel to the Liquidating Trust Administrator, (b) [●] shall act as financial advisor to the Liquidating Trust Administrator (c) Todtman, Nachamie, Spizz & Johns, P.C. ("TNSJ") shall act as counsel to the Liquidating Trust Administrator in connection with the Claims objection relating to 144 Spring Realty, LLC, (d) TNSJ and Manderson, Schafer & McKinlay LLP shall act as counsel to the Liquidating Trust Administrator in connection with the Claims objection relating to Simms Sigal and Co. Ltd., (e) TNSJ and Coleman Frost LLP ("Coleman Frost") shall act as counsel to the Liquidating Trust Administrator in connection with the Claim objection relating to New Pacific Rodeo LLC, and (f) Marcum LLP shall act as the accountants to the Liquidating Trust Administrator relating to the preparation and filing of the tax returns for fiscal year 2010. Subject to the Plan and to Section 5.16 of this Agreement, the Liquidating Trust Administrator may pay the salaries, fees,

and expenses of such persons or firms out of the Liquidating Trust Assets. The Liquidating Trust Administrator shall not be liable for any loss to the Debtors or their Estates or any person interested therein by reason of any mistake or default of any such agent or consultant.

5.10 Signature. As of the Effective Date of the Plan, the Liquidating Trust Administrator shall have the signature power and authority on behalf of the Liquidating Trust and the Debtors or Post Effective Date Debtors (as applicable) to (a) open and close accounts with any banking, financial or investment institution; (b) make deposits and withdrawals of cash and other property into or from any such account; (c) make or endorse checks with respect to any such account; and (d) effectuate purchases and sales of securities and give security purchase and sale orders to brokers or any other third parties, and the exercise of such power and authority shall be deemed to be authorized by and to represent the decision of the Liquidating Trust Administrator then entitled to make such decision.

5.11 Maintenance of Register. The Liquidating Trust Administrator shall at all times maintain or cause to be maintained a register of the names, addresses, and amount of the Beneficiaries.

5.12 Liability of Liquidating Trust Administrator.

(a) Liability; Indemnification. The Liquidating Trust Administrator, the Trustee Professionals, the Liquidating Trust Administrator's agents and servants, and any of the members of the Advisory Board shall not in any way be liable for any acts or omissions to act except by reason of their gross negligence, willful misconduct, fraud or a criminal act in the performance of their duties under the Plan, Confirmation Order, VF Purchase Agreement or this Agreement. The Liquidating Trust shall indemnify the Liquidating Trust Administrator, the Trustee Professionals, the Liquidating Trust Administrator's agents and servants, and any of the members of the Advisory Board and hold them harmless from and against any and all liabilities, expenses, claims, damages and losses incurred by them as a direct result of actions taken or omissions to act by them in such capacity or otherwise related to this Agreement or the Liquidating Trust. The Liquidating Trust shall indemnify and hold harmless any Entity who was, or is, a party, or is threatened to be made a party, to any pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such Entity is or was the Liquidating Trust Administrator, a Trustee Professional, the Liquidating Trust Administrator's agent or servant, or a member of the Advisory Board, against all costs, expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by such Entity in connection with such action, suit or proceeding, or the defense or settlement of any claim, issue or matter therein, to the fullest extent permitted by applicable law, except in the case of the Liquidating Trust Administrator, if such costs and expenses, judgments, fines or amounts paid in settlement are found in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from the Liquidating Trust Administrator's gross negligence or willful misconduct. Costs or expenses incurred by any Entity entitled to the benefit of the provisions of this Section 5.12 in defending any such action, suit or proceeding may be paid by the Liquidating Trust in advance of the institution or final disposition of such action, suit or proceeding, if authorized by the Liquidating Trust Administrator, subject to providing an undertaking to repay all such advanced amounts if it is subsequently determined that such Entity is not entitled to indemnification under this Section 5.12. Any dispute regarding

