

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re

SECURITY NATIONAL PROPERTIES  
FUNDING III, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 11-13277 (KG)

Jointly Administered

RE: D.I. 1041

**ORDER, PURSUANT TO SECTIONS 105, 363, 365 AND 1146(a) OF THE  
BANKRUPTCY CODE, BANKRUPTCY RULES 2002, 6004, 6006 AND 9014 AND  
LOCAL RULE 6004-1, (I) APPROVING ASSET PURCHASE AGREEMENT  
EXECUTED IN CONNECTION WITH SECONDARY TRANSACTION, (II)  
AUTHORIZING THE SALE, TRANSFER AND CONVEYANCE OF ACQUIRED  
ASSETS FREE AND CLEAR OF ALL ENCUMBRANCES OTHER THAN  
PERMITTED ENCUMBRANCES, (III) AUTHORIZING ASSUMPTION AND  
ASSIGNMENT OF ASSIGNED CONTRACTS AND LEASES, (IV) AUTHORIZING  
DEBTORS AND NON-DEBTOR SUBSIDIARIES TO TAKE ALL NECESSARY  
AND APPROPRIATE ACTIONS IN FURTHERANCE OF SECONDARY  
TRANSACTION, AND (V) GRANTING RELATED RELIEF**

Upon the motion [D.I. 1041] (the "Motion")<sup>2</sup> dated September 12, 2014, of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), pursuant to sections 105(a), 363(b), 363(f), 365 and 1146(a) of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 6004-1 of the Local Rules for the United States Bankruptcy Court for the District of Delaware (the "Local Rules") for, *inter alia*, (i) authorization for Security National Properties Funding, LLC, Security National Properties

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Security National Properties Funding III, LLC (4558), ITAC 190, LLC (4378), Security National Properties Funding, LLC (4037), Security National Properties Funding II, LLC (9204), Sequoia Investments III, LLC (7204), Sequoia Investments V, LLC (5313), Sequoia Investments XIV, LLC (4387), Sequoia Investments XV, LLC (3814), Sequoia Investments XVIII, LLC (6160), and Security National Properties-Alaska, LLC (6563). The Debtors' address is: Security National Properties Funding III, LLC, c/o Security National Properties, 323 Fifth Street, Eureka, CA 95501.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion, or if not defined in the Motion, the APA (as defined herein).

Funding II, LLC, Sequoia Investments III, LLC, and Sequoia Investments V, LLC (the “Transferor Debtors”) to enter into and perform under an Asset Purchase Agreement substantially in the form attached as **Exhibit 1** hereto (the “APA”), by and among the Transferor Debtors, as Sellers, and Five Properties Holding Company, LLC, as Buyer (the “Acquiror”), executed in furtherance of the Secondary Transaction with the Secondary Refinancing Lender (each as defined in the Motion); (ii) authorizing and approving the sale, transfer and conveyance of the Acquired Assets (as defined in the APA) to the Acquiror, free and clear of all Encumbrances (as defined herein) except for Permitted Encumbrances (as defined in the APA) (such sale, transfer and conveyance, the “Conveyance”); (iii) authorizing and approving the assumption and assignment to the Acquiror of the Acquired Contracts and Acquired Leases as set forth on **Exhibit 2** hereto (collectively, the “Assigned Contracts and Leases”); (iv) authorizing the Debtors to take all actions necessary and desirable in furtherance of consummating the Secondary Transaction; and (v) approving the form, manner and sufficiency of notice of the Motion, the proposed Conveyance and the proposed assumption and assignment of the Assigned Contracts and Leases, as well as the procedures relating thereto; and it appearing from the affidavits of service filed with the Court and from the record that due and sufficient notice of the Motion and the relief sought in connection therewith having been provided to all creditors and parties in interest; and it further appearing that no other or further notice hereof is required; and this Court having reviewed and considered the Motion and any objections thereto; and this Court having heard statements of counsel and the evidence presented in support of the relief requested in the Motion at the hearing before the Court on the Motion (the “Hearing”); and it appearing that the relief requested in the Motion is in the best interest of the Debtors’ estates, their creditors, and other parties in interest; and it further appearing that the

legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and after due deliberation and sufficient cause therefor:

**THE COURT HEREBY FINDS THAT:**

A. **Jurisdiction and Statutory Predicates.** This Court has jurisdiction and authority to hear and determine the Motion and to grant the relief requested in the Motion pursuant to 28 U.S.C. §§ 157(b)(1) and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue is proper in this District and in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought in the Motion are sections 105(a), 363(b), 363(f), 365 and 1146(a) of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006 and 9014 and Local Rule 6004-1.

B. **Final Order.** This order (the “Order”) constitutes a final and appealable order within the meaning of 28 U.S.C. §158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), this Court expressly finds that there is no just reason for delay in the implementation of this Order, and expressly directs entry of judgment as set forth herein.

C. **Notice.** Proper, timely, adequate, and sufficient notice of the Motion, including, without limitation, the Conveyance of the Acquired Assets, the assumption and assignment of the Assigned Contracts and Leases, the terms of the Secondary Transaction, the Hearing, and of the entry of this Order have been provided in accordance with sections 102(1), 363, 365 and 1146(a) of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 9006 and 9007, and Local Rule 6004-1. Such notice was good and sufficient and appropriate under the particular circumstances. No other or further notice of the Motion is necessary or shall be required.

D. Proper, timely, adequate, and sufficient notice of the proposed assumption and assignment of the Assigned Contracts and Leases (including without limitation any Cure Amounts (as defined herein) and rights to demand adequate assurance of future performance in connection therewith) has been provided to the counterparties to the Assigned Contracts and Leases and other parties in interest in accordance with the Assumption and Assignment Procedures (as defined in the Motion). The Assumption and Assignment Procedures are hereby approved.

