

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov

In re:

Chapter 11

STAR COMPUTER GROUP, INC.

Case No. 15-28100-BKC-AJC

Debtor.
_____ /

**DEBTOR'S NOTICE OF FILING REDLINE OF AMENDED
DISCLOSURE STATEMENT AND AMENDED PLAN OF LIQUIDATION**

Star Computer Group, Inc., as debtor and debtor-in-possession ("**Debtor**"), hereby gives notice of filing a redline of the Debtor's Amended Disclosure Statement for Chapter 11 Debtor's Plan of Liquidation attached as Exhibit 1, and the Debtor's Amended Plan of Liquidation attached as Exhibit 2, reflecting the revisions made to the original Disclosure Statement [ECF No. 165] and Plan [ECF No. 164] filed with the Court on March 21, 2016.

Dated: May 5, 2016

Respectfully submitted,

Kozyak Tropin & Throckmorton, LLP

Counsel for the Debtor

2525 Ponce de Leon Blvd., 9th Floor

Miami, Florida 33134

Tel.: (305) 372-1800

Fax: (305) 372-3508

E-mail: clc@kttlaw.com

dlr@kttlaw.com

vfa@kttlaw.com

myk@kttlaw.com

By: /s/ Corali Lopez-Castro

Corali Lopez-Castro

Florida Bar No. 863830

David L. Rosendorf

Florida Bar No. 996823

Vincent F. Alexander

Florida Bar No. 68114

Mindy Y. Kubs

Florida Bar No. 0041009

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on May 5, 2016, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that a true and correct copy of the foregoing is being served this day via transmission of Notice of Electronic Filing generated by CM/ECF on all counsel of record or pro se parties who are authorized to receive electronically Notices of Electronic Filing in this bankruptcy case.

By: /s/ Corali Lopez-Castro
Corali Lopez-Castro

FD1500

EXHIBIT 1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
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In re:

STAR COMPUTER GROUP, INC.

Case No. 15-28100-BKC-AJC

Debtor.

Chapter 11

**AMENDED DISCLOSURE STATEMENT FOR
CHAPTER 11 DEBTOR'S PLAN OF LIQUIDATION**

Kozyak Tropin & Throckmorton, LLP
Coralí Lopez-Castro, Esq.
David L. Rosendorf, Esq.
2525 Ponce De Leon Blvd., 9th Floor
Miami, Florida 33134
Tel: (305) 372-1800
Emails: clc@kttlaw.com; dlr@kttlaw.com
Counsel for Chapter 11 Debtor-in-Possession

DATED: ~~March 21~~, 2016

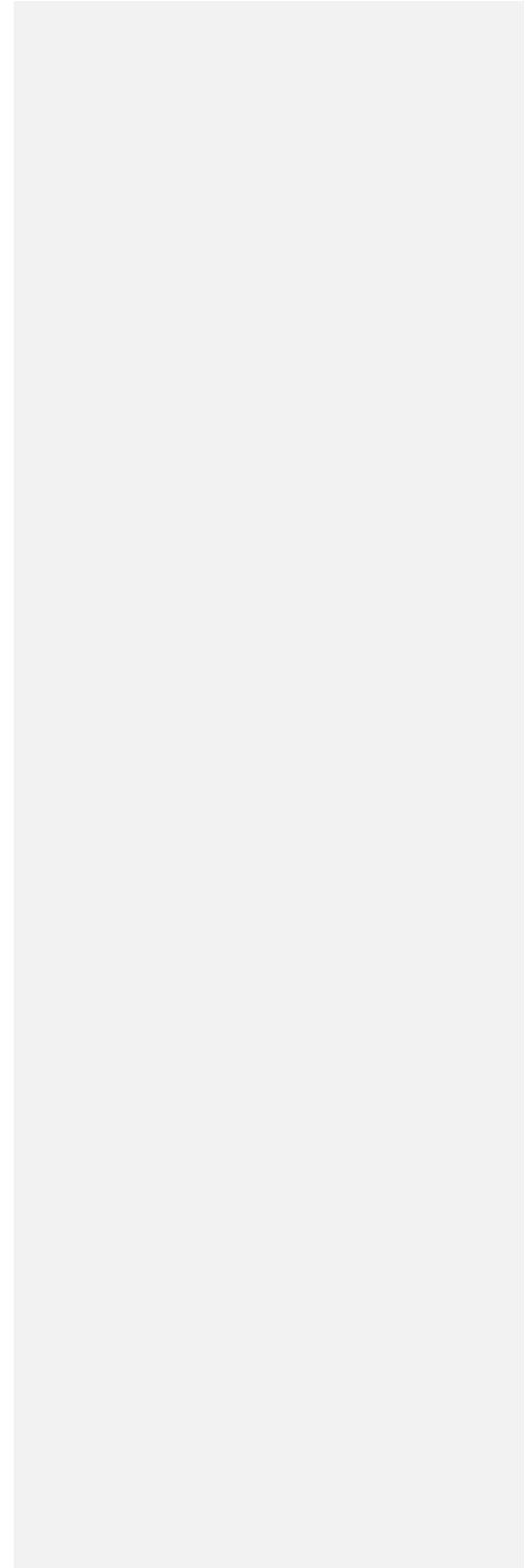
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ATTACHMENT TO DISCLOSURE STATEMENT

Plan of Liquidation **Exhibit “A”**



DISCLOSURE STATEMENT IN SUPPORT OF PLAN OF LIQUIDATION

THE PLAN PROPONENT RESERVES THE RIGHT TO AMEND OR SUPPLEMENT THIS PROPOSED DISCLOSURE STATEMENT AT OR BEFORE THE CONFIRMATION HEARING.

I. INTRODUCTION

Star Computer Group, Inc. (the “Debtor” or “Plan Proponent”) provides this Disclosure Statement (the “Disclosure Statement”) to the Debtor’s impaired creditors to permit such creditors to make an informed decision concerning voting to accept or reject the Debtor’s Plan of Liquidation (“Plan”) filed on March 21, 2016 with the United States Bankruptcy Court for the Southern District of Florida, Miami Division (the “Bankruptcy Court”) in connection with the above-captioned case filed pursuant to Chapter 11 of the Bankruptcy Code (the “Bankruptcy Case”).

A copy of the Plan is attached to this Disclosure Statement as **Exhibit A** and forms a part of this Disclosure Statement. Capitalized terms used herein but not otherwise defined have the meanings assigned to such terms in the Plan. Whenever the words “include,” “includes” or “including” are used in this Disclosure Statement, they are deemed to be followed by the words “without limitation.”

This Disclosure Statement is presented to certain holders of Claims against, or Interests in, the Debtor in accordance with the requirements of ~~Section~~section 1125 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330 (the “Bankruptcy Code”). Section 1125 of the Bankruptcy Code requires that a disclosure statement provide information sufficient to enable a hypothetical and reasonable investor, typical of the Debtor’s creditors, to make an informed judgment whether to accept or reject the Plan. This Disclosure Statement may not be relied upon for any purpose other than that described above.

PLEASE READ THIS DISCLOSURE STATEMENT AND THE PLAN, ALONG WITH ANY EXHIBITS, IN THEIR ENTIRETY PRIOR TO VOTING ON THE PLAN. IN THE EVENT OF ANY INCONSISTENCIES BETWEEN THE DISCLOSURE STATEMENT AND THE PLAN, THE PROVISIONS OF THE PLAN WILL CONTROL. BANKRUPTCY COURT APPROVAL OF THE DISCLOSURE STATEMENT IS NOT A DECISION ON THE MERITS NOR AN ENDORSEMENT OF THE PLAN.

No representations concerning the Debtor, its assets, liabilities and operations that are inconsistent with anything in the Disclosure Statement have been authorized in connection with any solicitation of acceptances of the Plan and should be disregarded.

A. Overview of the Debtor’s Plan

The Debtor’s Plan is a liquidating plan. The Debtor’s Plan is intended to be a consensual Plan, which all creditors will accept, or will be deemed to accept because it does not impair their rights. The Debtor’s Plan features a complete liquidation of all of the Debtor’s assets and litigation claims for the benefit of creditors through the establishment of a creditors trust, whereby an

independent trustee will administer the unencumbered assets and claims and make distributions to unsecured creditors from the proceeds of such assets and claims.

It is anticipated that the three secured creditors (Mercantil Commercebank, N.A., U.S. Small Business Administration, and BVCDD Condo Association) with liens on the Debtor's commercial office/warehouse building located at 2155-2185 N.W. 115th Avenue, Units 1-4, Miami, Florida 33172 ("Real Property"), will be paid in full in connection with a closing on a sale of the Real Property, in which the outstanding real estate taxes on the Real Property would be paid from the closing proceeds as well. Net surplus sale proceeds from the sale of the Real Property in excess of the secured claims may be available for the benefit of holders of allowed general unsecured claims as well.

BankUnited, N.A. has a lien on substantially all of the Debtor's Assets with certain exceptions, other than the Real Property, including inventory, personal property, accounts receivable, equipment, contracts, general intangibles, goods, proceeds, tax refunds, intellectual property, bank accounts, etc. except "investment property," as set forth in greater detail in Article IV identified on Schedule 1 of its U.C.5 hereof C.1 financing statement. Its secured claim was originally approximately \$11.6 million as of the commencement of this Bankruptcy Case, but the Debtor believes the claim, as of the date of this Disclosure Statement, has been reduced to approximately \$6.1 million~~7,250,000.00~~ as of the date of this Disclosure Statement as a result of postpetition liquidation of inventory, collection of accounts receivable, and adequate protection payments. BankUnited, N.A. shall retain its lien and will receive all of the net proceeds from its collateral, including sales of inventory and other tangible assets, as well as net proceeds from the collection of accounts receivable, less (a) the \$75,000 "Committee Carve Out" contained in the Bankruptcy Court's Final Order (A) Authorizing Debtor's Use of Cash Collateral and (B) Granting Adequate Protection ["Cash Collateral Order," ECF No. 51] entered on November 16, 2015, (b) the additional \$25,000 Committee Carve Out provided for in the Cash Collateral Order in the event the Committee is unable to recover its allowed fees and expenses from any other source, if applicable, and (c) all fees and costs budgeted and paid from BankUnited, N.A.'s cash collateral for the Debtor's allowed professionals' fees and expenses pursuant to the Cash Collateral Order (collectively, the "Carve Outs"). It is unclear at this time whether BankUnited, N.A.'s claim will be satisfied in full from post-confirmation liquidation of assets and claims. It is possible BankUnited, N.A. will be paid in full from the liquidation of its collateral AND there will be a surplus for the benefit of general unsecured creditors; OR the liquidation of BankUnited, N.A.'s collateral may leave BankUnited, N.A. with a deficiency claim, which would be classified and paid pro rata along with the other allowed general unsecured claims, subject to such challenges as may be asserted by the Committee pursuant to the Modification Order (as defined in Article III.C).

General unsecured creditors will be paid any net surplus funds from the liquidation of Property over and above the aggregate amount of the secured claims and administrative claims against the Debtor, in addition to the proceeds of any other litigation claims against third parties being investigated for potential post-confirmation prosecution, third party claims covered by insurance, and other avoidance actions under the Bankruptcy Code that are not subject to any liens, as set forth in greater detail in Article IV.F.10. The Debtor currently anticipates the holders of allowed general unsecured claims will receive a pro rata distribution under the Plan the Creditors Trust.

Equity interest holders of the Debtor will not receive anything under the Plan, and the Debtor entity will be dissolved in conjunction with the establishment of the post-confirmation Creditors Trust.