such indemnification of the Liquidating Trust Administrator shall be resolved only by the Bankruptcy Court, which shall retain jurisdiction over matters relating to the indemnification provided under this Section 5.12. The Liquidating Trust Administrator may in its discretion purchase and maintain insurance on behalf of any Entity who is or was a beneficiary of this provision. Promptly after receipt by an indemnified party or parties (the “Indemnified Party”) of notice of any claim, or notice of commencement of any action, suit or proceeding by an Entity other than the Liquidating Trust Administrator, in respect of which the Indemnified Party may seek indemnification from the Liquidating Trust pursuant to this Section 5.12, the Indemnified Party, if not the Liquidating Trust, shall notify the Liquidating Trust Administrator of such claim, action, suit or proceeding and shall thereafter promptly convey all further communications and information in respect thereof to the Liquidating Trust Administrator. If the Indemnified Party is the Liquidating Trust Administrator, the Liquidating Trust Administrator shall notify the Bankruptcy Court of such claim, action, suit or proceeding and shall thereafter promptly convey all further communications and information in respect thereof to the Bankruptcy Court. The Liquidating Trust Administrator shall, if it so elects, have sole control at the expense of the Liquidating Trust over the contest, settlement, adjustment or compromise of any claim, action, suit or proceeding in respect of which this Section 5.12 requires that the Liquidating Trust indemnify the Indemnified Party. If the Liquidating Trust Administrator is the Indemnified Party, he shall obtain the written approval of Bankruptcy Court before settling, adjusting or compromising any claim, action suit or proceeding in respect of which this Section 5.12 requires that the Liquidating Trust indemnify the Indemnified Party. The Indemnified Party shall cooperate with the reasonable requests of the Liquidating Trust Administrator in connection with such contest, settlement, adjustment or compromises, provided that (i) the Indemnified Party may, if it so elects, employ counsel at its own expense to assist in (but not control) the handling of such claim, action, suit or proceeding, (ii) the Liquidating Trust Administrator shall obtain the prior written approval of the Indemnified Party before entering into any settlement, adjustment or compromise of such claim, action, suit or proceeding, or ceasing to defend against such claim, action, suit or proceeding, if pursuant thereto or as a result thereof injunction or other relief would be imposed upon the Indemnified Party, and (iii) the Indemnified Party shall obtain the prior written approval of the Liquidating Trust Administrator, or, if the Liquidating Trust Administrator is the Indemnified Party, the prior written approval of the Bankruptcy Court, before entering into any settlement, adjustment or compromise of such claim, action, suit or proceeding, or ceasing to defend against such claim, action, suit or proceeding, and no such settlement, adjustment or compromise shall be binding on the Liquidating Trust without such approval.

(b) No Liability for Acts of Predecessor. No successor Liquidating Trust Administrator shall be in any way responsible for the acts or omissions of any Liquidating Trust Administrator in office prior to the date on which such person becomes a Liquidating Trust Administrator, nor shall he be obligated to inquire into the validity or propriety of any such act or omission, unless such successor Liquidating Trust Administrator expressly assumes such responsibility. Any successor Liquidating Trust Administrator shall be entitled to accept as conclusive any final accounting and statement of the Liquidating Trust Assets furnished to such successor Liquidating Trust Administrator by such predecessor Liquidating Trust Administrator and shall further be responsible only for those Liquidating Trust Assets included in such statement.

(c) No Implied Obligations. The Liquidating Trust Administrator shall not be liable except for the performance of such duties and obligations as are specifically set forth herein, in the Plan and Confirmation Order or specified in written instructions or directions delivered to the Liquidating Trust Administrator by the Advisory Board, and no other or further covenants or obligations shall be implied into this Agreement. The Liquidating Trust Administrator shall not be responsible in any manner whatsoever for the correctness of any recitals, statements, representations, or warranties herein or in any documents or instrument evidencing or otherwise constituting a part of the Liquidating Trust Assets. The Liquidating Trust Administrator makes no representations as to the value of the Liquidating Trust Assets or any part thereof, nor as to the validity, execution, enforceability, legality, or sufficiency of this Agreement; and the Liquidating Trust Administrator shall incur no liability or responsibility with respect to any such matters.

(d) Reliance by Liquidating Trust Administrator on Documents or Advice of Counsel or Other Entities. Except as otherwise provided herein, the Liquidating Trust Administrator may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, and other paper or document reasonably believed to be genuine and to have been signed or presented by the proper party or parties, and shall have no liability or responsibility with respect to the form, execution, or validity thereof. None of the provisions hereof shall require the Liquidating Trust Administrator to expend or risk his own funds or otherwise incur financial liability or expense in the performance of any duties hereunder.

(e) No Personal Obligation for Debtors' Liabilities. Claimholders and other persons dealing with the Liquidating Trust Administrator in his capacity as Liquidating Trust Administrator within the scope of this Agreement, shall look solely to the Liquidating Trust Assets to satisfy any liability incurred by the Liquidating Trust Administrator to such person in carrying out the terms of this Agreement, and the Liquidating Trust Administrator shall have no personal or individual obligation to satisfy any such liability.

5.13 Establishment of Trust Accounts. The Liquidating Trust Administrator may establish or cause to be established and maintained any accounts needed in connection with the purposes of the Liquidating Trust (the "Trust Account"). Such accounts shall be maintained only at FDIC insured financial institutions and shall bear a designation clearly indicating that the funds deposited therein are held for the benefit of the Rock & Republic Liquidating Trust.