E. The form and service of the *Notice of (I) Potential Assumption of Executory Contracts and Unexpired Leases, (II) Fixing of Cure Amounts, and (III) Deadline to Object Thereto* [D.I. 1039], as amended, modified and supplemented by the *Notice of Potential Assumption and/or Assignment of Certain Contracts and Leases* [D.I. 1050] (collectively, the “Notice of Assignment and Cure”), was sufficient under the circumstances and no further notice need be given in respect of assumption and assignment of the Assigned Contracts and Leases or establishing Cure Amounts. Non-Debtor parties to the Assigned Contracts and Leases have had an adequate opportunity to object to assumption and assignment of the Assigned Contracts and Leases and the associated Cure Amounts.

F. **Opportunity to Object.** A reasonable opportunity to object or be heard regarding the requested relief has been afforded to all interested persons and entities.

G. **Title to Acquired Assets.** The Transferor Debtors are the sole and lawful owners of the Acquired Assets. The Acquired Assets constitute property of the Transferor Debtors’ estates and title thereto is vested in the Transferor Debtors’ estates within the meaning of section 541(a) of the Bankruptcy Code. Upon the occurrence of the Closing and subject to the satisfaction or waiver in accordance with the terms of the APA of all conditions to the Closing,

the Acquiror shall be the sole and lawful owner of the Acquired Assets. For the avoidance of doubt, the Acquired Assets include, but are not limited to, all of the Transferor Debtors' right, title and interest in that certain Agreement of Sale and Purchase of Improved Real Property, dated as of September 17, 2014 (the "ABC Contract"), by and between Security National Properties Funding, LLC, as seller, and Alliance Building, LLC, as buyer, with respect to that certain real property commonly known as the Alliance Bank Building located at 55 5<sup>th</sup> Street East (PIN# 062822120031); and, 56 6<sup>th</sup> Street East (PIN# 062822120030), City of Saint Paul, County of Ramsey, Minnesota 55101 (the "ABC Property").

H. **Sound Business Judgment.** The Debtors have demonstrated a sufficient basis and compelling circumstances requiring: (i) the Transferor Debtors to enter into the APA, assume and assign the Assigned Contracts and Leases, and sell, transfer and convey the Acquired Assets; and (ii) the Debtors to take all actions necessary and desirable in furtherance of consummating the Secondary Transaction, including, but not limited to, the following for the benefit of Calmwater Capital 3, LLC in connection with the Secondary Transaction (a) causing EOT, LLC, an indirect non-debtor subsidiary of Debtor Security National Properties Funding, LLC, to refinance and/or incur additional indebtedness secured by, *inter alia*, a mortgage for the real property and improvements known as Executive Office Tower, located at 3500 N. Causeway Blvd., Metairie, LA 70002, (b) causing Sequoia Investments XXII, LLC, a non-debtor subsidiary of Security National Properties Funding, LLC, to pledge and grant a first priority lien and security interest in all of its right, title and interest in the membership interests in the non-debtor subsidiary EOT, LLC, and (c) pledging and granting a first priority lien and security interest in all of Debtor Security National Properties Funding, LLC's right, title and interest in the membership interests in the non-debtor subsidiary Sequoia Investments XXIII, LLC, which owns

the real property and improvements known as the BellSouth Building, located at 3854 American Way, Baton Rouge, East Baton Rouge Parish, LA 70816. Such actions are appropriate exercises of the Debtors' business judgment and in the best interests of the Debtors, their estates and their creditors. Furthermore, the Conveyance is being proposed in good faith.

I. The Debtors have demonstrated good, sufficient and sound business purpose and justification and compelling circumstances for the relief requested in the Motion and the consummation of the Conveyance pursuant to section 363(b) of the Bankruptcy Code. The immediate consummation of the Conveyance is necessary and appropriate to maximize the value to the Debtors' estates and promote the Debtors' rehabilitation and reorganization, and thereby is in the best interests of the Debtors, their creditors and other parties in interest.

J. **Corporate Authority and Power.** Subject to entry of this Order, (i) the Transferor Debtors have full corporate power and authority to execute and deliver the APA and to perform all of their respective obligations thereunder and (ii) the Debtors have full corporate power and authority to take all actions necessary and desirable in furtherance of consummating the Secondary Transaction, including, but not limited to, (a) causing EOT, LLC, an indirect non-debtor subsidiary of Debtor Security National Properties Funding, LLC, to refinance or incur additional indebtedness secured by a mortgage on the real property known as Executive Office Tower, 3500 N. Causeway Blvd., Metairie, LA 70002, (b) causing Sequoia Investments XXII, LLC, a non-debtor subsidiary of Security National Properties Funding, LLC, to pledge and grant a first priority lien and security interest in all of its right, title and interest in the membership interests in the non-debtor subsidiary EOT, LLC, and (c) pledging and granting a first priority lien and security interest in all of Debtor Security National Properties Funding, LLC's right, title and interest in the membership interests in the non-debtor subsidiary Sequoia Investments XXIII,

LLC. The Conveyance has been duly and validly authorized by all corporate authority necessary to consummate the Conveyance. No consents or approvals, other than as expressly provided for in the APA and the entry of this Order, are required by the Debtors to consummate the Conveyance and to take any actions in furtherance of the Secondary Transaction.

K. **Transfer of Assumed Liabilities.** The transfer of the Assumed Liabilities (as defined in the APA) pursuant to the terms of this Order and the APA is integral to the APA and is in the best interests of the Debtors, their estates and their creditors, and represents the reasonable exercise of sound and prudent business judgment by the Debtors. Accordingly, such transfer to the Acquiror is reasonable, enhances the value of the Debtors' estates and does not constitute unfair discrimination. As between the Transferor Debtors and the Acquiror, nothing in this Order shall enlarge or restrict any obligations of the Transferor Debtors or Acquiror under the APA with respect to the Assumed Liabilities. For the avoidance of doubt, the Assumed Liabilities include, but are not limited to, the obligations of Debtor Security National Properties Funding, LLC, under the ABC Contract.