B. Plan Mechanics and the Chapter 11 Process

Chapter 11 is the chapter of the Bankruptcy Code primarily used for business reorganization. The fundamental purpose of a chapter 11 case is to formulate a plan to restructure a debtor's finances so as to maximize recoveries to its creditors. With this purpose in mind, businesses sometimes use chapter 11 as a means to conduct asset sales and other forms of liquidation. Whether the aim is reorganization or liquidation, a chapter 11 plan sets forth and governs the treatment and rights to be afforded to creditors and stockholders with respect to their claims against and equity interests in a debtor's bankruptcy estate.

The Plan is being presented to creditors and other parties in interest for their consideration, and some of the classes of creditors will be entitled to cast a ballot to either accept or reject the Plan. If the Plan is confirmed by the Bankruptcy Court, it will be binding upon all affected parties, including but not limited to creditors of, and holders of interests in, the Debtor, regardless of how they voted, even if they did not vote.

The Plan divides the Claims against, and Interests in, the Debtor into Classes. Certain Claims – in particular, Administrative Claims, Statutory Fees, Professional Claims, and Priority Claims – remain unclassified in accordance with section 1123(a)(1) of the Bankruptcy Code. The Plan assigns all other Claims and Interests to certain classes as further described herein.

The Plan Proponent believes that distributions under the Plan will provide creditors of the Debtor at least the same recovery, if not more, on account of allowed claims as would distributions by a chapter 7 trustee. Essentially, the mechanics of the liquidation of Trust Assets in a confirmed Plan would function very much like a chapter 7 liquidation, however Distributions under the Plan to creditors would be made more quickly than distributions by a chapter 7 trustee, and a chapter 7 trustee would charge a ~~substantial~~ statutory fee (a percentage of the gross amounts distributed to creditors), reducing the amount available for distribution on account of allowed claims. Also, the nonexistence of a tax exemption provision in chapter 7, as is found in Section 1146(a) of the Bankruptcy Code regarding sales and transfers done pursuant to a confirmed chapter 11 plan, provides additional benefit to creditors from a chapter 11 liquidation as opposed to a liquidation in chapter 7.

ACCORDINGLY, THE PLAN PROPONENT URGES EACH CREDITOR ENTITLED TO VOTE ON THE PLAN TO VOTE TO ACCEPT THE PLAN.

Following below are class by class summaries of the Claims against, and Interests in, the Debtor and the estimated distribution to the Creditors of the Debtor on account of such Allowed Claims or Interests. For a more detailed description of the treatment of Claims against, and Interests in, the Debtor, see Article 4 of the Plan, as well as Article 4 of this Disclosure Statement.

The Plan Proponent calculated the asserted claims (other than Administrative Claims) based on filed and scheduled claims. However, the scheduled claims still must be reconciled to the filed proofs of claim, and potential objections to claims may further affect the ultimate amount of allowed claims, so the Debtor's estimates are subject to change.

Class	Description	Treatment	Approx. Amount	Est. Recovery	Status
Class 1	Secured Tax Claims	See Plan, § 4.1 All outstanding Real Estate taxes to be paid at Closing of sale of Real Property.	\$160,953,40 Discounts would apply to payments before March 2016	100%	Unimpaired and not entitled to vote
Class 2.1	Secured Claim of Mercantil Commercebank, N.A.	See Plan, § 4.2 Lien Claim to be paid at Closing of sale of Real Property.	\$3,070,791.52 plus any applicable non-default interest, fees and costs	100%	Unimpaired and not entitled to vote
Class 2.2	Secured Claim of U.S. Small Business Administration	See Plan, § 4.3 Lien Claim to be paid at Closing of sale of Real Property.	\$2,280,585.87 plus any applicable non-default interest, fees and costs	100%	Unimpaired and not entitled to vote
Class 2.3	Secured Claim of BVDCC Condo Association	See Plan, § 4.4 Lien Claim to be paid at Closing of sale of Real Property.	\$29,000.00 plus any applicable non-default interest, fees and costs	100%	Unimpaired and not entitled to vote
Class 3	Secured Claim of BankUnited, N.A.	See Plan, § 4.5 Lien Claim to be paid from Proceeds of liquidation of Property subject to its Lien. Any deficiency shall be treated as part of Class 4 GUCs.	~\$6,100,250,000 (Debtor's estimate as of date of Disclosure Statement) plus any applicable non-default interest, fees and costs	N/A 100% of value of collateral, less Carve Outs, and excluding default interest	Impaired and entitled to vote
Class 4	Other Secured Claims	See Plan, § 4.6	\$0.00	100%	Unimpaired and not entitled to vote
Class 5	General Unsecured Claims	See Plan, § 4.7 Holders of Allowed GUCs will receive a Pro Rata Distribution	~\$53,000,000 Subject to reconciliation with filed	N/A Pro Rata amount of	Impaired and entitled to vote

		of net Proceeds from administration of Trust Assets and Claims not subject to liens, and any surplus amount from sales of collateralized assets.	Proofs of Claim and Claims Allowance Process.	Proceeds from Trust Assets	
Class 6	Equity Interests	See Plan, § 4.8 Equity will not receive any Distributions under the Plan and shall retain no Property whatsoever under the Plan.	N/A	0%	Deemed Rejection and not entitled to vote

C. Voting Instructions

THE PLAN PROPONENT STRONGLY RECOMMENDS EACH CREDITOR ENTITLED TO VOTE ON THE PLAN TO VOTE TO ACCEPT THE PLAN.

The Bankruptcy Code entitles only holders of impaired claims or equity interests who receive some distribution under a proposed plan to vote to accept or reject that plan. Holders of claims or equity interests that are unimpaired under a proposed plan are conclusively presumed to have accepted that plan and are not entitled to vote on it. Holders of classes of claims or equity interests that will receive no distributions under a proposed plan are conclusively presumed to reject that plan and, therefore, are also not entitled to vote on it.

The holders of Claims in Classes 3 and 5 are Impaired and thus may vote to accept or reject the Plan. The Plan Proponent has enclosed Ballots with this Disclosure Statement to solicit the votes of all claimants in the foregoing Classes.

A BALLOT FOR ACCEPTANCE OR REJECTION OF THE PLAN IS BEING PROVIDED ONLY TO HOLDERS OF CLAIMS IN CLASSES 3 AND 5. BEFORE VOTING, SUCH HOLDERS SHOULD READ THIS DISCLOSURE STATEMENT AND ITS EXHIBIT(S), INCLUDING THE PLAN AND THE PLAN DOCUMENT(S), IN THEIR ENTIRETY.

You may vote on the Plan by completing the enclosed ballot (the "Ballot") and mailing it or sending via courier to the Clerk of the Court at the following address:

Clerk of Court, U.S. Bankruptcy Court
C. Clyde Atkins United States Courthouse
301 North Miami Avenue, Room 150
Miami, FL 33128

Your ballot must be received by the Bankruptcy Court at the above address by _____ p.m. (prevailing Eastern time) on _____, 2016 (the "Voting Deadline") or it will NOT BE COUNTED OR CONSIDERED (no facsimiles or e-mails containing a PDF of your ballot will be accepted). Enclosed is a stamped, addressed envelope for mailing or otherwise delivering your originally signed ballot to the Clerk of the Bankruptcy Court.

If you are a claimant in Classes 5 and you did not receive a Ballot with this Disclosure Statement, please contact counsel for the Plan Proponent:

Corali Lopez-Castro, Esq.
David L. Rosendorf, Esq.
KOZYAK, TROPIN & THROCKMORTON, LLP
2525 Ponce De Leon Blvd., 9th Floor
Miami, Florida 33134
Tel: (305) 372-1800
Emails: clc@kttlaw.com; dlr@kttlaw.com

Only holders of Allowed Claims in Classes 3 and 5 are entitled to vote on the Plan. ~~Any Ballot executed by the holder of an Allowed Claim from Class 3 or 5, but which does not indicate acceptance or rejection of the Plan, will be considered a vote to accept the Plan.~~ Any Ballot not executed by the holder of an Allowed Claim in Class 3 or 5 will not be counted as a vote to accept or reject the Plan.

An Impaired class of Claims accepts the Plan if at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in the Class that actually vote are cast in favor of the Plan. Whether or not a holder of a Claim votes on the Plan, such Person will be bound by the terms and treatment set forth in the Plan if the Plan is accepted by the requisite majorities of the classes of creditors and is confirmed by the Bankruptcy Court. Pursuant to the provisions of ~~Section~~ 1126(e) of the Bankruptcy Code, the Bankruptcy Court may disallow any vote accepting or rejecting the Plan if such vote is not cast in good faith.

If the voting members of an Impaired Class do not vote unanimously for the Plan but, nonetheless, vote for the Plan by at least the requisite two-thirds (2/3) in amount and one-half (1/2) in number of Allowed Claims in that Class actually voted, the Plan, at a minimum, must provide that each member of such Class will receive property of a value, as of the Effective Date, that is not less than the amount such Class members would receive or retain if the Debtor was liquidated under chapter 7 of the Bankruptcy Code.

The Plan Proponent may dispute proofs of Claims that have been filed or that the Debtor listed as disputed in the schedules that the Debtor filed with the Bankruptcy Court. Persons whose Claims are disputed may vote on or otherwise participate in distributions under the Plan only to the extent that the Bankruptcy Court allows their Claims. The Bankruptcy Court may temporarily allow a Claim for voting purposes only. Allowance of a Claim for voting purposes or disallowance of a Claim for voting purposes does not necessarily mean that all or a portion of that Claim will be allowed or disallowed for distribution purposes. The Debtor's schedules listing Claims and whether such Claims are disputed can be inspected at the offices of Kozyak Tropin & Throckmorton, LLP, 2525 Ponce De Leon, 9th Floor, Miami, Florida 33134.

D. Confirmation of the Plan by the Bankruptcy Court

Once it is determined which Impaired classes have or have not accepted the Plan, the Bankruptcy Court will determine whether the Plan may be confirmed. However, the Bankruptcy Court may confirm the Plan even if all but one of the Impaired classes do not accept the Plan if the

Bankruptcy Court finds that the remaining Impaired class of Claims and Interests (not including any acceptances by "insiders" as defined in Section 101(31) of the Bankruptcy Code) has accepted the Plan and that certain additional conditions are met. The Plan Proponent therefore will request that the Bankruptcy Court confirm the Plan under Section 1129(b) of the Bankruptcy Code with respect to any non-accepting Class of Claims and Interests.

Section 1129(b) of the Bankruptcy Code is generally referred to as the "cram down" provision. Pursuant to the cram down provision, the Bankruptcy Court may confirm the Plan over the objection of a non-accepting Class of General Unsecured Claims if the non-accepting claimants will receive the full value of their Claims, or, if the non-accepting claimants receive less than full value, if no Class of junior priority will receive anything on account of their pre-petition Claims or Interests.

The Plan provides for the liquidation of substantially all of the property of the Debtor's estate through the sale of the Debtor's assets and the administration of a post-confirmation Creditors Trust. Pursuant to Section 1141(d)(3) of the Bankruptcy Code. Confirmation of the Plan will not discharge the Debtor from any of its debts which arose prior to October 12, 2015 (the "Petition Date"); however, Confirmation will make the Plan binding upon the Debtor, its creditors, holders of Claims and Interests, and other parties in interest regardless of whether they have accepted the Plan.