5.14 Investment of Cash. (a) Cash in the Trust Accounts and any other amounts contemplated by this Agreement shall be maintained in United States dollars or shall be invested by the Liquidating Trust Administrator in (i) direct obligations of, or obligations guaranteed by, the United States of America, (ii) obligations of any agency or corporation that is or may hereafter be created by or pursuant to an act of Congress of the United States of America as an agency or instrumentality thereof, or (iii) such other obligations or instruments as may from time to time be permitted under section 345 of the Bankruptcy Code; provided that the Liquidating Trust Administrator may, to the extent necessary to implement the provisions of the Plan and this Agreement, deposit moneys in demand deposits, time accounts or checking accounts at any banking institution or trust company having combined capital stock and surplus in excess of \$100,000,000 based upon its most recently available audited financial statements,

regardless of whether such investments and deposits are insured or as otherwise provided in Section 5.13 above. Such investments shall mature in such amounts and at such times as the Liquidating Trust Administrator, in his discretion, shall deem appropriate to provide funds when needed to transfer funds in accordance with the Plan and Confirmation Order, make payments to the Trust Accounts or make Distributions in accordance with this Agreement and the Plan and Confirmation Order. The Liquidating Trust may not retain cash or cash equivalents in excess of a reasonable amount to meet claims and contingent liabilities or to maintain the value of the Liquidating Trust Assets in liquidation or maintain or fund on adequate and sufficient reserve.

5.15 Tax Returns. From and after the Effective Date, to the extent required, the Liquidating Trust Administrator shall be responsible for the filing of any and all federal and state tax returns or other filings as required by law to be filed on behalf of the Liquidating Trust. Such returns shall be consistent with the treatment of the Liquidating Trust as a grantor trust pursuant to Section 1.671-4(a) of the Treasury Regulations. The Liquidating Trust Administrator shall (a) complete and file as soon as possible, to the extent not previously filed, the Debtors' final federal, state, and local tax returns, (b) request an expedited determination of any unpaid tax liability of the Debtors under section 505(b) of the Bankruptcy Code for all tax periods of the Debtors ending after the Petition Date through the liquidation of the Debtors as determined under applicable tax laws, to the extent not previously requested, and (c) represent the interest and account of the Debtors before any taxing authority in all matters, including, but not limited to, any action, suit, proceeding, or audit. Marcum, LLP has authority to prepare and file the tax returns for fiscal year 2010 (upon the prior review and consent by the Liquidating Tax Administrator) and Michael Ball has authority to execute the 2010 returns on behalf of the Debtors. In the event Michael Ball is unavailable or unwilling to execute the 2010 tax returns, the Liquidating Trust Administrator has authority to execute the 2010 returns on behalf of the Debtors.

5.16 Compensation for Liquidating Trust Administrator. The Liquidating Trust Administrator shall be paid on an hourly basis plus actual out-of-pocket expenses, to be paid monthly from the Liquidating Trust Assets, pursuant to Section 5.18 and related provisions of this Agreement.

5.17 Reimbursements. The Liquidating Trust Administrator, any agents or consultants employed pursuant to this Agreement, Trustee Professionals and members of the Advisory Board shall be reimbursed from the Liquidating Trust Assets for all reasonable out-of-pocket expenses incurred in the performance of their duties hereunder in addition to any compensation received pursuant to Section 5.18 and related provisions of this Agreement.

5.18 Reimbursement of the Liquidating Trust Administrator's and Trustee Professionals' Fees and Expenses. Pursuant to the terms of the Plan, Confirmation Order and this Agreement, the Liquidating Trust Administrator may pay from the Liquidating Trust Assets all reasonable fees and expenses incurred in connection with the duties and actions of the Liquidating Trust Administrator, including, but not limited to, fees and expenses of any Trustee Professionals retained under this Agreement and fees and expenses to pay insurance, taxes and other expenses arising in the ordinary course of business in maintaining, liquidating, disposing of and the distribution of the Liquidating Trust Assets and compensation to the Liquidating Trust Administrator. The Liquidating Trust Administrator may also pay fees and expenses allowed by

the Bankruptcy Court of the Debtors and the Creditors' Committee arising from the prosecution or objection of any final fee applications filed by any of the Debtors' or the Creditors' Committee's professionals in accordance with the Plan. The Trustee Professionals shall prepare monthly statements in the same manner and in the same detail as required during the Chapter 11 Cases, and the Trustee Professionals shall serve such statements on the Liquidating Trust Administrator and each member of the Advisory Board. The Liquidating Trust Administrator may pay all such reasonable fees and expenses without Bankruptcy Court approval, provided, however, in the event a member of the Advisory Board timely objects to the reasonableness of such fees and expenses, the matter shall be submitted to the Bankruptcy Court for approval of the reasonableness of such fees and expenses.