L. **Assumption and Assignment in the Best Interests.** The assumption of the Assigned Contracts and Leases by the Transferor Debtors and the assignment thereof to the Acquiror pursuant to the terms of this Order is integral to the APA and is in the best interests of the Debtors, their estates and their creditors, and represents the reasonable exercise of sound and prudent business judgment by the Debtors. Accordingly, such assumption and assignment is reasonable, enhances the value of the Debtors' estates and does not constitute unfair discrimination. No provision of any Assigned Contract or Lease that purports to prohibit, restrict or condition the assignment of any such Assigned Contract or Lease in connection with the transactions contemplated under the APA shall have any force or effect. Pursuant to section

365(f) of the Bankruptcy Code, the Assigned Contracts and Leases shall be assigned and transferred to, and remain in full force and effect for the benefit of, the Acquiror notwithstanding any provision of the Assigned Contracts and Leases or other restriction prohibiting their assignment or transfer, provided, however, that to the extent any of the Assigned Contracts and Leases include, or are burdened by or subject to, use restrictions, such use restrictions are inapplicable and not binding on the Acquiror. For the avoidance of doubt, the Assigned Contracts and Leases include, but are not limited to, the ABC Contract.

M. **Cure and Adequate Assurance.** The Transferor Debtors have met all of the requirements of section 365(b) of the Bankruptcy Code for each of the Assigned Contracts and Leases. The Transferor Debtors have provided adequate assurance of cure of any default existing under any of the Assigned Contracts and Leases, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code, and provided adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Assigned Contracts and Leases within the meaning of section 365(b)(1)(B) of the Bankruptcy Code. The Acquiror has provided adequate assurance of its future performance of and under the Assigned Contracts and Leases, within the meaning of section 365(b)(1)(C) of the Bankruptcy Code. The non-Debtor parties to the Assigned Contracts and Leases were given notice and the opportunity to object to the Notice of Assumption and Cure and are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code.

N. **Free and Clear.** The sale and assignment of the Acquired Assets to the Acquiror will be legal, valid and effective transfers of such assets, and each such transfers and assignments shall vest the Acquiror with all right, title and interest of the Transferor Debtors to the Acquired Assets free and clear of all Encumbrances, except for Permitted Encumbrances,



with any such Encumbrances to attach to the Net Proceeds (as defined in the Settlement Agreement) in the same priority and subject to the same defenses and avoidability, if any. The Acquiror would not enter into the APA to acquire the Acquired Assets if the conveyance of the Acquired Assets were not free and clear of all Encumbrances, other than Permitted Encumbrances, or if the Acquiror would, or in the future could, be liable for any such Encumbrances, other than permitted Encumbrances. A sale of the Acquired Assets other than one free and clear of all Encumbrances, except for Permitted Encumbrances, would adversely impact the Debtors' estates, and would yield substantially less value for the Debtors' estates. Therefore, the Conveyance contemplated by the APA is in the best interests of the Debtors, their estates and creditors, and all other parties in interest. For the avoidance of doubt, the Permitted Encumbrances include, but are not limited to, any encumbrances created pursuant to the ABC Contract.

O. **Satisfaction of 363(f) Standards.** The Transferor Debtors may sell and assign the Acquired Assets free and clear of all Encumbrances, except for Permitted Encumbrances and specific Assumed Liabilities (each as defined in the APA), because, with respect to each creditor asserting an Encumbrance, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Encumbrances who did not object or who withdrew their objections to the Conveyance or any Notice of Assignment and Cure are deemed to have consented to the Motion and sale and assignment of the Acquired Assets to the Acquiror pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Encumbrances who did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code and are adequately protected by having their Encumbrances, if any, attach to the Net Proceeds and ultimately attributable to the Acquired

Assets in which such holders allege an Encumbrance, in the same order of priority, with the same validity, force and effect that such holder had prior to the Conveyance, and subject to any claims and defenses the Debtors and their estates may possess with respect thereto. The Agent and the Senior Lenders have consented to the Agent's release of any and all Encumbrances held or asserted by the Agent against the Acquired Assets subject to the terms and conditions of the Settlement Agreement, as approved by this Court pursuant to this Court's *Order Approving Debtors' Motion for an Order, Pursuant to 11 U.S.C. §§ 105, 1107 and 1108, and Fed. R. Bankr. P. 9019, Authorizing and Approving Settlement Agreement Among the Debtors, SNP Holding, SNP Servicing, Arkley, the Administrative Agent and the Senior Lenders*, dated August 22, 2014 [D.I. 1019], and the *Joint Plan of Reorganization of Security National Properties Funding III, LLC, And Its Debtor Affiliates*, dated August 22, 2014 [D.I. 1025] (as amended, modified, or supplemented from time to time, the "Plan"). The terms and conditions of the Settlement Agreement and Plan include, without limitation, that Net Proceeds of the Secondary Transaction of approximately \$24.75 million or such greater amount as may be required by the Settlement Agreement and Plan (the "Lien Release Amount") be paid to the Agent no later than the DCO Deadline (as defined in the Plan).

P. **No Successor Liability.** To the greatest extent allowed by applicable law, except for the Acquiror's liability for the Assumed Liabilities following the Closing, neither the Acquiror, nor any of its affiliates, nor any of their respective predecessors, successors, assigns, members, partners, principals, directors, officers, managers, and shareholders (or equivalent) shall have any obligations with respect to any liabilities of the Debtors. Further, to the greatest extent allowed by applicable law, the Conveyance does not amount to a consolidation, merger or de facto merger of the Acquiror and the Debtors and/or the Debtors' estates: there is not

substantial continuity between the Acquiror and the Debtors; there is no common identity between the Debtors and the Acquiror; there is no continuity of enterprise between the Debtors and the Acquiror; the Acquiror is not a mere continuation of the Debtors or their estates; and the Acquiror does not constitute a successor to the Debtors or their estates. Except for the Acquiror's liability for the Assumed Liabilities and Permitted Encumbrances following the Closing, neither the Acquiror, nor its affiliates, nor any of their respective predecessors, successors, assigns, members, partners, directors, officers, principals, managers and shareholders (or equivalent) shall have any obligations with respect to any liabilities of the Debtors including, without limitation, all "claims" (as defined in section 101(5) of the Bankruptcy Code), liens (as defined in section 101(37) of the Bankruptcy Code), liabilities, interests, rights and encumbrances, mortgages, restrictions, hypothecations, indentures, loan agreements, instruments, leases, licenses, options, deeds of trust, security interests, equity interests, conditional sale rights or other title retention agreements, pledges, judgments, demands, rights of first refusal, consent rights, rights of offset, contract rights, recoupment rights, rights of recovery, reimbursement rights, contribution claims, indemnity rights, exoneration rights, product liability claims, alter-ego claims, environmental rights and claims, labor rights and claims, employment rights and claims, pension rights and claims, tax claims, regulatory violations, decrees of any court or foreign or domestic governmental or quasi-governmental entity, charges of any kind or nature, debts arising in any way in connection with any agreements, acts or failures to act, reclamation rights and claims, obligation claims, demands, guaranties, option rights or claims, and all other matters of any kind and nature, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated,

matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of the Chapter 11 Cases and whether imposed by agreement, understanding, law, rule, equity or otherwise (each an “Encumbrance,” and collectively, the “Encumbrances”). The Court finds that the Acquiror would not have acquired the Acquired Assets but for the foregoing protections against Encumbrances, including those based upon “successor liability” theories.

Q. **No Fraudulent Transfer.** The Conveyance and the actions the Debtors and their non-debtor subsidiaries will take in furtherance of the Secondary Transaction are not for the purpose of hindering, delaying or defrauding creditors under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia. Neither the Transferor Debtors nor the Acquiror is or will be entering into the Conveyance fraudulently.

R. **Fair Consideration.** The consideration constitutes reasonably equivalent value and fair consideration (as those terms are defined in each of the Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, section 548 of the Bankruptcy Code or any similar state or federal law), and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia. The APA represents a fair and reasonable offer to purchase the Acquired Assets and assume or acquire Assumed Liabilities under the circumstances of the Chapter 11 Cases. Approval of the APA and the consummation of the Conveyance and the Secondary Transaction are in the best interests of the Debtors, their estates, their creditors, and all other parties in interest.

S. **Good Faith Purchaser.** The Acquiror is a purchaser in good faith, as that term is used in the Bankruptcy Code and court decisions thereunder, and is entitled to the

protections of section 363(m) of the Bankruptcy Code. The terms and conditions of the Conveyance as set forth in the APA were negotiated, proposed, and agreed to by the Transferor Debtors and Acquiror in good faith. In the absence of a stay pending appeal, the Acquiror will be acting in good faith, pursuant to section 363(m) of the Bankruptcy Code, in closing the transactions contemplated by the APA on or after the entry of this Order.

T. **No Avoidance of APA.** Neither the Acquiror nor the Transferor Debtors have engaged in any conduct that would cause or permit the APA to be avoided under section 363(n) of the Bankruptcy Code. The Acquiror has not violated section 363(n) of the Bankruptcy Code by any action or inaction. The transactions under the APA may not be avoided, and no damages may be assessed, against the Acquiror or any other party under section 363(n) of the Bankruptcy Code or any other applicable bankruptcy or non-bankruptcy law.

U. **Compliance with Bankruptcy Code.** The consummation of the Conveyance is legal, valid and properly authorized under all applicable provisions of the Bankruptcy Code, including without limitation sections 105(a), 363(b), 363(f), 363(m), 365(b), 365(f), and 1146(a) of the Bankruptcy Code and all of the applicable requirements of such sections have been or will be complied with in respect of the Conveyance.

V. **Section 1146(a) Predicates.** The Conveyance of the Acquired Assets and any subsequent sale of the ABC Property pursuant to the ABC Contract are elements of the Plan. The Conveyance of the Acquired Assets and any subsequent sale of the ABC Property pursuant to the ABC Contract are each “transfers” that will occur “under” a Plan as such terms are used in section 1146(a) of the Bankruptcy Code.

W. **Time is of the Essence.** Time is of the essence in consummating the Conveyance. In order to maximize the value of the Debtors’ assets, it is essential that

Conveyance occur within the time constraints set forth in the APA, the Plan and the Settlement Agreement. Specifically, the Conveyance must be approved and consummated promptly in order to maximize the value to the Debtors, their estates, their creditors, and all other parties in interest. Accordingly, there is cause to lift the stays contemplated by Bankruptcy Rules 6004 and 6006.

X. The Conveyance contemplated by the APA and the actions in furtherance of the Secondary Transaction by the Debtors and their non-debtor subsidiaries are in the best interests of the Debtors and their estates, creditors, interest holders and all other parties in interest herein; and it is therefore,

**IT IS HEREBY ORDERED THAT:**

1. **Relief Granted.** The relief requested in the Motion is granted as set forth herein.
2. **Objections Overruled.** Any and all objections to the Motion or the relief requested therein that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby overruled on the merits.
3. **Notice.** Notice of the Motion, including without limitation, the transactions set forth in the APA, the assumption and assignment of the Assigned Contracts and Leases, the Conveyance, the terms of the Secondary Transaction and the Hearing, was fair and equitable under the circumstances and complied in all respects with sections 102(1), 363, 365 and 1146(a) of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 9006 and 9007 and Local Rule 6004-1.
4. **Approval.** The APA and the Conveyance are hereby approved and authorized in all respects. The Transferor Debtors are hereby authorized and empowered and

directed to enter into, and to perform their respective obligations under the APA and to execute and perform such agreements or documents, and take such other actions as are necessary or desirable to effectuate the terms of the APA.

5. **Good Faith Purchaser.** The Acquiror is hereby granted and entitled to all of the protections provided to a good faith buyer under section 363(m) of the Bankruptcy Code as part of the transfer of the Acquired Assets pursuant to the APA.