II. BACKGROUND OF THE DEBTOR

The Debtor is a Florida corporation jointly owned by Henry Waissmann (54%) and Henry Aguilar (46%). Prior to the Petition Date, the Debtor was engaged in the business of supplying wholesale computers, smart phones, and related equipment and software to dealers and wholesalers in Latin America. The Debtor's office is located at 2175 N.W. 115 Avenue, Unit Nos. 1-4, Miami, FL 33172.

Leading up to the Petition Date, the Debtor's business operations were disrupted by the economic volatility that currently exists in Latin America. Profit margins were compressed due to changes in the marketplace, with the Debtor's gross profit margin retreating from approximately 4.75% in 2014 to only 0.22% for the first four months of 2015. In addition, the collection of accounts receivable was dramatically affected by economic pressures on the Debtor's customers within the primary marketplaces of South and Latin America. Currency exchange rates in certain markets further impacted collections as account debtors found it increasingly difficult to pay in the stronger U.S. dollars. Finally, beginning in the last quarter of 2014, the Debtor's primary lender began limiting availability under the Debtor's \$40 million line of credit. This had an immediate effect on the Debtor's working capital position. After reviewing options, the Debtor's management concluded that an orderly liquidation was in the best interest of creditors.

Prior to filing Chapter 11, the Debtor employed James S. Howard of GlassRatner Advisory & Capital Group LLC ("GlassRatner") as its chief restructuring officer ("CRO"), and the law firm of Kozyak Tropin & Throckmorton, LLP to prepare an orderly, structured Chapter 11 liquidation to maximize the going concern value of the Debtor's assets. As of the Petition Date, the Debtor's assets included the Real Property, accounts receivable, inventory, furniture, fixtures and equipment. The Debtor's accounts receivable as of the Petition Date had a face value of approximately \$25 million, but due to collectability issues the Debtor anticipates recovery of approximately \$12 million through an orderly liquidation in Chapter 11. The Debtor's inventory includes various smart phones, accessories, mobile devices, and computer and peripheral parts. The inventory had an approximate market value on

the Petition Date of \$3.6 million. As of the Petition Date, furniture, fixtures and equipment were valued at approximately \$122,000.00.

During the ~~several~~five months of this Chapter 11 case, the Debtor, its CRO and counsel have worked cooperatively with the Official Committee of Unsecured Creditors and the Debtor's secured lenders to stabilize and negotiate the Debtor's wind-down process and discuss the parameters of a Chapter 11 Plan of Liquidation and a post-confirmation Creditors Trust, ~~whereby~~ as described above, ~~the Debtor~~ will liquidate the Debtor's Real Property and other collateralized Assets subject to liens, and ~~the Creditors' Trust will~~ administer other Claims and Assets for the benefit of general unsecured creditors.

As noted above, general unsecured creditors will be paid any net surplus funds from the liquidation of Property over and above the aggregate amount of all secured claims and pre-Effective Date administrative claims, in addition to any other Assets and Trust Litigation Claims (as defined in Article IV.F.10)~~litigation claims being investigated for potential post-confirmation prosecution, tax refund claims, third party claims covered by insurance, and other avoidance actions under the Bankruptcy Code~~ that are not subject to any liens. The Debtor currently anticipates the holders of allowed general unsecured claims will receive a pro rata distribution under the Plan via the Creditors Trust.

III. THE CHAPTER 11 CASE

A. The Debtor's Bankruptcy Proceedings

The Debtor filed its Chapter 11 petition on October 12, 2015 [ECF No. 1]. The Clerk of the Court set the Claims Bar Date for general unsecured creditors to file proofs of claim for February 16, 2016, and for governmental units to file proofs of claim by no later than April 11, 2016 [ECF No. 21]. On October 23, 2015, the United States Trustee's Office appointed five members to the Official Committee of Unsecured Creditors ("Committee") pursuant to 11 U.S.C. § 1102(a) [ECF No. 34]. The Committee is comprised of (i) Samsung Electronics Latinoamerica Miami, Inc. (Committee Chair); (ii) Ingram Micro, Inc.; (iii) ProcurePal, LLC; (iv) Greensill Capital (UK) Limited; and (v) Atradius Trade Credit Insurance, Inc. Based on the Debtor's successful negotiations with the Committee and BankUnited, N.A., on November 16, 2015 the Court entered a Final Order approving the use of cash collateral and a court-approved budget to support the Debtor's going concern operations in order to sustain itself pending development, negotiation, filing and approval of a Chapter 11 Plan [ECF No. 51].

B. Retained Professionals of the Debtor's Estate

Since the Petition Date, the following professionals were retained by the Debtor and Committee, respectively, to assist with the administration of the Estate's assets and liabilities:

- (1) Kozyak Tropin & Throckmorton, LLP (Debtor's Counsel)
- (2) GlassRatner Advisory & Capital Group LLC (Debtor's Financial Advisor/CRO)
- (3) Fuerst Ittleman David & Joseph, PL (Debtor's Special Tax Counsel)

- (4) Avila Rodriguez Hernandez Mena & Ferri, LLP (Debtor's Real Estate and Corporate Counsel)
- (5) Cherry Bekaert (Debtor's Tax Accountants)
- (6) Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. (Committee's Counsel)
- (7) Development Specialists Inc. (Committee's Financial Advisor)
- (8) Genovese Joblove & Battista, P.A. (Committee's Special Litigation Counsel)

C. Cash Collateral Order

Under the Bankruptcy Code, a debtor may only use the cash proceeds of a secured creditor's collateral if the secured creditor consents, or if the Bankruptcy Court authorizes such use. Upon the commencement of the Bankruptcy Case, the Debtor filed an Agreed Emergency Motion for Interim and Final Orders Authorizing the Use of Cash Collateral [ECF No. 14] ("Cash Collateral Motion") to permit the continued use of BankUnited, N.A.'s cash collateral pursuant to a budget and terms that were agreed upon by the Debtor and BankUnited, N.A. On October 14, 2015, the Bankruptcy Court entered an Interim Order [ECF No. 37], and on November 13, 2015, a Final Order [ECF No. 51] (the "Cash Collateral Order") granting the Cash Collateral Motion. As a result, the Debtor has had the continued use of cash to operate its business post-petition, and proceed in an orderly fashion with the collection of its accounts receivable and liquidation of its assets. Pursuant to the Cash Collateral Order, the Debtor has also paid excess cash collateral to BankUnited, N.A. to reduce the amount of its secured claim and interest accruing thereon, thereby increasing the likelihood that BankUnited, N.A.'s secured claim will be satisfied in full and that funds from the liquidation of remaining Assets will be available for pro rata distribution to general unsecured creditors. Since the Petition Date, the Debtor has reduced the BankUnited, N.A. secured debt from approximately \$11.6 million to approximately \$~~6.17~~²⁵ million.

The Cash Collateral Order also provided that the liens and security interests of BankUnited, N.A. in its Prepetition Collateral and the Replacement Collateral (as defined therein) shall be deemed legal, valid, binding, enforceable, perfected and unavoidable, and the full liability and obligations of the Debtor in respect of the BankUnited Prepetition Claim (as defined therein) shall be allowed and binding on all parties in interest in this bankruptcy case or any successor case, including any subsequently appointed chapter 11 or chapter 7 trustee, as legal, valid, binding, enforceable and fully secured claims that are not subject to offset, counterclaim or equitable subordination, unless an adversary proceeding or contested matter with respect thereto was instituted within seventy (70) days of its entry. On January 26, 2016, the Court entered an Order Granting Committee's Emergency Motion for Modification of Final Order (A) Authorizing Debtor's Use of Cash Collateral and (B) Granting Adequate Protection ("Modification Order," ECF No. 107), pursuant to which the Committee has until May 25, 2016 to assert any defenses, affirmative claims or counterclaims with respect to BankUnited, N.A.'s Prepetition Claim, or to assert any Chapter 5 avoidance claims or other claims seeking affirmative relief against BankUnited, N.A., to the extent such defenses, claims or counterclaims do not involve any challenge to the validity, enforceability, perfection of, or first priority of BankUnited, N.A.'s liens. The Committee asserts that claims with respect to equitable subordination are preserved; BankUnited, N.A. disputes that position.

D. Accounts Receivable Collection & Inventory Sales

During the pendency of the bankruptcy case, the Debtor has continued its efforts to collect accounts receivable and sell inventory, which has enabled it to comply with the Cash Collateral Order and meets its budgetary requirements. Since the Petition Date, the Debtor has received approximately \$5 million through collection of receivables and inventory sales. ~~On April 22, 2016, the Court approved a motion to approve a settlement (as modified) with a former customer, Mobile Distribution Group, Inc., which provides for the payment of a total of \$989,150.70 over a period of eight months, plus the Debtor's preservation of its right to collect an additional \$778,000 from a third party pursuant to a joint venture agreement with Mobile Distribution Group, Inc. There is presently \$200,000 held in Debtor's counsel's trust account representing payments made in accordance with the settlement pending the Court's consideration of its approval.~~

The Debtor has commenced several adversary proceedings to recover amounts due on accounts receivable, resulting in several judgments for which the collections process is ongoing, while also sending out demand letters to other delinquent customers. These efforts will be continued post-confirmation in accordance with the Plan at the expense of BankUnited, N.A. after the Effective Date.

On March 18, 2016 the Court entered an Order approving the sale of certain mobile phone inventory, accessories and related intellectual property to MG Accessories and Distribution, Inc. for \$164,317.78. That sale has closed.

E. Estate's Financial Status

As of March 21, 2016, the Debtor's Estate possessed Cash in the approximate amount of \$300,000.00 (excluding amounts held in trust as identified above). The amount of cash on hand will continue to change through the Confirmation Date due to incoming Cash from the ongoing collection of accounts receivable and inventory sales, and expenditures on account of business expenses, adequate protection payments to BankUnited, N.A. in accordance with the Cash Collateral Order, and the payment of Administrative Expense Claims.

F. The Claims Process

The Bankruptcy Code provides a procedure for all Persons who believe they have a Claim against the Debtor to assert such Claims, so that such Claimants can receive Distributions from the Debtor's Bankruptcy Estate. The Bankruptcy Court establishes a "bar date" - a date by which creditors must file their Claims, or else such Claims will not participate in the bankruptcy case or any distribution. After the filing of all Claims, the Debtor evaluates such Claims and can, along with other parties in interest, raise objections to them. These claims objections allow the Debtor to limit the Claims against it to only valid, bona fide obligations of the Debtor, and thereby maximize the recovery to creditors with Allowed Claims.

On October 16, 2015, a Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors & Deadlines was issued establishing February 16, 2016 as the deadline for filing proofs of Claims against the Debtor (the "Claims Bar Date"). In addition, April 11, 2016 was set as the deadline for the filing of Claims by governmental units.

Pursuant to the Plan, all unpaid Administrative Claims must be filed on or before the Administrative Claims Bar Date. The Administrative Claims Bar Date is fourteen days prior to the date first scheduled for the Confirmation Hearing.

The Debtor filed bankruptcy schedules listing in excess of \$68 million in secured and unsecured creditor claims against the Estate, but which reference certain disputed, contingent and/or unliquidated claims. (See generally, Debtor's Schedules, ECF Nos. 1 and 47). Some creditors may believe they are owed amounts greater than the amounts scheduled by the Debtor, may believe that the secured or priority status of their claims are not properly scheduled, or may assert claims that have not been included in the Schedules. In any of the foregoing situations, creditors must file timely proofs of claim to assert their rights. A preliminary analysis of the filed proofs of claim as compared to the scheduled claims reflects approximately \$53 million in General Unsecured Claims that are either filed or scheduled as not being disputed, contingent or unliquidated. However, the total claims amount may include duplicative claims, and claims that may be subject to objection or reduction.