5.19 The Advisory Board. The Advisory Board will advise the Liquidating Trust Administrator and make certain determinations regarding the administration and liquidation of the Liquidating Trust Assets in consultation with the Liquidating Trust Administrator. Unless otherwise specified herein, approval of a majority of the members of the Advisory Board shall be required for the Advisory Board to act or provide instructions, directions, consents or approvals to the Liquidating Trust Administrator hereunder. The members of the Advisory Board shall be deemed to be third-party beneficiaries of this Agreement.

ARTICLE VI

Beneficiary

6.1 Identification of Beneficiaries. The Trust is created for the benefit of the Beneficiaries. The Beneficiaries shall each have an undivided beneficial interest in the assets of the Liquidating Trust ("Beneficial Interest"). The Beneficiaries are those parties holding Allowed Claims (and, after the full and final satisfaction of all Allowed General Unsecured Claims and Allowed Subordinated Claims, the holders of the Existing Equity Interests). The initial Beneficiaries are those parties holding Claims (other than Claims that have been disallowed, extinguished or expunged by Final Order) against the Debtor as of the Effective Date. The initial Beneficiaries of the Liquidating Trust shall be based on the claims register as maintained by the Debtors' claims agent, Donlin, Recano & Company, Inc. (other than those Claims that have been disallowed, extinguished or expunged by Final Order). If such Claims are disallowed, extinguished or expunged by Final Order, such Beneficiary shall no longer be a Beneficiary hereunder.

6.2 Rights of Beneficiaries. Each Beneficiary shall be entitled to participate in the rights due to a Beneficiary hereunder and the Plan. Each Beneficiary shall take and hold its Beneficial Interest subject to all in the terms and provisions of this Agreement and the Plan. The Beneficial Interests shall not be certificated and shall not be transferable, assignable, pledged or hypothecated in whole or in part. No Beneficiary shall have legal title to any part of the Liquidating Trust Assets. Any such transfer shall not be effective. The interest of a Beneficiary of the Liquidating Trust is in all respects personal property, and upon the death, insolvency or incapacity of an individual Beneficiary, such Beneficiary's Beneficial Interest shall pass to the legal representative of such Beneficiary. A Beneficiary shall have no title to, or any right to possess, manage or control, the Liquidating Trust Assets, or any portion thereof or interest

therein, except as expressly provided herein. No surviving spouse, heir or devisee of any deceased Beneficiary shall have any right of dower, homestead or inheritance, or of partition, or any other right, statutory or otherwise, in the Liquidating Trust Assets, but the whole title to all the Liquidating Trust Assets shall be vested in the Liquidating Trust Administrator and the sole interest of the Beneficiaries shall be the rights and benefits provided to such persons under this Agreement and the Plan.

6.3 Payments to Non-Beneficiaries. Holders of Allowed Administrative Claims, Allowed Professional Compensation and Reimbursement Claims, Allowed Priority Tax Claims, Allowed Priority Non-Tax Claims and Allowed Other Secured Claims shall be paid by the Liquidating Trust in accordance with the Plan but shall not be deemed Beneficiaries of the Liquidating Trust. For the avoidance of doubt, holders of Allowed Factoring Agreement Claims and Allowed RKF Loan Claims shall be paid on the Effective Date by the Debtors pursuant to the Sale Consideration Allocation and will not receive any Distribution from the Liquidating Trust.

ARTICLE VII

Distributions

7.1 Establishment of Reserves. As soon as practicable after the Effective Date, the Liquidating Trust Administrator shall establish and maintain on an ongoing basis, the Claim Reserve Fund in an amount sufficient to pay in full all Disputed Claims. As soon as practicable after the Effective Date, the Liquidating Trust Administrator shall establish and maintain on an ongoing basis, a reserve account (the “Administrative Reserve”) to fund all reasonably anticipated costs and expenses of administering the Liquidating Trust, including without limitation, administrative expenses of the Liquidating Trust and the reasonable fees, reasonable costs and reasonable expenses of all Trustee Professionals.