6. **Authorization of Performance by the Debtors.** The Transferor Debtors are authorized to fully perform under, consummate, and implement the terms of the APA and any and all additional instruments and documents that may be reasonably necessary or desirable to implement and effectuate the terms of the APA, this Order, the Conveyance and the Secondary Transaction, including, without limitation, deeds, assignments, and other instruments of transfer, and to take all further actions as may reasonably be requested by the Acquiror for the purpose of assigning, transferring, granting, conveying and conferring to the Acquiror, or reducing to possession any or all of the Acquired Assets, as may be necessary or appropriate to the performance of the Transferor Debtors' obligations as contemplated by the APA without any further corporate action or orders of the Bankruptcy Court. Further, the Debtors are authorized to take all actions necessary and desirable in furtherance of consummating the Secondary Transaction, including, but not limited to, (i) causing EOT, LLC, an indirect non-debtor subsidiary of Debtor Security National Properties Funding, LLC, to refinance or incur additional indebtedness secured by a mortgage on the real property known as Executive Office Tower, 3500 N. Causeway Blvd., Metairie, LA 70002, (ii) causing Sequoia Investments XXII, LLC, a non-debtor subsidiary of Security National Properties Funding, LLC, to pledge and grant a first priority lien and security interest in all of its right, title and interest in the

membership interests in the non-debtor subsidiary EOT, LLC, and (iii) pledging and granting a first priority lien and security interest in all of Debtor Security National Properties Funding, LLC's right, title and interest in the membership interests in the non-debtor subsidiary Sequoia Investments XXIII, LLC.

7. The Debtors are authorized and empowered to cause to be filed with the secretary of state of any state or other applicable officials of any applicable governmental units, any and all certificates, agreements, or amendments necessary or appropriate to effectuate the transactions contemplated by the APA, any related agreements and this Order, and all such other actions, filings, or recordings as may be required under appropriate provisions of the applicable laws of all applicable governmental units or as any of the officers of the Debtors may determine are necessary or appropriate. The execution of any such document or the taking of any such action shall be, and hereby is, deemed conclusive evidence of the authority of such person to so act.

8. **Valid Transfer.** Effective as of the Closing: (a) the sale and assignment of the Acquired Assets and the Assigned Contracts and Leases by the applicable Transferor Debtor to the Acquiror shall constitute a legal, valid and effective transfer of the Acquired Assets and the Assigned Contracts and Leases notwithstanding any requirement for approval or consent by any person, and vest the Acquiror with all right, title and interest of the Transferor Debtor in and to the Acquired Assets, free and clear of all Encumbrances, except for Permitted Encumbrances, pursuant to section 363(f) of the Bankruptcy Code, and (b) the assumption of the Assigned Contracts and Leases and any Assumed Liabilities by the Acquiror constitutes a legal, valid and effective delegation of any and all obligations, liabilities and claims in respect



thereof to the Acquiror and divests the Debtors of all liability with respect to the Assigned Contracts and Leases and such Assumed Liabilities.

9. **Free and Clear.** Except to the extent specifically provided in the APA, upon the Closing, the Transferor Debtors shall be, and hereby are, authorized, empowered, and directed, pursuant to sections 105, 363(b), 363(f) and 1146(a) of the Bankruptcy Code, to sell the Acquired Assets to the Acquiror and assign the Assigned Contracts and Leases to the Acquiror. Subject to the Transferor Debtors delivering the Lien Release Amount to the Agent no later than the DCO Deadline (as defined in the Plan), the sale and assignment of certain Acquired Assets and the assignment of the Assigned Contracts and Leases to the Acquiror pursuant to the APA vests the Acquiror with all right, title and interest of the Transferor Debtors to such Acquired Assets free and clear of any and all Encumbrances, except for Permitted Encumbrances, with all such Encumbrances to attach only to the [Net Proceeds] with the same priority, validity, force, and effect as they now have in or against such Acquired Assets.

10. The Motion shall be deemed to provide sufficient notice as to the sale and assignment of the Acquired Assets free and clear of all Encumbrances in accordance with Local Rule 6004-1.

11. The provisions of this Order authorizing the sale and assignment of the Acquired Assets free and clear of Encumbrances, shall be self-executing, and neither the Debtors nor the Acquiror shall be required to execute or file releases, termination statements, assignments, consents, or other instruments in order to effectuate, consummate and implement the provisions of this Order.

12. **Direction to Creditors.** On the Closing Date (as defined in the APA), each of the Debtors' creditors is authorized and directed to execute such documents and take all

other actions as may be reasonably necessary to release its Encumbrances in the Acquired Assets, if any, as such Encumbrances may otherwise exist. If any person or entity that has filed financing statements, mortgages, mechanics liens, *lis pendens*, notice of lien or other documents, instruments, notices or agreements evidencing any Encumbrances against or in the Acquired Assets shall not have delivered to the Debtors before the Closing, in proper form for filing and executed by the appropriate parties, termination statements, releases or instruments of satisfaction that the person or entity has with respect to the Acquired Assets, then with regard to the Acquired Assets, (a) the Debtors and/or the Acquiror are authorized to execute and file such termination statements, releases, instruments of satisfaction or other documents on behalf of the person or entity with respect to the Acquired Assets and (b) the Debtors and/or the Acquiror are authorized to file, register or otherwise record a certified copy of this Order which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Encumbrances against the Acquired Assets. This Order is deemed to be in recordable form sufficient to be placed in the filing or recording system of each and every federal, state, local, tribal or foreign government agency, department or office.

13. **Direction to Government Agencies.** Each and every filing agent, filing officer, title agent, recording agency, governmental department, secretary of state, federal, state and local official, and any other persons and entity who may be required by operation of law, the duties of their office or contract, to accept, file, register, or otherwise record or release any documents or instruments or who may be required to report or insure any title in or to the Acquired Assets, is hereby authorized and directed to accept any and all documents and instruments necessary and appropriate to consummate the Conveyance contemplated by the APA or this Order. All such entities described above in this paragraph are authorized and

specifically directed to strike all recorded Encumbrances against the Acquired Assets from their records, official and otherwise.

14. **Direction to Surrender Possession or Control.** All persons or entities, presently or on or after the Closing Date, in possession or control of some or all of the Acquired Assets are directed to surrender possession or control of the Acquired Assets to the Acquiror on the Closing Date or at such time thereafter as the Acquiror may request.

15. **Licenses and Permits.** To the extent provided in the APA and available under applicable law, the Acquiror shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and any other governmental authorization or approval of the Transferor Debtors with respect to the Acquired Assets and the Assigned Contracts and Leases, and all such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been, and hereby are, directed to be transferred to the Acquiror as of the Closing Date. To the extent any license or permit necessary for the operation of the Acquired Assets is determined not to be an executory contract assumable and assignable under section 365 of the Bankruptcy Code, the Acquiror shall apply for and obtain any necessary license or permit promptly after the Closing Date and such licenses or permits of the Transferor Debtors shall remain in place for the Acquiror's benefit until new licenses and permits are obtained.