Accordingly, the amount of the Pro Rata Distribution that will ultimately be received by any particular holder of an Allowed General Unsecured Claim may be positively or adversely affected by the outcome of the claims resolution process. Under the Plan and Creditors Trust Agreement, the Trustee will be directed to complete the claims reconciliation and objection process after confirmation as set forth in Article 7.12 of the Plan.

G. Litigation Claims of the Estate

Since the Petition Date, the Debtor has prosecuted several actions to collect on outstanding accounts receivables owed to the Debtor. As set forth in greater detail in Article IV.F.10, after the Effective Date, the Debtor will continue to prosecute certain claims and causes of action which are subject to liens, and the Trust Litigation Claims will be assigned to the Trustee to investigate and prosecute on behalf of the holders of Allowed General Unsecured Claims.

~~In addition to the Trustee being tasked with making Distributions to holders of Allowed General Unsecured Claims and handling the claims reconciliation/objection process, the Creditors Trust (discussed below) is being created to pursue certain Causes of Action of the Debtor's Estate, which include (a) all Causes of Action which are Unencumbered Property; (b) all Causes of Action for which the Committee was conferred the authority to prosecute, including those potential claims against BankUnited, N.A. as set forth in the Court's Order Granting Committee's Emergency Motion for Modification of Final Order (A) Authorizing Debtor's Use of Cash Collateral and (B) Granting Adequate Protection ("Modification Order," ECF No. 107) and such additional claims against third parties as set forth in the Court's Order Granting Committee's Emergency Motion for Entry of an Order Granting Leave, Standing and Authority to Notice and Preserve Claims on Behalf of the Debtor's Estate, Pursuant to 11 U.S.C. § 105(a), 1103(e) and 1109(b) ("Committee Standing Order," ECF No. 120); and (c) after the Effective Date and upon the satisfaction of any claim secured by a Lien against such Causes of Action or their proceeds, all Causes of Action transferred to the Trust by the Debtor.~~

~~The Causes of Action which the Debtor/CRO shall have continued authority to prosecute after the Effective Date are: (a) all claims relating to any accounts, inventory, equipment, contracts, general intangibles, or other assets which are subject to BankUnited, N.A.'s lien; (b) all tax refund claims being sought by the Estate; and (c) all claims relating to the Real Property and the sale thereof.~~

~~The Causes of Action which the Trustee shall have authority to prosecute upon the Effective Date are: (a) any claims which the Committee may pursue against BankUnited, N.A. as set forth in the Modification Order, subject to the terms thereof; (b) any claims against other third parties in connection with Estate Property and/or its operations prior to the Petition Date, including without limitation, claims for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, negligence and professional negligence/malpractice, avoidance of avoidable transfers, recharacterization and equitable subordination, and (c) prosecuting objections to claims filed against the bankruptcy Estate.~~

General Unsecured Creditors should refer to the Debtor's statement of financial affairs [ECF No. 1, Item 3(b)], which listed in excess of \$8.2 million transfers the Debtor made to creditors in the 90-day prepetition period, which MAY be considered as potentially avoidable transfers, though this list is not meant to be exhaustive of the entire universe of potentially avoidable transfers at law, is not dispositive as to liability, and is subject to ongoing review by the Estate's professionals.

IV. CHAPTER 11 PLAN OF LIQUIDATION

THE FOLLOWING IS A BRIEF SUMMARY OF CERTAIN OF THE MORE SIGNIFICANT MATTERS CONTEMPLATED BY OR IN CONNECTION WITH THE CONFIRMATION OF THE PLAN. THUS, THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE PLAN, WHICH IS ATTACHED TO THIS DISCLOSURE STATEMENT AS EXHIBIT A. THIS SUMMARY ONLY HIGHLIGHTS CERTAIN SUBSTANTIVE PROVISIONS OF THE PLAN. CONSIDERATION OF THIS SUMMARY WILL NOT, NOR IS IT INTENDED TO, YIELD A THOROUGH UNDERSTANDING OF THE PLAN. SUCH CONSIDERATION IS NOT A SUBSTITUTE FOR A FULL AND COMPLETE READING OF THE PLAN. ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED TO REVIEW THE PLAN CAREFULLY. THE PLAN, IF CONFIRMED, WILL BE BINDING ON EACH OF THE DEBTORS AND ALL HOLDERS OF CLAIMS AND INTERESTS.

C.A. Plan Overview

The only unclassified classes of Claims contemplated by the Plan are Administrative Claims (including Professional Claims) and Priority Claims. Classes 3 and 5 are Impaired and are entitled to vote on the Plan.

D.B. Plan Summary

1. Administrative Claims.

Subject to the allowance procedures and deadlines provided in the Plan, as soon as practicable on the later of the Effective Date or the Allowance Date, the holder of an Allowed Administrative Claim shall receive on account of the Allowed Administrative Claim and in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Administrative Claim, (a) Cash

equal to the unpaid portion of such Allowed Administrative Claim, or (b) such other treatment as to which the Debtor and the holder of such Allowed Administrative Claim have agreed upon in writing, provided, however, that Professional Claims shall be paid in accordance with ~~Article~~Section 3.2 of the Plan, as described below.

2. Statutory Fees.

The Debtor shall pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) within fourteen (14) days after the entry of the Confirmation Order for pre-confirmation periods and simultaneously provide to the United States Trustee an appropriate affidavit indicating the Cash disbursements for the relevant period. The Trustee shall further pay the United States Trustee the appropriate sums required pursuant to 28 U.S.C. ~~§~~Section 1930(a)(6) based upon all disbursements of the Trust for post-confirmation periods within the time period set forth in 28 U.S.C. § 1930(a)(6).

3. Professional Claims.

As soon as practicable on the later of the Effective Date or the Allowance Date, the Debtor shall pay all amounts owing to the Professionals for all outstanding Professional Claims. On or prior to the Administrative Claims Bar Date, each Professional shall file with the Bankruptcy Court its final fee application seeking final approval of all fees and expenses from the Petition Date through the Effective Date. For Holders of Administrative Claims and Professional Fee Claims that are continuing to provide services and incur fees on behalf of the Estate after the Administrative Claims Bar Date through the Confirmation Date, such Claimants shall file and serve a supplemental application by no later than the second business day prior to the Confirmation Hearing and may include a final estimate for remaining fees and costs to be incurred through the Confirmation Date.

4. Allowed Priority Tax Claims.

To the extent not already satisfied by the Debtor prior to the Effective Date, then commencing as soon as reasonably practicable on or after the Effective Date, the Trustee shall pay to the Holder of an Allowed Priority Tax Claim the amount of Cash equal to such Allowed Priority Tax Claim from Cash on hand, on the later of the Effective Date or the Allowance Date. The Debtor's schedules reflect that there were no priority tax claims due and owing as of the Petition Date, but same is subject to ongoing review.

C. Treatment of Claims and Interests.

The treatment of and consideration to be received by holders of Allowed Claims and the treatment of Interests pursuant to Article 4 of the Plan will be in full satisfaction, settlement, release, extinguishment and discharge of their respective Allowed Claims against, or Interests in, the Debtor and the Debtor's Estate, except as otherwise expressly provided in the Plan or the Confirmation Order.

1. Class 1: Allowed Secured Tax Claims.

(a) Definition of Class 1

Class 1 consists of Allowed Secured Tax Claims with respect to real estate taxes due on the Real Property, which for year 2015 are currently estimated to be \$160,953.40 if timely paid in March 2016. These real estate taxes are subject to lower discounted payment amounts if paid prior

to March 2016. It is anticipated that the Trustee will sell the Real Property in conjunction with confirmation of the Plan.

(b) Treatment of Class 1

Allowed Claims within Class 1 shall retain their Liens on the Real Property and shall be satisfied from the Proceeds of the sale of the Real Property. Subject to customary allocation and credits for such tax obligations at closing, the real estate taxes for year 2016, if any, would be the responsibility of the purchaser/successful bidder of the Real Property, as the Real Property will be transferred pursuant to the post-confirmation sale of the Real Property, with the Debtor addressing any prorated tax responsibility with the purchaser/successful bidder at closing.

(c) Voting Status of Class 1

Class 1 is Unimpaired under the Plan and the holder of such Claims is not entitled to vote on the Plan.

2. Class 2.1: Allowed Secured Claim of Mercantil Commercebank, N.A.

(a) Definition of Class 2.1

Class 2.1 consists solely of Mercantil Commercebank, N.A., which holds a first mortgage lien against the Real Property. Its proof of claim filed against the Debtor's Estate asserts a secured claim in the amount \$3,070,791.52 plus any applicable interest, fees and costs.

(b) Treatment of Class 2.1

Mercantil Commercebank, N.A. shall retain its Lien on the Real Property and its Class 2.1 Secured Claim shall be satisfied from the Proceeds of the sale of the Real Property. Mercantil Commercebank, N.A.'s Lien shall attach to any net Proceeds of the post-confirmation sale of the Real Property in accordance with applicable state law lien priorities after full payment of all Allowed Secured and Priority Tax Claims, and pre- and post-confirmation U.S. Trustee Fees through and including the quarter in which the Effective Date occurs, and shall not be subject to objection, disallowance, or subordination. Such lien shall be released and discharged at closing upon payment in full of its Allowed Secured Claim, including any applicable contractual non-default rate interest, fees and costs, subject to final reconciliation and agreement to a final payoff amount at closing or a Final Order of the Bankruptcy Court in the absence of agreement. In the event that a sale of the Real Property results in a Credit Bid by Mercantil Commercebank, N.A., it shall be permitted to offset its Allowed Secured Claim against the purchase price.

(c) Voting Status of Class 2.1

Class 2.1 is Unimpaired under the Plan and the holder of such Claims is not entitled to vote on the Plan.

3. Class 2.2: Allowed Secured Claim of U.S. Small Business Administration

(a) Definition of Class 2.2

Class 2.2 consists solely of the U.S. Small Business Administration, which holds a second mortgage lien against the Real Property. Its scheduled claim amount against the Debtor's Estate references a secured claim in the amount \$2,280,585.87 plus any applicable interest, fees and costs.

(b) Treatment of Class 2.2

U.S. Small Business Administration shall retain its Lien on the Real Property and its Allowed Class 2.2 Secured Claim shall be satisfied from the Proceeds of the sale of the Real Property. U.S. Small Business Administration's Lien shall attach to any net Proceeds of the post-confirmation sale of the Real Property in accordance with applicable state law lien priorities after full payment of all (i) Allowed Secured and Priority Tax Claims, (ii) pre- and post-confirmation U.S. Trustee Fees through and including the quarter in which the Effective Date occurs, and (iii) Allowed Secured Class 2.1 Secured Claims, and shall not be subject to objection, disallowance, or subordination. Such lien shall be released and discharged at closing upon payment in full of its Allowed Secured Claim, including any applicable contractual non-default rate interest, fees and costs, subject to final reconciliation and agreement to a final payoff amount at closing or a Final Order of the Bankruptcy Court in the absence of agreement. In the event that a sale of the Real Property results in a Credit Bid by U.S. Small Business Administration, it shall be permitted to offset its Allowed Secured Claim against the purchase price.

(c) Voting Status of Class 2.2

Class 2.2 is Unimpaired under the Plan and the holder of such Claims is not entitled to vote on the Plan.