7.2 Distributions.

(a) The Liquidating Trust Administrator shall make Distributions from the Liquidating Trust to Beneficiaries as holders of Allowed Claims (and, after the full and final satisfaction of all Allowed General Unsecured Claims and Allowed Subordinated Claims, the holders of the Existing Equity Interests) pursuant to the terms hereof, the Plan and Confirmation Order; provided, however that unless otherwise not practicable the Liquidating Trust Administrator shall make at least one Distribution to Beneficiaries prior to each anniversary of the Effective Date. Subject to the preceding sentence the Liquidating Trust Administrator shall make subsequent Distributions under the Plan and Confirmation Order at such times and in such amounts as required thereby and shall make such additional Distributions as the Liquidating Trust Administrator shall in his discretion deem appropriate in accordance with the Plan and Confirmation Order. Except as otherwise set forth in the Plan or Confirmation Order, the Liquidating Trust Administrator may, but shall not be required to, set-off against any Claim and the Distributions to be made pursuant to the Plan in respect of such Claim, Retained Causes of Action the Debtors or the Estates may have against the holder of the Claim, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtor or the Liquidating Trust Administrator of such Retained Causes of Action, set-off or

recoupment which the Debtors, the Estates or the Liquidating Trust Administrator may have against such holder. Any disputes concerning the administration of the Liquidating Trust or the implementation of the distributions of the Liquidating Trust Assets as provided in the Plan shall be brought before the Bankruptcy Court for resolution.

(b) Notwithstanding anything contained to the contrary in Section 7.1(a) of this Agreement and subject to Section 7.1(c) of this Agreement, the Liquidating Trust Administrator shall periodically make, but no later than once a quarter if the conditions of this Section 7.1(b) are satisfied, distributions to Existing Equity Interests of the funds in excess of the combined amount of the Claim Reserve Fund and the Administrative Reserve if and when the Liquidating Trust Administrator deems in the exercise of its reasonable judgment that the combined amount of the Claim Reserve Fund and the Administrative Reserve is sufficient to meet one-hundred and twenty-five percent (125%) of the obligations for which such funds are reserved in the Claim Reserve Fund and the Administrative Reserve. Solely by way of example, if the combined amount of the Claim Reserve Fund and the Administrative Reserve is determined to be five million dollars (\$5,000,000), and the Liquidating Trust has seven million dollars (\$7,000,000) in cash assets, the Liquidating Trust Administrator shall make an a periodic distribution of seven hundred and fifty thousand dollars (\$750,000) to Existing Equity Interests (e.g. \$7,000,000 less \$5,000,000 times 125%). Solely by way of further example, if the Liquidating Trust Administrator later determines the combined amount of the Claim Reserve Fund and the Administrative Reserve is two million dollars (\$2,000,000), and the Liquidating Trust has three million dollars (\$3,000,000) in cash assets, the Liquidating Trust Administrator shall make an a periodic distribution of five hundred thousand dollars (\$500,000) to Existing Equity Interests (e.g. \$3,000,000 less \$2,000,000 times 125%).

(c) The Liquidating Trust Administrator shall have the right to seek recovery from and otherwise clawback from the holders of Existing Equity Interests an amount equal to the amount distributed pursuant to Section 7.1(b) of this Agreement to the extent that it is later determined that the Claim Reserve Fund and the Administrative Reserve were insufficient to satisfy the obligations for which such reserves were established (such amount, the “Reserve Shortfall”). The Liquidating Trust Administrator is not entitled to recover from and otherwise clawback from Existing Equity Interests any amount greater than the Reserve Shortfall.

7.3 Legal Proceedings. If any Retained Causes of Action are asserted and if such claims or any other legal proceedings are initiated or prosecuted against any Creditor pursuant to the Plan, Confirmation Order or this Agreement or asserted as an objection to any Claim, then notwithstanding anything to the contrary contained in the Plan or Confirmation Order, until such proceeding or contested matter is finally resolved and all payments to the Debtors’ Estates required by such resolution have been made, such Creditor shall only receive Distributions under the Plan or Confirmation Order to the extent that the distributions to which such Creditor is otherwise entitled exceed the maximum liability of such Creditor to the Debtors’ Estates asserted in such proceedings.

7.4 De Minimis Distributions. Notwithstanding any other provision of the Plan, the Confirmation Order or this Agreement, the Liquidating Trust shall have no obligation to make a distribution on account of an Allowed Claim to a specific holder of an Allowed Claim if the amount to be distributed to that holder (1) does not constitute a final Distribution to such

holder and (2) is less than \$1,000.00. Any undistributed amount shall be held over to the next subsequent Distribution date and, if the amount to be distributed to the holder would never exceed \$25.00, such holder shall be excluded from receiving a Distribution. In addition, the Liquidating Trust reserves the right to request subsequent relief from the Bankruptcy Court to exclude holders or Beneficiaries from the final Distribution under the Plan to the extent that the amounts otherwise distributable to such claimholders or Beneficiary in connection with such final Distribution would be de-minimis or create undue administrative expense.