16. To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any permit or license relating to the operation of the Acquired Assets sold, transferred or conveyed to the Acquiror on account of the filing or pendency of these chapter 11 cases or the consummation of the Conveyance.

17. **Transfer of Title and Interests.** All of the Transferor Debtors' interests in the Acquired Assets to be acquired by the Acquiror under the APA shall be, as of the Closing

Date and upon the occurrence of the Closing, transferred to and vested in the Acquiror pursuant to the terms of the APA. Upon the occurrence of the Closing, this Order shall be considered and constitute for any and all purposes a full and complete general assignment, conveyance and transfer of the Acquired Assets (including the Assigned Contracts and Leases acquired by the Acquiror under the APA) to the Acquiror pursuant to the APA, including the Assigned Contracts and Leases and all other rights and interests associated with or appurtenant to the Acquired Assets.

18. **No Avoidance.** The transfer of the Acquired Assets pursuant to the APA is not subject to avoidance, and no damages may be assessed against the Acquiror or any other party, pursuant to section 363(n) of the Bankruptcy Code.

19. **Fair Consideration.** The consideration provided by the Acquiror to the Transferor Debtors pursuant to the APA for the purchase of the Acquired Assets and assignment of the Assigned Contracts and Leases constitutes reasonably equivalent value and fair consideration for the Conveyance and the actions the Debtors and their non-debtor subsidiaries will take in furtherance of the Secondary Transaction. Neither the Conveyance, the APA, nor any actions that the Debtors and their non-debtor subsidiaries take in furtherance of the Secondary Transaction shall constitute a fraudulent transfer or fraudulent conveyance under the Bankruptcy Code, Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or under the laws of the United States, any state, territory, possession or the District of Columbia.

20. **Assumption and Assignment of Assigned Contracts and Leases.** Under sections 105(a), 363 and 365 of the Bankruptcy Code, and subject to and conditioned upon the Closing of the APA, the Transferor Debtors' assumption of the Assigned Contracts and Leases and assignment thereof to the Acquiror free and clear of all Encumbrances, except for Permitted

Encumbrances, pursuant to the terms set forth in the APA and this Order is hereby approved, and the requirements of sections 365(b)(1) and 365(f)(2) of the Bankruptcy Code with respect thereto are hereby deemed satisfied. Each counterparty to the Assigned Contracts and Leases is hereby forever barred, estopped, and permanently enjoined from raising or asserting against the Debtors or the Acquiror, or the property of any of them, any assignment fee, default, breach, claim, pecuniary loss, liability or obligation (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or noncontingent, known or unknown, liquidated or unliquidated senior or subordinate) arising under or out of, in connection with, or in any way related to the Assigned Contracts and Leases existing as of the Closing Date or arising by reason of the Closing. Notwithstanding the foregoing, pursuant to the terms of the APA, the Acquiror shall be liable for all Assumed Liabilities as such term is defined in the APA.

21. The Assigned Contracts and Leases shall be deemed to be valid and binding and in full force and effect and enforceable in accordance with their terms. Upon the Closing, in accordance with sections 363 and 365 of the Bankruptcy Code, the Acquiror shall be fully and irrevocably vested with all right, title and interest of the Transferor Debtors under the Assigned Contracts and Leases. The assignment of each of the Assigned Contracts and Leases are deemed to be made in good faith under, and are entitled to the protections of, section 363(m) of the Bankruptcy Code.

22. **Adequate Assurance.** The Acquiror has provided adequate assurance of its future performance under the relevant Assigned Contracts and Leases within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the

Debtors and assignment to the Acquiror of the Assigned Contracts and Leases have been satisfied.

23. **Anti-Assignment Provisions Unenforceable.** No sections or provisions of the Assigned Contracts and Leases that purport to (a) prohibit, restrict or condition Transferor Debtors' assignment of the Assigned Contracts and Leases, including, but not limited to, the conditioning of such assignment on the consent of the non-Debtor party to such Assigned Contracts and Leases; (b) authorize the termination, cancellation or modification of the Assigned Contracts and Leases based on the filing of a bankruptcy case, the financial condition of the Debtors or similar circumstances; (c) declare a breach or default as a result of a change in control in respect of the Debtors; or (d) provide for additional payments, penalties, conditions, renewals, extensions, charges, other financial accommodations in favor of the non-Debtor third party to the Assigned Contracts and Leases, or modification of any term or condition upon the assignment of an Assigned Contract or Lease or the occurrence of the conditions set forth in subsection (b) above, shall have any force and effect, and such provisions constitute unenforceable anti-assignment provisions under 365(f) of the Bankruptcy Code and/or are otherwise unenforceable under 365(e) of the Bankruptcy Code. The entry of this Order constitutes the consent of the non-Debtor parties to the Assigned Contracts and Leases to the assumption and assignment of such agreements. All Assigned Contracts and Leases shall remain in full force and effect, without existing default(s), subject only to payment of the appropriate Cure Amount, if any, by the Debtors or the Acquiror, as provided for in the APA.

24. **No Fees for Assumption and Assignment.** There shall be no rent accelerations, assignment fees, increases or any other fees charged to the Acquiror, its

successors or assigns, or the Debtors as a result of the assumption and assignment of the Assigned Contracts and Leases.

25. **Cure Amounts**. All defaults or other obligations shall be deemed cured by the payment or other satisfaction of the cure amounts, if any, set forth in **Exhibit 2** attached hereto associated with the Assigned Contracts and Leases (the "**Cure Amounts**"), which agreed upon Cure Amounts shall be paid promptly after Closing. Except for the Cure Amounts, if any, there are no other defaults existing under the Assigned Contracts and Leases.