4. Class 2.3: Allowed Secured Claim of BVDCC Condo Association

(a) Definition of Class 2.3

Class 2.3 consists solely of the BVDCC Condo Association, which holds a third lien against the Real Property. Its filed proof of claim asserts a secured claim in the amount of \$38,947.26, plus any applicable interest, fees and costs; however, BVDCC Condo Association has filed a Limited Objection to Confirmation contending that the total amount it is owed, including post-petition assessments, fees, and interest, is \$79,478.87.

(b) Treatment of Class 2.3

BVDCC Condo Association shall retain its Lien on the Real Property and its Allowed Class 2.3 Secured Claim shall be satisfied from the Proceeds of the sale of the Real Property. BVDCC Condo Association's Lien shall attach to any net Proceeds of the post-confirmation sale of the Real Property in accordance with applicable state law lien priorities after full payment of all: (i) Allowed Administrative Claims, Allowed Professional Fee Claims, and Allowed Priority Tax Claims; (ii) pre-confirmation U.S. Trustee Fees and post-confirmation U.S. Trustee Fees up to and including the quarter in which the Effective Date occurs; (iii) the Class 2.1 Allowed Secured Claim of Mercantil Commercebank, N.A.; and (iv) the Class 2.2. Allowed Secured Claim of the U.S. Small Business Administration, and shall not be subject to objection, disallowance, or subordination. Such lien shall be released and discharged at closing upon payment in full of its Allowed Secured Claim, including any applicable contractual non-default rate interest, fees and costs, subject to final reconciliation and agreement to a final payoff amount at closing or a Final Order of the Bankruptcy Court in the absence of agreement. In the event that a sale of the Real Property results in a Credit Bid by BVDCC Condo Association, it shall be permitted to offset its Allowed Secured Claim against the purchase price.

(c) Voting Status of Class 2.3

Class 2.3 is Unimpaired under the Plan and the holder of such Claims is not entitled to vote on the Plan.

5. Class 3: Allowed Secured Claim of BankUnited, N.A.

(a) Definition of Class 3

Class 3 consists solely of BankUnited, N.A., which holds a first position Lien on and security interest in substantially all of the Debtor's Property ~~except for the Real Property and certain Causes of Action, including Chapter 5 avoidance actions,~~ as its Lien covers all other Property and proceeds thereof, ~~specifically and without limitation, including~~ inventory, accounts receivable, equipment, contracts, general intangibles, goods, proceeds, tax refunds, intellectual property, bank accounts, etc. except ~~the Real Property, such other Property~~ "investment property," as ~~may be excluded from the description of collateral set forth identified in BankUnited, N.A.'s Security Agreement and Schedule 4 to its~~ U.C.C-1 financing statement ~~and such Property as to which BankUnited, N.A. did not obtain a duly perfected and enforceable security interest. The Committee contends that BankUnited, N.A.'s Lien does not attach to the Trust Litigation Claims and is limited to the categories of collateral set forth in its Security Agreement; BankUnited, N.A. disagrees. The parties agree that the extent of BankUnited, N.A.'s lien with respect to the Causes of Action shall be determined prior to or in conjunction with confirmation.~~ While BankUnited, N.A. ~~filed a Proof of Claim was listed on the Debtor's bankruptcy schedules as having a secured claim~~ in the amount of \$11,400,284.03 ("BankUnited, N.A.'s Allowed Secured Claim"), ~~6 million,~~ the Debtor currently estimates ~~the amount still due on~~ BankUnited, N.A.'s Allowed Secured Claim as approximately \$6.17-25 million as of the date of this Disclosure Statement based on proceeds from pre-confirmation liquidation of Property and adequate protection payments.

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(b) Treatment of Class 3

BankUnited, N.A. shall retain its Lien, except with respect to (a) the \$75,000 Committee Carve Out provided in the Bankruptcy Court's November 16, 2015 Final Order (A) Authorizing Debtor's Use of Cash Collateral and (B) Granting Adequate Protection ("**Cash Collateral Order**," ECF#51), (b) the additional \$25,000 Committee Carve Out provided for in the Cash Collateral Order in the event the Committee is unable to recover its allowed fees and expenses from any other source, if applicable, and (c) all fees and costs budgeted and paid from BankUnited, N.A.'s cash collateral for the Debtor's professionals' fees and expenses pursuant to the Cash Collateral Order (collectively, the "**Carve Outs**"). Bank United, N.A.'s Allowed Secured Claim shall be satisfied from Proceeds of Property subject to its Lien from the ongoing post-confirmation liquidation of such Property in accordance with applicable state law lien priorities and shall not be subject to objection, disallowance, or subordination, ~~except to the extent of any rights of the Committee under the Modification Order or otherwise.~~ Such lien shall be released and discharged upon payment in full of its Allowed Secured Claim, including any applicable contractual non-default rate interest, fees and costs, but **excluding** any claim for default rate interest, all subject to final reconciliation and agreement to a final payoff amount at closing or a Final Order of the Bankruptcy Court in the absence of agreement. In the event that a sale of any of the Property results in a Credit Bid by BankUnited, N.A., it shall be permitted to offset its Allowed Secured Claim against the purchase price. The Allowed Secured Class 3 Claim of BankUnited, N.A shall receive payment in Cash in accordance with applicable state law lien priorities to the extent sufficient Proceeds remain after the liquidation of the Property subject to its Lien pursuant to the Plan, after full payment of all Allowed

Secured and Priority Tax Claims; and pre-confirmation U.S. Trustee Fees and post-confirmation U.S. Trustee Fees up to and including the quarter in which the Effective Date occurs, subject to any rights of the Committee under the Modification Order or otherwise.

Notwithstanding the proposed treatment for BankUnited, N.A.'s Lien set forth immediately above and in Article 4.5.1 of the Plan, there is a potential that BankUnited, N.A. will not be paid in full from the liquidation of its collateral. In such event, BankUnited, N.A. shall be deemed to have a Class 5 Allowed General Unsecured Claim (the "BankUnited Deficiency Claim") in an amount equal to BankUnited N.A.'s Allowed Secured Claim less: (a) the Proceeds of the post-Petition ~~Date of confirmation~~ liquidation of Property subject to its lien and any other payments received in connection with its lien rights against the Property; and/or (b) the amount of a successful Credit Bid against the Debtor's Property subject to BankUnited N.A.'s Lien. The BankUnited Deficiency Claim, to the extent there is one, shall not be subject to objection, disallowance or subordination, except to the extent of any rights of the Committee under the Modification Order or otherwise. The rights of BankUnited N.A. to assert the full amount of the BankUnited Deficiency Claim in any other proceeding in state or federal court for any and all causes of action BankUnited N.A. may possess, including, but not limited to, causes of action for indemnification and/or enforcement of any guarantee against any third party shall not be waived, altered, or in any way prejudiced by the terms of this Plan.

(c) Voting Status of Class 3

Class 3 is Impaired under the Plan and the holder of such Claims is entitled to vote on the Plan.

6. Class 4: Other Secured Claims

(a) Definition of Class 4

Class 4 consists of any other Allowed Secured Claims held by Creditors.

(b) Treatment of Class 4

Allowed Secured Claims within Class 4 shall retain their Liens on the Property securing their Claims, and their Allowed Secured Claims shall be paid in full from the Proceeds of the liquidation of their collateral, or alternatively at the Debtor's election, such collateral shall be returned to such creditor in full satisfaction of their Allowed Secured Claim.

(c) Voting Status of Class 4

Class 4 is Unimpaired under the Plan and the holders of such Claims are not entitled to vote on the Plan.

7. Class 5: Allowed General Unsecured Claims

(a) Definition of Class 5

Class 5 consists of all Allowed General Unsecured Claims held by Creditors. The Debtor's schedules listed in excess of \$51 million in unsecured claims with some claims being listed as contingent, unliquidated and/or disputed, requiring those creditors to timely file proofs of claim.

(b) Treatment of Class 5

Allowed Class 5 Claims shall be paid an initial Pro Rata Distribution of the Proceeds from the Trust Assets as soon as reasonably practicable on the later of (a) the date the Trustee determines to make an Initial Distribution or (b) the Allowance Date, as applicable, and shall receive subsequent Pro Rata Distributions of the Proceeds from the Trust Assets in accordance with the terms of the Creditors Trust Agreement. Should the ~~Debtor~~^{Debtor's CRO} or Committee prior to the Effective Date, or the Trustee after the Effective Date, object to a Class 5 Claim, such Claim would be a Disputed Claim, with the appropriate reserve amount established for the Disputed Claims Reserve from Available Cash. At such time as a Disputed Class 5 Claim may become an Allowed Class 5 Claim, such Allowed Class 5 Claim shall be paid as set forth in this Article 4.7 of the Plan.

(c) Voting Status of Class 5

Class 5 is Impaired under the Plan and the holders of such Claims are entitled to vote on the Plan.

8. Class 6: Equity Interests of or in the Debtor

(a) Definition of Class 6

Class 6 consists of all Equity Interests possessed by the equity holders of the Debtor.

(b) Treatment of Class 6

Allowed Class 6 Interests shall receive no Distribution under the Plan and shall retain no Property whatsoever under the Plan.

(c) Voting Status of Class 6

Class 6 is Impaired under the Plan, but Holders of Allowed Class 6 Interests in the Debtor still are not entitled to vote on the Plan, as they receive nothing under the Plan and are deemed to reject the Plan.

D. Treatment of Executory Contracts.

Unless a motion to assume is filed prior to confirmation and an order authorizing assumption is entered on or prior to the Effective Date, all executory contracts and unexpired leases of the Debtor shall be deemed rejected as of the Effective Date. The Confirmation Order shall constitute an Order of the Bankruptcy Court approving the rejection of executory contracts pursuant to Bankruptcy Code Section 365 as of the Effective Date. **Any Claim for damages arising from any such rejection must be filed within thirty (30) days after the mailing of notice of the entry of the Confirmation Order (the "Rejection Claim Bar Date"), or such Claim shall be forever barred, shall not be enforceable against the Debtor, its Estate, the Trust, the Trustee, or any of their respective properties and shall receive no distribution under the Plan or otherwise on account of such Claim.**

E. Plan Implementation/Creditor Trust Agreement

The following is a summary of the more salient provisions of the Creditors Trust Agreement in regards to the overall purpose, structure and mechanics of implementing the Plan. Provisions below merely forms a summary and the reader is advised to review the complete text of the Creditors Trust Agreement which is annexed to the Plan as Exhibit A.

1. Establishment of the Liquidating Trust/Disbanding Committee

On the Effective Date, the CRO, on behalf of the Debtor and the Beneficiaries, shall execute the Creditors Trust Agreement attached to the Plan and incorporated herein as **Exhibit A**, and take all steps necessary to establish the Creditors Trust. The Official Committee of Unsecured Creditors in this Bankruptcy Case is deemed automatically disbanded on the Effective Date.

2. Purpose of Creditors Trust

The Trust is being established for the purpose of (i) liquidating the Debtor's Unencumbered Property including those Causes of Action which the Trustee is authorized to prosecute in accordance with Article 7.10 of the Plan (provided that any Causes of Action that are subject to BankUnited, N.A.'s Lien shall not become Unencumbered Assets to be turned over to the Trust unless and until the Class 3 Secured Claim of BankUnited, N.A. has been satisfied; and without prejudice to BankUnited, N.A.'s right to assert that its Lien attaches to the proceeds of any Causes of Action which the Trustee has been authorized to prosecute, and without prejudice to any objection or defenses thereto, which issue shall be resolved in advance of or in conjunction with confirmation), and (ii) distributing the proceeds thereof to certain holders of Allowed General Unsecured Claims, as identified in and prescribed by the Plan. The Trust shall not continue or engage in any trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Trust.