ARTICLE VIII

Removal or Resignation of Liquidating Trust Administrator

8.1 Removal of Liquidating Trust Administrator. The Liquidating Trust Administrator appointed pursuant to the Plan, Confirmation Order and this Agreement may be removed for cause upon order of the Bankruptcy Court after notice and opportunity for a hearing. If a Liquidating Trust Administrator is removed for cause, such Liquidating Trust Administrator shall not be entitled to any accrued but unpaid fees, reimbursements or other compensation under this Agreement or otherwise. For purposes of this Agreement, the term “cause” shall mean (a) the Liquidating Trust Administrator’s gross negligence, willful misconduct or willful failure to perform his duties under the Plan, the Confirmation Order and this Agreement or (b) the Liquidating Trust Administrator’s misappropriation or embezzlement of any Liquidating Trust Assets or the proceeds thereof. If the Liquidating Trust Administrator is removed by the Bankruptcy Court other than for “cause”, or is unwilling or unable to serve (a) by virtue of his inability to perform his duties under this Agreement due to death, illness, or other physical or mental disability, (b) by virtue of appointment of a new Liquidating Trust Administrator by a majority vote of the reconstituted Advisory Committee following the satisfaction of all Allowed Claims (including the full and final satisfaction of all Allowed General Unsecured Claims and Allowed Subordinated Claims), or (c) for any other reason whatsoever other than for “cause,” subject to a final accounting, the Liquidating Trust Administrator shall be entitled to all accrued and unpaid fees, reimbursement, and other compensation, to the extent incurred or arising or relating to events occurring before such removal, and to any out-of-pocket expenses reasonably incurred in connection with the transfer of all powers and duties and all rights to any successor Liquidating Trust Administrator.

8.2 Resignation of Liquidating Trust Administrator. The Liquidating Trust Administrator may resign as Liquidating Trust Administrator at any time by giving prior written notice thereof to the Advisory Board (the “Notice”); provided, however, that such resignation shall not be effective earlier than thirty (30) days after the date of such Notice, unless an earlier effective date is allowed by the Bankruptcy Court or by the Advisory Board. If the Liquidating Trust Administrator resigns from his position hereunder, subject to a final accounting, he shall be entitled to all accrued unpaid fees, reimbursement, and other compensation to the extent incurred or arising or relating to events occurring before such resignation, and any out-of-pocket expenses reasonably incurred in connection with the transfer of all powers and duties to the successor Liquidating Trust Administrator.

8.3 Successor Liquidating Trust Administrator. In the event that the Liquidating Trust Administrator is removed, resigns, or otherwise ceases to serve as Liquidating

Trust Administrator, a successor Liquidating Trust Administrator shall be appointed by a majority vote of the Advisory Board, subject to approval by the Bankruptcy Court, after appropriate notice to the Office of the United States Trustee. In the event the Advisory Board is unwilling or unable to designate any such successor, the Bankruptcy Court shall make such designation.

ARTICLE IX

Effect of Agreement on Third Parties

9.1 There is no obligation on the part of any person dealing with the Debtors' Estates, the Debtors, or the Liquidating Trust Administrator, any agent, servant or professional of the Liquidating Trust Administrator, or any member of the Advisory Board to see to the application of the money or other consideration paid or delivered to the Liquidating Trust Administrator, or any agent of the Liquidating Trust Administrator, or to inquire into the validity, expediency, or propriety of any such transaction, or the authority of the Liquidating Trust Administrator, or any agent of the Liquidating Trust Administrator, to enter into or consummate the same, except upon such terms as the Liquidating Trust Administrator may deem advisable.

ARTICLE X

Waiver

10.1 No failure or delay of any party to exercise any right or remedy pursuant to this Agreement shall affect such right or remedy or constitute a waiver by such party of any right or remedy pursuant thereto. Resort to one form of remedy shall not constitute a waiver of alternative remedies.

ARTICLE XI

Termination of Agreement and Amendment

11.1 Termination of Agreement. This Agreement (other than Section 5.12, 5.18 and related provisions) shall terminate and the Liquidating Trust shall dissolve and terminate and be of no further force or effect upon the earlier to occur of (i) the final Distribution of all monies and other Liquidating Trust Assets in accordance with the terms of this Agreement, the Plan and Confirmation Order and (ii) entry of a Final Order of the Bankruptcy Court terminating and dissolving the Liquidating Trust as provided under the Plan. The Liquidating Trust will terminate no later than the third (3rd) anniversary of the Effective Date, provided, however, that, on or prior to the date six (6) months prior to such termination, the Bankruptcy Court, upon motion by the Liquidating Trust Administrator or a party in interest, may extend the term of the Liquidating Trust for a fixed period if it is necessary to facilitate or complete the liquidation and distribution of the Liquidating Trust Assets. Notwithstanding the foregoing, additional extensions can be obtained so long as Bankruptcy Court approval is obtained at least six (6) months prior to the expiration of each previously extended term; provided, however, that the aggregate of all such extensions shall not exceed five (5) years, unless the Liquidating Trust