26. Payment of the Cure Amounts pursuant to the APA is hereby authorized. Notwithstanding anything to the contrary herein, Cure Amounts that constitute Refinancing Claims (as defined in the Settlement Agreement) shall be paid only from Refinancing Claims Escrow Funds (as defined in the APA) or other sources authorized pursuant to Article 5.E of the Plan and Section 1.4(c) of the Settlement Agreement. Notwithstanding anything herein or in the APA, if any portion of the Refinancing Claims Escrow Funds (as defined in the APA) remains after payment in full of Refinancing Claims with respect to the Acquired Assets, such portion shall constitute Net Proceeds (as defined in the Settlement Agreement) and shall be paid to the Agent, with any amounts actually paid to the Agent being applied to the Deficiency Note (as defined in the Settlement Agreement). For the avoidance of doubt, to the extent that DCO Claim Reserves (as defined in the Plan) are funded from sources other than Net Proceeds (as defined in the Settlement Agreement) or property of the Debtors' estates, nothing in this Agreement entitles the Senior Lenders to such DCO Claims Reserves.

27. **Notice of Assumption and Assignment**. The Debtors have served all of the non-Debtor counterparties to the Assigned Contracts and Leases, identified on the lists the Debtors and/or the Claims Agent have filed with the Bankruptcy Court, by first class mail, a

Notice of Assignment and Cure that included (i) the name of the counterparty to the Assigned Contract or Lease, (ii) any applicable Cure Amounts, (iii) the identity of the Acquiror, and (iv) the deadline by which any such Assigned Contract or Lease counterparty must file an objection ("Contract Objection") to the proposed assumption and assignment. No other or further notice is required.

28. **Objections to Assumption and Assignment.** Except as provided herein, all Contract Objections have been overruled, withdrawn, waived, settled or otherwise resolved. Any Contract Objections as to applicable Cure Amounts that have not been resolved by the parties within sixty (60) days after Closing may be heard at a later date as set by the Bankruptcy Court, which hearing may be requested by either party on no less than ten (10) days' notice. The pendency of a dispute relating to a particular Assigned Contract or Lease shall not prevent or delay the assumption and assignment of any other Assigned Contracts and Leases or the Closing.

29. Any non-Debtor counterparty to the Assigned Contracts and Leases designated to be assumed and assigned to the Acquiror who has not filed a Contract Objection by the deadline as set forth in the Notice of Assignment and Cure shall thereafter be barred from objecting or asserting monetary or non-monetary defaults with respect to any such Assigned Contract or Lease and such Assigned Contract or Assumed Lease shall be deemed assumed by the applicable Transferor Debtor and assigned to the Acquiror on the Closing Date.

30. **Direction to Assigned Contract and Lease Counterparties.** All counterparties to the Assigned Contracts and Leases shall cooperate and expeditiously execute and deliver, upon the reasonable requests of the Acquiror, and shall not charge the Acquiror or, any instruments, applications, consents, or other documents which may be required or requested



by any public or quasi-public authority or other party or entity to effectuate the applicable transfers in connection with the Conveyance or subsequent sale of the ABC Property pursuant to the ABC Contract.

31. **Additional Contracts.** To the extent the Debtors seek to include additional contracts or leases on the list of Assigned Contracts and Leases or for assignment to the Acquiror pursuant to the APA (the "Additional Contracts"), the Debtors shall file with the Court and deliver by facsimile, email or overnight courier to each counterparty to such Additional Contracts a notice of assumption and assignment. The counterparty shall have until 4:00 p.m. Eastern Time on the date that is ten (10) days following the Debtors' service of such notice to file and serve objections to the assumption and assignment of the Additional Contract. If no objection is filed, such Additional Contract shall be deemed an Assigned Contract and Lease or, as applicable, a contract or lease assigned to the Acquiror, and such assumption and assignment is hereby approved pursuant to this Order. Any objections to the assumption and assignment of any Additional Contracts that have not been resolved by the parties may be heard at a later date as set by the Bankruptcy Court.

32. **Section 1146(a) Exemption.** The Conveyance of the Acquired Assets to the Acquiror and any subsequent sale of the ABC Property pursuant to the ABC Contract are transfers under the Plan pursuant to section 1146(a) of the Bankruptcy Code. Pursuant to section 1146(a) of the Bankruptcy Code, the following will not be subject to any stamp tax, real estate transfer tax, recordation tax, sales and use tax or similar tax: (a) the Conveyance of the Acquired Assets to the Acquiror; (b) the subsequent sale of the ABC Property pursuant to the ABC Contract; (c) the making or delivery of any deed, deed of trust, mortgage, trust indenture or other instrument of transfer under, in furtherance of or in connection with the Secondary

Transaction; (d) the creation, modification, renewal, extension, delivery, recording, execution, amendment, or release of any Encumbrance (including any mortgage, note, indebtedness, deed of trust, deed to secure any debt, any trust indenture or any other document or instrument creating a security interest) in favor of the Secondary Refinancing Lender or otherwise in connection with the Conveyance or the Secondary Transaction; and (e) the assignment of any Assigned Contract or Lease.

33. **Amendments.** Subject to the terms of the APA, the terms of the APA and any related agreements may be waived, modified, amended, or supplemented by agreement of the applicable Transferor Debtor and the Acquiror, without further action or order of the Bankruptcy Court; provided, however, that (a) any such waiver, modification, amendment or supplement does not conflict with any term of the Settlement Agreement or Plan or have a material and adverse effect on the Debtors and their estates; and (b) notice of such waiver, modification, amendment or supplement is provided to counsel for the Agent and the Secondary Refinancing Lender; provided further that no waiver, modification, amendment or supplement that conflicts with any term of the Settlement Agreement or Plan shall be effective without the written consent of the Senior Lenders. Any material modification, amendment, or supplement to the APA that has a material adverse effect on the Debtors and their estates must be approved by Order of the Bankruptcy Court following a motion on notice to all interested parties.

34. **Failure to Specify Provisions.** The failure specifically to include any particular provisions of the APA or any related agreements in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Bankruptcy Court, the Debtors and the Acquiror that the APA and any related agreements are authorized and approved in their entirety with such amendments thereto as may be made by the parties in accordance

with this Order. Likewise, all of the provisions of this Order are nonseverable and mutually dependent.