3. Contribution of Assets to the Trust

On the Effective Date of the Plan, the CRO on behalf of the Debtor's estate shall transfer all of the Unencumbered Property to the Trust, pursuant to the terms of the Creditors Trust Agreement. Title to all Property contributed to the Trust shall vest in the Trust on the Effective Date following the transfer. Upon the satisfaction of any Secured Claim pursuant to this Plan, all Property which had been collateral for such Secured Claim, or the Proceeds thereof in excess of the amount necessary to satisfy the Secured Claim, shall become Unencumbered Property and shall be turned over by the Debtor to the Trust. For the avoidance of any doubt, following the contribution of Property to the Trust pursuant to the Plan (Article 6.1.3) and the Trust Agreement, the Trustee shall have standing to liquidate such Property of this Estate and pursue Causes of Action on behalf of the Trust and shall be entitled to all remedies with respect thereto currently available to the Debtor and creditors, if applicable, CRO in the Bankruptcy Case.

4. Trust Management

The Trustee shall have the power and authority set forth in the Trust Agreement. As a condition to serving as Trustee, the Trustee, and any successor trustee, is required to and shall post a

bond in favor of the Trust in an amount not less than the amount of Cash held by the Trust, which bond shall be in substantially the form as that required by the United States Trustee's Office for trustees serving in bankruptcy cases within the Southern District of Florida. For the avoidance of any doubt, the Trust shall post and be responsible for all costs associated with the posting of the foregoing bond including costs associated with such bond.

5. Trust Structure

As more fully set forth in the Trust Agreement, the Trustee shall oversee and direct the Trust's operations and activities, including the liquidation of Assets, retention of counsel, decisions to pursue or not pursue Causes of Action belonging solely to the Trust and its Beneficiaries, and settlement of any such Causes of Action belonging solely to the Trust and its Beneficiaries.

6. Approval of Settlement

The Trustee shall have the authority as set forth in Section 4.4 of the Trust Agreement to settle or resolve any Causes of Action transferred to the Trust in his sole discretion for cases in which the amount in controversy is \$10,000.00 or less, and otherwise, subject to Bankruptcy Court approval under the Retention of Jurisdiction provisions set forth in Article 11 of the Plan.

7. Allocation of Costs and Expenses of the Trust

All costs and expenses incurred by the Trust shall be the obligation of the Trust and shall be payable from the Trust Assets of the Trust.

8. Retention and Compensation of Professionals by the Trustee

The Trustee, subject to approval of the Bankruptcy Court, may employ attorneys, accountants, appraisers, expert witnesses, insurance adjusters or other persons whose services may be reasonably necessary or advisable in the judgment of the Trustee to advise or assist him in the discharge of his duties as Trustee, or otherwise in the exercise of any powers vested in the Trustee, and to pay reasonable compensation, subject to approval of the Bankruptcy Court, to such attorneys, accountants, appraisers, expert witnesses, insurance adjusters or other persons. The Trustee shall be authorized pursuant to Sections 4.5 of the Trust Agreement to pay on a monthly basis the reasonable fees and expenses incurred by the Trustee and his professionals, but shall file post-confirmation quarterly fee applications with the Bankruptcy Court for final approval of same.

9. Resignation and Removal of the Trustee

The Trustee may resign and be discharged from any future obligations and liabilities under the Trust Agreement by filing a notice thereof with the Bankruptcy Court at least thirty (30) days prior to the effective date of such resignation. Such resignation shall become effective on the date specified in such notice. The Trustee may be removed at any time by order of the Bankruptcy Court upon motion by any party in interest pursuant to the standard under applicable law for removal of a Chapter 7 trustee. Venue for any actions concerning removal of the Trustee shall be proper in the

Bankruptcy Court. ~~Upon any such removal, such removed Trustee shall not be entitled to any reimbursement and indemnification as set forth in the Trust Agreement which remain due and owing to such Trustee at the time of such removal, however, the Trustee may request such reimbursement and indemnification, or a portion thereof, from the Bankruptcy Court upon notice and hearing to parties in interest.~~ If, at any time, the Trustee shall give notice of his intent to resign pursuant to the Trust Agreement, or be removed or shall become incapable of acting, counsel to the Trustee shall provide notice thereof to the Bankruptcy Court. A three member committee made up from the members of the Committee~~The U.S. Trustee's Office~~, with the approval of the Bankruptcy Court, and upon notice and hearing to parties in interest, shall designate a successor trustee for the Trust.

10. Tax Treatment of the Trust

It is intended that the Trust be classified for federal income tax purposes as a "liquidating trust" within the meaning of Section 301.7701-4(d) of the Treasury Regulations. All parties shall treat the transfers in trust described in this Plan as transfers to the Beneficiaries for all purposes of the Internal Revenue Code (including IRC §§ 61(12), 483, 1001, 1012, and 1274). All parties shall treat the transfers in trust as if all the transferred assets, including all the Trust Assets, had been first transferred to the Beneficiaries and then transferred by the Beneficiaries to the Trust. The Beneficiaries shall be treated for all purposes of the Internal Revenue Code as the grantors of the Trust and the owners of the Trust. All income of the Trust shall be taxed directly to its Beneficiaries (except to the extent the IRS is a Beneficiary). The Trustee shall file returns for the Trust as a grantor trust pursuant to Section 1.671-4(a) or (b) of the Treasury Regulations.

The Debtor and the Committee will work together to address the valuation of the Trust Assets in advance of the Confirmation Hearing. In the absence of an agreement, the Trust Litigation Claims shall be valued at zero dollars (\$0.00).—The parties, including the Trustee and the Beneficiaries, shall value the Property transferred to the Trust consistently and such valuations shall be used for all federal income tax purposes. The Beneficiaries (except to the extent the IRS is a Beneficiary) shall be responsible for payment of any taxes due with respect to the operations of the Trust. The Trust shall terminate on the date which is if the fifth anniversary of its establishment unless sooner terminated, or unless its termination date is extended by the Bankruptcy Court as provided in the Trust Agreement. During its existence, the Trust shall not receive or retain Cash or Cash equivalents in excess of a reasonable amount necessary to meet Claims and contingent liabilities (including Disputed Claims) or to maintain the value of the Trust Assets during liquidation.

The Trustee shall distribute to the Beneficiaries all its net income and all the net proceeds from the liquidation of Trust Assets, less such net income or net proceeds reasonably necessary to maintain the value of the Trust Assets or to meet Claims or contingent liabilities (including Disputed Claims). The Trustee shall use his/her continuing best efforts to dispose of the Trust Assets, make timely Distributions, and shall not unduly prolong the duration of the Trust.

11. Continuation of Automatic Stay

In furtherance of the implementation of the Plan, except as otherwise provided herein, all injunctions or stays provided for in the Bankruptcy Case pursuant to Sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force

and effect and apply to all Creditors and Beneficiaries holding Claims against the Debtor, the Estate, the Assets, the Trustee, the Trust and the Trust Assets until the Trust's final distribution date.

12. Trust Agreement Governs over Plan

In the event of any inconsistencies between the Plan and the Trust Agreement, the Trust Agreement shall govern.

13. Continued Existence and Dissolution of the Debtor

The Debtor shall continue to exist after the Effective Date for the sole purpose of liquidating all Property that serves as collateral to any Secured Claim and distributing the Proceeds of such Property to the holders of Allowed Claims in Classes 1, 2.1, 2.2, 2.3, 3 and 4 of the Plan. All Property which serves as collateral to any Secured Claim shall revert in the Debtor upon the Effective Date, provided that upon the satisfaction of any Secured Claim pursuant to this Plan, all Property which had been collateral for such Secured Claim, or the Proceeds thereof in excess of the amount necessary to satisfy the Secured Claim, shall become Unencumbered Property and shall be turned over by the Debtor to the Trust. The Debtor shall report to the Trustee, in writing, on a weekly basis as to its progress in liquidating Property subject to Secured Claims and the satisfaction of Secured Claims in accordance with the Plan. Any settlement of a Cause of Action retained by the Debtor pursuant hereto which was originally asserted in an amount in excess of \$100,000, and any sale of property which was originally scheduled as having a value in excess of \$100,000, shall be subject to Bankruptcy Court approval in accordance with Fed.R.Bankr.P. 9019 and 11 U.S.C. § 363 and Fed.R.Bankr.P. 6004, respectively. The Debtor, subject to Bankruptcy Court approval, may pay reasonable compensation to and reimburse expenses of its professionals prior to dissolution.

As soon as practicable after the liquidation of all Property subject to a Secured Claim and the satisfaction of all Secured Claims, the Debtor will be dissolved and cease to exist for all purposes without the necessity for any other or further actions to be taken by or on behalf of the Debtor or payments to be made in connection therewith; provided, however, that the Debtor and its professionals shall be authorized to file the Debtor's final tax returns and shall be authorized to file and shall file with the official public office for keeping corporate records in each Debtor's state of incorporation a certificate of dissolution or equivalent document. From and after the Effective Date, the Debtor (i) for all purposes shall be deemed to have withdrawn its business operations from any state in which it was previously conducting, or are registered or licensed to conduct, its business operations, and shall not be required to file any document, pay any sum or take any other action, in order to effectuate such withdrawal, and (ii) shall not be liable in any manner to any taxing authority for franchise, business, license or similar taxes accruing on or after the Effective Date.

All expenses and liability for the Debtor's wind-down process after the Effective Date shall be the responsibility of the Debtor and BankUnited, N.A., and the Creditors' Trust and the assets contributed it shall not be obligated on any post-Effective Date liabilities of the Debtor. All expenses and liability for the Creditors' Trust after the Effective Date shall be the responsibility of the Creditors' Trust, and the Debtor and the assets vested in it on the Effective Date shall not be obligated on any post-Effective Date liabilities of the Creditors' Trust (except for the Debtor's obligation to turn over Unencumbered Property to the Creditors' Trust upon the satisfaction of any Secured Claim). The Committee contends that it has the right to reduce or offset the amount of BankUnited, N.A.'s allowed

claim by the amount of any proceeds of its collateral used to pay the post-Effective Date liabilities of the Debtor in liquidating such collateral; the Debtor and BankUnited, N.A. dispute that assertion.

14. Section 1145 Determination

Confirmation of the Plan shall constitute a determination, in accordance with Section 1145 of the Bankruptcy Code, that except with respect to an entity that is an underwriter as defined in Section 1145(b) of the Bankruptcy Code, Section 5 of the Securities Act of 1933, as amended, and any state or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, broker or dealer in, a security does not apply to the offer or sale under the Plan of the Trust Assets or of the exchange of Claims against the Debtor for Claims against the Trust.

15. Section 1146 Exemption

Pursuant to Section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of any security under the Plan, or the making, delivery, or recording of an instrument of transfer in connection with the sale by the Debtor of the Real Property or other applicable Property shall not be taxed under any law imposing a stamp or similar tax, including but not limited to any recording fee, intangible taxes or documentary stamp taxes, whether on any deed, leasehold, assignment, promissory note, security agreement or mortgage.

16. Waiver of Federal Rule of Bankruptcy Procedure 3020(e)

The Confirmation Order shall include (i) a finding that Fed.R.Bankr.P. 3020(e) shall not apply to the Confirmation Order; and (ii) authorization for the consummation of the Plan and the transactions contemplated by the Plan immediately after entry of the Confirmation Order.