Administrator receives a favorable ruling from the Internal Revenue Service that any further extension would not adversely affect the status of the Liquidating Trust as a grantor trust for federal income tax purposes. The Liquidating Trust Administrator will not unduly prolong the duration of the Liquidating Trust and will at all times endeavor to resolve, settle or otherwise dispose of all Claims and the Liquidating Trust Assets, to effect Distributions to Beneficiaries in accordance with the terms hereof, the Plan and Confirmation Order and to terminate the Liquidating Trust as soon as practicable in a prompt and timely fashion. In the event that the Liquidating Trust Administrator elects to terminate the Liquidating Trust, he shall provide twenty (20) days notice thereof to the Office of United States Trustee, the Advisory Board and Ball Representative, and file such notice with the Bankruptcy Court and upon such termination, the Liquidating Trust Administrator shall cease to act as the Liquidating Trust Administrator and the Advisory Board shall be disbanded such that neither the Liquidating Trust Administrator nor the members of the Advisory Board shall have any further duties or responsibilities under the Agreement or otherwise.

11.2 Amendment of Agreement. Except as otherwise set forth herein, any provisions of this Agreement may be amended, modified, terminated, revoked, or altered only in writing by the Liquidating Trust Administrator and a unanimous vote of the members of the Advisory Board or order by the Bankruptcy Court. Notwithstanding this Section 11.2, any amendments to this Agreement shall not be inconsistent with the purpose and intention of the Liquidating Trust to liquidate in an expeditious but orderly manner the Trust Assets in accordance with Treasury Regulations Section 301.7701-4(d) and Articles II and III hereof.

ARTICLE XII

Miscellaneous

12.1 Intention of Parties to Establish the Liquidating Trust. This Agreement is not intended to create, and shall not be interpreted as creating, an association, partnership or joint venture of any kind. It is intended as a trust to be governed and construed in all respects as a trust.

12.2 Filing Documents. A copy of this Agreement and all amendments thereof shall be maintained in an office or residence of the Liquidating Trust Administrator and shall be available for inspection.

12.3 Books and Records. On the date hereof, the Debtors shall transfer to the Liquidating Trust all of the books and records of the Debtors in the Debtors' possession (other than the Purchased Assets transferred to VF in accordance with the VF Asset Purchase Agreement), and shall instruct any third parties or professionals possessing such books and records (including computer generated or computer maintained books, records and data, legal and accounting files maintained by any professional of the Debtors and other of the Debtors' books and records maintained by or in the possession of third parties), to turn over or permit access to (at the election of the party to whom the request is made) such books and records as may be reasonably requested by the Liquidating Trust Administrator, provided that the Liquidating Trust Administrator shall only request such books and records or access thereto to the extent reasonably necessary to the Liquidating Trust Administrator's performance of his

duties hereunder, provided, further, that the out of pocket expenses of complying with any such request shall not be borne by the party upon whom the request is made, absent agreement to the contrary. The Liquidating Trust Administrator shall provide VF with access to the Debtors' books and records as required pursuant to the terms of the VF Asset Purchase Agreement.

12.4 Tax Identification Numbers. The Liquidating Trust Administrator may require any Beneficiary to furnish to the Liquidating Trust Administrator, (i) its employer or taxpayer identification number as assigned by the Internal Revenue Service, and (ii) such other information, records or documents necessary to satisfy the Liquidating Trust Administrator's tax reporting obligations (including certificates of non-foreign status). The Liquidating Trust Administrator may condition the payment of any Distribution to any Beneficiary upon receipt of such identification number and requested documents.

12.5 Privilege. The attorney-client privilege, work product doctrine or other privileges or immunities inuring to the benefit of the Debtors or attaching to documents or communications of the Debtors shall be transferred to the Liquidating Trust. The Liquidating Trust Administrator is authorized to assert or waive any such privilege or doctrine, as necessary or appropriate for the administration of the Liquidating Trust, provided that, to the extent any such privilege or doctrine is waived in connection with information requested of any professional previously employed by the Debtors, the Liquidating Trust Administrator agrees that such information request shall be made solely for the purpose of carrying out the Liquidating Trust Administrator's duties hereunder, that the Liquidating Trust Administrator shall act in good faith and shall use their best efforts to tailor as narrowly as possible any request so as not to be unduly invasive or burdensome to the professional upon whom the request is made.

12.6 Valuation of Liquidating Trust Assets. As soon as practicable after the Effective Date, the Liquidating Trust Administrator, in reliance upon such professionals as the Liquidating Trust Administrator may retain, may make a good faith valuation of the Liquidating Trust Assets. Such valuation shall be made available from time to time, to the extent relevant as reasonably determined by the Liquidating Trust Administrator in reliance on his professionals, and used consistently by all parties (including, without limitation, the Debtors, the Liquidating Trust Administrator, and Beneficiaries) for all purposes, including federal income tax purposes.