35. **Binding Order.** This Order and the APA shall be binding upon and govern the acts of all persons and entities, including without limitation, the Debtors and the Acquiror, their respective successors and permitted assigns, including, without limitation, any chapter 11 trustee hereinafter appointed for the Debtors' estates or any trustee appointed in a chapter 7 case if these cases are converted from chapter 11, all creditors of any Debtor (whether known or unknown), all non-Debtor parties to any Assigned Contracts and Leases, the Agent, the Senior Lenders, filing agents, filing officers, title agents, recording agencies, governmental departments, secretaries of state, federal, state and local officials, and all other persons and entities who may be required by operation of law, the duties of their office or contract, to accept, file, register, or otherwise record or release any documents or instruments or who may be required to report or insure any title in or to the Acquired Assets. The APA and Conveyance shall not be subject to rejection or avoidance under any circumstances. This Order and the APA shall inure to the benefit of the Debtors, their estates, their creditors, the Acquiror and its successors and assigns.

36. **No Stay of Order.** Notwithstanding Bankruptcy Rules 6004 and 6006, this Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing. Time is of the essence in closing the Conveyance, and the Transferor Debtors and the Acquiror intend to close the Conveyance as soon as practicable. Any party objecting to this Order must exercise due diligence in filing an appeal, pursuing a stay and obtaining a stay prior to the Closing, or risk its appeal being foreclosed as moot.

37. **Lift of Automatic Stay.** The automatic stay pursuant to section 362 of the Bankruptcy Code is hereby lifted with respect to the Transferor Debtors to the extent necessary, without further order of the Bankruptcy Court, to allow the Acquiror to deliver any notice provided for in the APA and allow the Acquiror to take any and all actions permitted under the APA.

38. **Further Assurances.** From time to time, as and when requested by any party, each party shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such other party may reasonably deem necessary or desirable to consummate the Conveyance, including, such actions as may be necessary to vest, perfect or confirm, or record or otherwise, in the Acquiror its right, title and interest in and to the Acquired Assets and the Assigned Contracts and Leases.

39. **Retention of Jurisdiction.** The Bankruptcy Court shall retain jurisdiction to (a) interpret, implement and enforce the terms and provisions of this Order and the APA, including all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith, in all respects, and (b) to decide any disputes concerning this Order, the APA, the Conveyance or the rights and duties of the parties hereunder or thereunder or any issues relating to the APA, the Conveyance and this Order including, but not limited to, the interpretation of the terms, conditions and provisions hereof and thereof, the status, nature and extent of the Acquired Assets and any Assigned Contracts and Leases and all issues and disputes arising in connection with the relief authorized herein, inclusive of those concerning the transfer of the assets free and clear of all Encumbrances.

40. **Resolution of Certain Objections and Responses.**

a. *Oak Creek Plaza, LLC.* Notwithstanding anything to the contrary in this Order, the Motion or the APA, no rights, easements, covenants, burdens, uses or privileges for the benefit of the commercial property located in Mundelein, Illinois and commonly known as the Oak Creek Plaza Shopping Center (collectively, "Oak Creek Interests") shall be discharged, extinguished or otherwise impaired to the extent that such Oak Creek Interests have been properly recorded under applicable law and constitute interests that run with the land under applicable law.

b. *TJX Companies, Inc.* Notwithstanding anything to the contrary on the Notice of Assignment and Cure, the Cure Amount for the Assigned Lease at the Greenville Mall with TJ Maxx – c/o The TJX Companies, Inc., shall be as set forth on Exhibit 2 to this Order.

c. *Chick-fil-A, Inc.* Notwithstanding anything to the contrary on the Notice of Assignment and Cure, the Cure Amount for the Assigned Lease at the Heartland mall with Chick-fil-A, Inc., shall be as set forth on Exhibit 2 to this Order.

d. *Federal Leases.* The *Omnibus Objection by the United States to (1) the Sale of Substantially all of the Debtors' Assets, and (2) the Debtors' Joint Plan of Reorganization* [D.I. 1062] is hereby overruled. This Order authorizes (i) if the Plan is implemented pursuant to the Debtor Confirmation Option, the assumption and assignment and transfer to the Acquiror, in accordance with the terms of the APA and other documents relating to the Conveyances, of each of the Assigned Contracts or Leases on **Exhibit 3** to this Order to which any Federal Party (as defined herein) is a counterparty (collectively, the "Federal Leases"), and (ii) if the Plan is implemented pursuant to the Lender Confirmation Option, the assumption of the Federal Leases by the Reorganized Debtors. For purposes of this paragraph

40.d of this Order, the term "Federal Party" means the United States, including any department, agency or instrumentality of the United States. Notwithstanding any provision to the contrary in the Motion, elsewhere in this Order (specifically excluding the foregoing language authorizing the assumption and/or assignment and transfer of the Federal Leases) or in the APA, any Federal Leases assumed by the Reorganized Debtors or assigned or transferred to the Acquiror shall thereafter be treated, determined, administered and paid in the ordinary course of business in accordance with applicable law. Moreover, nothing in this Order shall: (1) be interpreted to set cure amounts for the Federal Leases; (2) require any Federal Party to novate or otherwise consent to the subsequent transfer of any Federal Leases beyond novating or transferring the Federal Leases from the applicable Debtor to the Acquiror or applicable Reorganized Debtor, each as set forth above; (3) affect any Federal Party's rights to offset or recoup any amounts due under, or relating to, any Federal Lease; or (4) divest any tribunal of any jurisdiction it may have to adjudicate any issues arising out of or with respect to matters involving the Federal Leases (other than matters relating to the assumption of the Federal Leases by the Reorganized Debtors or transfer of the Federal Leases to the Acquiror, which transfers have been authorized pursuant to this Order). For the avoidance of doubt, the foregoing reservations in favor of the Federal Parties are not intended to and shall not diminish in any way the ability of the Reorganized Debtors to assume the Federal Leases or of the Transferor Debtors to assign and transfer the Federal Leases to the Acquiror in accordance with this Order and the APA.

Dated: October 7, 2014  
Wilmington, Delaware

  
THE HONORABLE KEVIN GROSS  
UNITED STATES BANKRUPTCY JUDGE