17. Closing of the Bankruptcy Case

Notwithstanding anything to the contrary in the Bankruptcy Rules providing for earlier closure of the Bankruptcy Case, when all Assets retained by the Debtor have been liquidated and their proceeds distributed, and all Assets contributed to the Trust have been liquidated and converted into Cash (other than those Assets abandoned by the Liquidating Trust), and such Cash has been distributed in accordance with the Trust Agreement and this Plan, and the final Distribution of the Trust has been made, then, in conjunction with the provisions of Article 14 of the Plan, the Trustee shall seek authority from the Bankruptcy Court to close the Bankruptcy Case in accordance with the Bankruptcy Code and the Bankruptcy Rules.

F. Distributions and Post-Confirmation Litigation

The following is a summary of the more salient provisions of the Plan and Creditors Trust Agreement as to the handling of post-confirmation litigation and Distributions. Provisions below

merely forms a summary of the Trust Agreement and the reader is advised to review the complete text of the Trust Agreement which is annexed to the Plan as Exhibit A.

1. Designation of Trustee

Upon the Effective Date, the initial Trustee of the Trust will be Joseph J. Luzinski, of Development Specialists, Inc., the former Financial Advisors to the Committee~~Luzinski~~, who will serve as Trustee until such Trustee resigns or is replaced in accordance with the Trust Agreement and any Trust bylaws. As consideration for the Trustee's services, the Trustee shall receive the compensation and rights as set forth in the Trust Agreement.

2. Rights and Power of Trustee

The Trustee shall be empowered to (i) take all actions and execute all agreements, instruments and other documents necessary to perform its duties under the Plan, (ii) make all Distributions contemplated the Plan, (iii) employ professionals to represent it with respect to its responsibilities, if necessary, and (iv) exercise such other powers as may be vested in the Trustee by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Trustee to be necessary and proper to implement the provisions hereof, including without limitation, the powers set forth in Sections 1106 and 704 of the Bankruptcy Code, and all of the rights and powers set forth in the Trust Agreement.

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Trustee on or after the Effective Date (including, without limitation, taxes) and any reasonable compensation and expense reimbursement claims (including, without limitation, reasonable attorney fees and expenses) made by the Trustee shall be paid in cash by the Trustee.

3. Place and Manner of Payments or Distributions

After the Effective Date, Distributions shall be delivered by either: (i) mail to the Claimant at the address of such Claimant as listed in the Schedules of Assets and Liabilities, or listed on any proof of claim filed by the Claimant; or (ii) by mail to such other address or by wire transfer to the destination that such Claimant shall have specified for payment purposes in a written notice to Trustee and/or filed with the Bankruptcy Court.

4. Distributions on Allowed Claims Only

Distributions made by the Trustee as applicable under the Plan shall be made only to the holders of Allowed Claims. Until a Disputed Claim becomes an Allowed Claim, the holder of that Disputed Claim shall not receive the consideration otherwise provided to such Claimant under the Plan.

5. Establishment of Disputed Claims Reserve

The Trustee shall deposit the Distributions reserved for the holders of Disputed Claims in a reserve fund called the Disputed Claims Reserve. The Trustee shall continue to hold the Disputed Claims Reserve in trust for the benefit of the holders of Allowed Claims whose Distributions are unclaimed and the holders of Disputed Claims pending determination of their entitlement thereto under the terms of the Plan. If and when a Disputed Claim becomes an Allowed Claim, the Trustee

shall release and deliver the Distributions reserved for such Allowed Claims from the Disputed Claims Reserve.

6. Unclaimed and Undeliverable Distributions

An “Unclaimed Distribution” or “Undeliverable Distribution” (and, collectively, “Unclaimed Property”) means any distribution check issued by the Trustee to any holder of an Allowed Claim pursuant to the Plan that (i) is returned to the Trustee as undeliverable and no appropriate forwarding address is received within the later of: (a) 90 days after the Effective Date, and (b) 90 days after such attempted distribution by the Trustee is made to such holder, or (ii) such distribution check is not negotiated or cashed within 90 days after its issuance by the Trustee on such attempted distribution and no request for re-issuance is made within such 90-day period, at which time, such distribution shall be subject of a stop payment order and no further distributions shall be made to such holder on account of such Allowed Claim or Interest. The Trustee is under no affirmative obligation to attempt to locate any holder of an Allowed Claim and may rely upon the procedures set forth in Article 7.3 of the Plan as similarly described in this Disclosure Statement. Such Allowed Claim shall be discharged and the holder of such Allowed Claim shall be forever barred from asserting such Claim against the Trustee, the Debtor, its Estate or its respective property. In such cases, any Cash held for distribution on account of such Claim shall remain property of the Estate care of the Trustee subject to the other provisions of Article 7.6 of the Plan as similarly described immediately below. The Trustee shall not make distributions of less than \$100.00 to Claimants.

As authorized by Local Rule 3011-1(B)(2) and (C)(2), if the combined total of Unclaimed Property related to Allowed Claims under the Plan totals (i) \$10,000 or more, the Unclaimed Property shall, subject to other provisions of the Plan, be distributed by the Trustee, at the time of any final Distribution date, to the Beneficiaries in the order of priority set forth in, and pursuant to the terms of, the Plan, or (ii) less than \$10,000, the Unclaimed Property shall be donated to the Bankruptcy Bar Foundation, a not-for-profit, non-religious organization dedicated to, among other things, promoting the pro bono legal representation of the indigent; provided that, pursuant to Section 1143 of the Bankruptcy Code, all Claims in respect of Unclaimed Property shall be deemed Disallowed, and the holder or successor to such holder of any Claim Disallowed will be forever barred, expunged, estopped and enjoined from asserting any such Disallowed Claim in any manner against the Debtor, CRO, the Estate, the Trust, the Trustee, or their respective property, notwithstanding any federal or state escheat laws to the contrary.

7. Interim Distributions

Unless otherwise provided in the Plan, the Trustee in his discretion may make periodic distributions to the Beneficiaries entitled thereto in accordance with Section 5 of the Trust Agreement. The Trustee is directed to endeavor to make an interim distribution at the earliest time practicable.

8. Final Distribution

The Trustee shall make a final distribution in accordance with Section 5 of the Trust Agreement.

9. Withholding and Reporting Requirements

In connection with the Plan and all distributions hereunder, the Trustee shall, to the extent applicable, comply with all tax withholding and reporting requirements imposed by any federal, state, provincial, local, or foreign taxing authority and all distributions hereunder shall be subject to any such withholding and reporting requirements. The Trustee shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. Notwithstanding any other provision of the Plan and consistent with Article 6.1.10 of the Plan, (a) each Holder of an Allowed Claim that is to receive a Distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of such Distribution, and (b) no Distribution shall be made to or on behalf of such Holder pursuant to the Plan unless and until such Holder has made arrangements satisfactory to the Trustee for the payment and satisfaction of such withholding tax obligations. Any property to be distributed pursuant to the Plan shall, pending the implementation of such arrangements, be treated as an undeliverable distribution.

10. Continued Authority to Prosecute Causes of Action

Pursuant to Section 1123(b)(3)(B) of the Bankruptcy Code, except as otherwise provided in this Plan or the Confirmation Order, the Debtor ~~CRO~~ shall have full and exclusive authority through the Effective Date to prosecute all Causes of Action on behalf of the Debtor's estate, and, thereafter, all Causes of Action which serve as collateral to any Allowed Secured Claim. The Trustee shall have full and exclusive authority and standing without need for any further court approval to prosecute on behalf of the Debtor's estate (a) all Causes of Action which are or become Unencumbered Property; (b) all Causes of Action for which the Committee, prior to the Effective Date, was conferred the authority to prosecute, including those potential claims against BankUnited, N.A. as set forth in the Court's Order Granting Committee's Emergency Motion for Modification Order of Final Order (A) Authorizing Debtor's Use of Cash Collateral and (B) Granting Adequate Protection ("Modification Order," ECF No. 107) and such additional claims against third parties as set forth in the Court's Order Granting Committee's Emergency Motion for Entry of an Order Granting Leave, Standing and Authority to Notice and Preserve Claims on Behalf of the Debtor's Estate, Pursuant to 11 U.S.C. § 105(a), 1103(c) and 1109(b) ("Committee Standing Order," ECF No. 120); and (c) after the Effective Date and upon the satisfaction of any claim secured by a Lien against such Causes of Action or their proceeds, all Causes of Action transferred to the Trust by the Debtor.

The Causes of Action which the Debtor ~~CRO~~ shall have continued authority to prosecute after the Effective Date are: (a) all claims relating to any accounts, inventory, equipment, contracts, general intangibles, or other assets which are subject to BankUnited, N.A.'s Lien; (b) all tax refund claims being sought by the estate; and (c) all claims relating to the Real Property and the sale thereof.

The Causes of Action which the Trustee shall have authority to prosecute upon the Effective Date include, without limitation, are: (a) any claims which the Committee may pursue against BankUnited, N.A. as set forth in the Modification Order, subject to the terms thereof; (b) any claims constituting ~~constituted~~ Unencumbered Property against other third parties in connection with Estate Property and/or its operations prior to the Petition Date, including without limitation, claims for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, negligence and professional negligence/malpractice against all directors and officers and any insider affiliated or related entity or person without limitation including the following individuals listed immediately below, and

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including without limitation all claims against insurance companies for breach of contract, bad faith, common law, and by statute, including against Scottsdale Indemnity Company, (c) any claims against other third parties for avoidance and recovery of avoidable transfers, recharacterization and equitable subordination; and (d) any claims resulting from the failure to access Coface North America Insurance Company for certain claims; and (ee) prosecuting objections to claims filed against the bankruptcy Estate (the "Trust Litigation Claims"). ~~estate.~~

Listed individuals:

Henry Waissmann
Henry Aguilar
Luis E. Derlon
Hugo Beltran
Jose Somaza
Caesar Ortiz
Rafael Pena

BankUnited, N.A. asserts that its Lien may attach to certain of the claims or causes of action listed herein as Trust Litigation Claims; the Committee disputes that assertion. The extent of BankUnited, N.A.'s lien with respect to any of the Trust Litigation Claims shall be determined in advance of or in conjunction with confirmation. Any claim or cause of action which is determined to be subject to BankUnited, N.A.'s Lien shall remain with the Debtor and shall not be transferred to the Trust, and the Trustee shall not have authority to prosecute such claim or cause of action, except upon satisfaction of the BankUnited, N.A. Allowed Secured Claim in full and the turnover of such claim or cause of action to the Trust as Unencumbered Property.

The Committee asserts that it is also entitled to pursue post-Petition Date, pre-Effective Date claims of the type described in subsection (b) immediately above; the Debtor disputes the Committee's position on account of the Discharge and Limitation of Liability provisions of the Plan as described in Article IV.G hereof.

The Debtor or Trustee~~Such parties~~, as applicable, may commence or continue, in any appropriate court or tribunal, any suit or other proceeding for the enforcement of such causes of action, and, if deemed appropriate by the Debtor or Trustee, as applicable, ~~to compromise or settle such litigation, subject to -All such causes of action shall remain the termsproperty of the PlanEstate post-Effective Date and/or Creditors' Trust. The Trustee shall be able to use Federal Rule of Bankruptcy Procedure 2004 in connection with his investigation of, if pursued and any recovery is ultimately realized, the Causes of Action. The proceeds of any such recovery on would ultimately become property of the Causes of Action shall be~~ Trust and disbursed pursuant to the terms of the confirmed Plan and the Trust Agreement.

11. Preservation of Rights

Except to the extent that any Claim is Allowed during the Bankruptcy Case or expressly by the Plan, nothing, including, but not limited to, the failure of the Trustee to object to a Claim for any reason during the pendency of the Bankruptcy Case shall affect, prejudice, diminish, or impair the rights and legal and equitable defenses of the Trustee to contest or defend against such Claims or Interests in any lawful manner or forum, including the right of setoff.