12.7 Governing Law. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

12.8 Severability. If any one or more of the provisions herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect, and of the remaining provisions, shall not be in any way impaired or affected. In such event, there shall be added as part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable. The effective date of the added provision shall be the date upon which the prior provision was held to be invalid, illegal or unenforceable.

12.9 Entire Agreement. This Agreement (including the recitals), the Plan and the Confirmation Order constitute the entire agreement of the parties and there are no representations, warranties, covenants, or obligations except as set forth herein or therein. This Agreement, the Plan, and the Confirmation Order supersede all prior and contemporaneous agreements, understandings, negotiations, and discussions, written or oral, of the parties hereto, relating to any transaction contemplated hereunder. In the event of any inconsistency between this Agreement, the Plan, and the Confirmation Order, the Confirmation Order shall govern provided, however, that the Liquidating Trust Administrator may amend, modify and/or correct the terms hereof to supersede the Plan and/or the Confirmation Order, with the approval and consent of the Bankruptcy Court. Except as otherwise specifically provided herein, nothing in this Agreement is intended or shall be construed to confer upon or to give any person other than the parties hereto and their respective heirs, administrators, executors, successors, and assigns any rights or remedies under or by reason of this Agreement.

12.10 Jurisdiction; Venue, Etc. Each party hereto irrevocably agrees that any suit, action or proceeding with respect to this Agreement shall be brought in the United States Bankruptcy Court for the Southern District of New York, and by execution and delivery of this Agreement, each party (a) irrevocably submits to each such jurisdiction and venue, (b) waives, to the fullest extent permitted by law, any objection that it may have to the laying of the venue of any such suit, action or proceeding brought in such court has been brought in an inconvenient forum, and (c) agrees that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon it and may be enforced in any court to the jurisdiction of which such party is subject by a suit upon such judgment, provided that service of process is effected as otherwise permitted by law.

12.11 Notices. Unless otherwise expressly specified or permitted by the terms hereof, any notice, request, submission, instruction or other document to be given hereunder by a party shall be in writing and shall be deemed to have been given, (a) when received if given in person, (b) upon delivery, if delivered by a nationally known commercial courier service providing next day delivery service (such as Federal Express), or (c) upon delivery, or refusal of delivery, if deposited in the U.S. mail, certified or registered mail, return receipt requested, postage prepaid:

If to the Liquidating Trust Administrator, addressed as follows:

David K. Gottlieb
Crowe Horwath LLP
15233 Ventura Boulevard, Ninth Floor
Sherman Oaks, CA 91403
Telephone: (818)325-8441
Facsimile: (818)325-8515

With a copy to:

[•]

If to the Advisory Board, addressed as follows:

[•]

If to the Ball Representative, addressed as follows:

[•]

or to such other individual or address as a party hereto may designate for itself by notice given as herein provided.

12.12 WAIVER OF JURY TRIAL. EACH PARTY TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

12.13 Further Assurances. Each Party hereto (and his respective successors and assigns) shall, upon the Liquidating Trust Administrator's reasonable request, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments, and do or cause to be done, such further acts, as may be necessary to carry out the purposes of this Agreement and to vest in the Liquidating Trust Administrator the powers and duties contemplated hereunder.

12.14 Exculpatory Provisions and Survival Thereof. Whether or not expressly therein so provided, any and all exculpatory provisions, immunities and indemnities, and any limitations and negations of liability contained in this Agreement, in each case inuring to the benefit of the Liquidating Trust Administrator, shall survive (i) the termination or revocation of this Agreement, and (ii) as to any person who has served as Liquidating Trust Administrator, the resignation or removal of such person as Liquidating Trust Administrator.

12.15 Conflicts. In the event of any inconsistency between the Plan, VF Asset Purchase Agreement or Confirmation Order, on the one hand, and this Agreement, on the other, the terms and provisions of the Plan, VF Asset Purchase Agreement or Confirmation Order shall govern.

12.16 Headings. The headings of the various Articles and Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

12.17 Successors and Assigns. All covenants and agreements contained herein shall, as applicable, be binding upon, and inure to the benefit of the Creditors' Committee, the Liquidating Trust Administrator and its successors, the Estates and the Debtors and its successors, all as herein provided.

12.18 Separate Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the undersigned have either executed and acknowledged this Agreement or caused it to be executed and acknowledged on their behalf by their duly authorized officers all as of the date first above written.

LIQUIDATING TRUST ADMINISTRATOR:

By: _____
Name: David K. Gottlieb

DEBTORS AND DEBTORS IN POSSESSION:

By: _____
Name: Michael Ball
Title: Chief Executive Officer