12. Objections to Claims

Subject to applicable law, and except as otherwise set forth herein, from and after the Effective Date, the Trustee shall have the sole authority to litigate to judgment objections to Claims pursuant to applicable procedures established by, or grounds set forth in, the Bankruptcy Code, the Bankruptcy Rules, and this Plan. Any compromise of any Claim objection by the Trustee shall be subject to approval by the Bankruptcy Court under the Retention of Jurisdiction provisions set forth in Article 11 of the Plan. The deadline within which the Trustee shall file and serve objections to Claims is ninety (90) days after the Effective Date ("Claims Objection Deadline"), subject to extension by the Bankruptcy Court for cause shown. Claim objections may be pursued, litigated and/or settled by the Debtor ~~CRO~~ subject to approval by the Bankruptcy Court up until the Effective Date.

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13. Deadline for Responding to Claim Objections

A Claimant whose Claim has been objected to in accordance with Article 7.12 of the Plan, must file with the Court and serve upon the Trustee a response to such claim objection within 30 days after service of any objection to its Claim. Failure to file such a response within the 30-day time period shall be cause for the Bankruptcy Court to enter a default judgment or order against the non-responding Claimant and to thereby grant the relief requested in the Claim objection.

14. Estimation of Claims

After the Effective Date, the Trustee may request the Bankruptcy Court to estimate any Claim for purposes of Allowance pursuant to Section 502(c) of the Bankruptcy Code.

G. Discharge and Limitations on Liability

As the Plan is one of liquidation, the Debtor shall not be discharged under Section 1141 of the Bankruptcy Code nor does the Plan release or discharge claims against any other Person, including, but not limited to, guarantors of obligations of the Debtor.

There are limits on the fiduciary liability of the Trustee, since only holders of Allowed General Unsecured Claims shall be beneficiaries of the Trust.

EXCEPT AS EXPRESSLY SET FORTH IN THE PLAN, FOLLOWING THE EFFECTIVE DATE, NEITHER THE PLAN PROPONENT NOR THE LIQUIDATING TRUSTEE, OR ANY OF SUCH PARTIES' EMPLOYEES, ADVISORS, MEMBERS, ATTORNEYS, PROFESSIONALS OR AGENTS SHALL HAVE OR INCUR ANY LIABILITY TO ANY HOLDER OF A CLAIM OR INTEREST FOR ANY ACT OR OMISSION IN CONNECTION WITH, RELATED TO, OR ARISING OUT OF, THE BANKRUPTCY CASE, THE NEGOTIATION AND PURSUIT OF CONFIRMATION OF THE PLAN, THE CONSUMMATION OF THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE OR OTHER AGREEMENT OR DOCUMENT CREATED IN CONNECTION WITH THE PLAN, OR THE ADMINISTRATION OF THE PLAN OR THE

PROPERTY TO BE DISTRIBUTED UNDER THE PLAN, EXCEPT FOR GROSS NEGLIGENCE, WILLFUL MISCONDUCT, ACTUAL FRAUD, OR ULTRA VIRES ACTS, PROVIDED, HOWEVER, THAT ANY LIABILITY OF THE FOREGOING PERSONS RELATED TO THE ASSERTION OR NON-ASSERTION OF CLAIMS UNDER THE COFACE NORTH AMERICA INSURANCE COMPANY POLICIES IS PRESERVED IN ALL RESPECTS.

H. Injunction Against Enforcement of Pre-Confirmation Debt

Except as expressly provided in the Plan, at all times on and after the Effective Date, the Trustee and all Persons who or which have been, are, or may be holders of Claims against the Debtor arising prior to the Effective Date, shall be enjoined from taking any of the following actions against or affecting the Estate's Property, Real Property, any other Assets, and the Proceeds from all of the foregoing:

(i) commencing, conducting or continuing in any manner, directly or indirectly any suit, action, or other proceeding of any kind arising before the Confirmation Date against the Debtor, the Estate, the ~~CRO, the~~ Trustee, or the Estate's Assets, including its Proceeds and other property of the Estate (including, without limitation, all suits, actions, and proceedings that are pending as of the Effective Date, shall be deemed to be withdrawn or dismissed with prejudice), including any suit, action or other proceeding which might affect the use or enjoyment of any Assets being administered by the Trustee;

(ii) enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means whether directly or indirectly any judgment, award, decree, or order against the Debtor, the Estate, the ~~CRO, the~~ Trustee, or the Estate's Assets, including its Proceeds and other property of the Estate relating to any obligation which arose prior to the Effective Date;

(iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien or Encumbrance against the Debtor, the Estate, the ~~CRO, the~~ Trustee, or the Estate's Assets, including its Proceeds and other property of the Estate;

(iv) asserting any right of subrogation, or recoupment of any kind, directly or indirectly against any obligation due the Debtor, the Estate, the ~~CRO, the~~ Trustee, or the Estate's Assets, including its Proceeds and other property of the Estate; and

(v) proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan.

I. Conditions to Effective Date

The occurrence of the Effective Date shall be subject to the satisfaction or waiver by the Plan Proponent of each of the following conditions:

(i) The Confirmation Order in form and substance satisfactory to the Plan Proponent shall be entered by the Bankruptcy Court and not stayed.

(ii) The Confirmation Order shall be final and nonappealable, either due to the time for appeal, petition and/or rehearing motion having expired, or such appeal, petition and/or

rehearing motion having been resolved by the highest court without any further action available to any party with respect to the Confirmation Order.

(iii) All deliveries or payments required to be made pursuant to the Plan by the Effective Date shall have been made or waived by the party for whose benefit such delivery is intended.

(iv) All documents, instruments and agreements, in form and substance satisfactory to the Plan Proponent, provided for under this Plan or necessary to implement this Plan, including, without limitation, the Trust Agreement, shall have been executed and delivered by the parties thereto, unless such execution or delivery has been waived by the parties benefited thereby.

J. Retention of Jurisdiction

The Bankruptcy Court, even after the case has been closed, shall have jurisdiction to the fullest extent of the law over all matters arising under, arising in, or relating to the Debtor's chapter 11 case, including proceedings to:

- (i) ensure that the Plan, Trust Agreement and Confirmation Order are carried out;
- (ii) conduct or consider any post-confirmation sales contemplated under this Plan, Trust Agreement or Confirmation Order, and/or enter an order approving sales of Property, Real Property or other Estate Assets;
- (iii) enter such orders as may be necessary or appropriate to implement, consummate, or enforce the provisions of the Plan, the Trust Agreement and Confirmation Order and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, Trust Agreement or Confirmation Order;
- (iv) consider any Plan modification under Section 1127 of the Bankruptcy Code;
- (v) hear and determine all Claims, controversies, suits and disputes against the Debtor to the extent permitted under 28 U.S.C. § 1334;
- (vi) allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status of any Claim, including the resolution of any and all objections to the allowance or priority of Claims;
- (vii) hear, determine, and adjudicate any litigation involving the Causes of Action or other claims or causes of action constituting the ~~Property~~property of the Estate;
- (viii) decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving the Debtor that may be pending on or commenced after the Effective Date;
- (ix) resolve any cases, controversies, suits, or disputes that may arise in connection with the consummation, interpretation, or enforcement of the Plan, the Trust Agreement or the Confirmation Order, or any entity's obligations incurred in connection with the Plan, Trust Agreement or Confirmation Order or any other agreements governing, instruments evidencing, or

documents relating to any of the foregoing, including the interpretation or enforcement of any rights, remedies, or obligations under any of the foregoing;

(x) hear and determine all controversies, suits, and disputes that may arise out of or in connection with the enforcement of any and all subordination and similar agreements among various creditors pursuant to Section 510 of the Bankruptcy Code;

(xi) hear and determine all requests for compensation and/or reimbursement of expenses that may be made for fees and expenses incurred before the Effective Date;

(xii) enforce any final Order, the Confirmation Order, the final decree, and all injunctions contained in those orders;

(xiii) enter an order concluding and terminating this case;

(xiv) correct any defect, cure any omission, or reconcile any inconsistency in the Plan, Trust Agreement or the Confirmation Order;

(xv) determine all questions and disputes regarding title to the Property of the Estate and any other assets of Debtor;

(xvi) classify the Claims of any Claim holders and the treatment of these Claims under the Plan, to re-examine Claims that may have been allowed for purposes of voting, and to determine objections that may be filed to any Claims;

(xvii) take any action described in the Plan involving the post-confirmation Debtor, the Trust or the Estate;

(xviii) enter a final decree in the Debtor's case as contemplated by Bankruptcy Rule 3022;

(xix) enforce, by injunction or otherwise, the provisions set forth in the Plan, the Trust Agreement, Confirmation Order, any final decree, and any final Order that provides for the adjudication of any issue by the Bankruptcy Court; and

(xx) enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated.

If the Bankruptcy Court abstains or exercises discretion not to hear any matter within the scope of its jurisdiction, nothing in the Plan shall prohibit or limit the exercise of jurisdiction by any other tribunal of competent jurisdiction.

K. Acceptance or Rejection of the Plan

Classes 3 and 5 are Impaired. The Plan Proponent shall solicit votes from the holders of Claims in Classes 3 and 5. Classes 1, 2.1, 2.2, 2.3 and 4 are deemed to accept the Plan, while Class 6 made up of equity interest holders receiving nothing under the Plan are deemed to reject the Plan.

An Impaired Class of Claims shall have accepted the Plan if (i) the holders (other than any holder designated under Section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of

the Allowed Claims actually voting in such Class have voted to accept the Plan, and (ii) the holders (other than any holder designated under Section 1126(e) of the Bankruptcy Code) of ~~more than at least~~ one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

If any impaired Class of Claims shall fail to accept the Plan in accordance with Section 1129(a) of the Bankruptcy Code, then the Plan Proponent reserves the right to request that the Bankruptcy Court confirm the Plan in accordance with Section 1129(b) of the Bankruptcy Code.

L. Miscellaneous/General Provisions

Article 13 of the Plan includes other general provisions summarized as follows:

1. Notice

Whenever the Plan requires notice to be given, such notice shall be given to the Plan Proponent, the Trustee and the U.S. Trustee's Office at the addresses and care of those attorneys reflected in Article 13.1 of the Plan.

2. Dates

The provisions of Bankruptcy Rule 9006 shall govern the calculation of any dates or deadlines referenced in the Plan, except as otherwise provided.

3. Further Action

Nothing contained in the Plan shall prevent the ~~Debtor~~Debtor's CRO prior to and after the Effective Date of the Plan, and the Trustee after the Effective Date of the Plan, from taking such actions as may be necessary to consummate the Plan, even though such actions may not be specifically provided for within the Plan, provided that any major actions that are not specifically provided for within the Plan shall be undertaken only upon Court approval after notice and a hearing.

4. Attachments

All attachments to the Plan are incorporated therein by reference and are intended to be an integral part of the Plan as though fully set forth in the Plan. All exhibits to the Plan, including any amended or supplemental exhibits to the Plan, shall be filed with the Bankruptcy Court no later than seven (7) days before the Confirmation Date or such other date as is agreed to by the Plan Proponent.

5. Plan Amendments

Before the Confirmation Date, the Plan Proponent may modify, amend or withdraw the Plan, without approval of the Bankruptcy Court. After the Confirmation Date, modifications and amendments of the Plan are subject to Bankruptcy Court approval and so long as it does not materially or adversely affect the rights set forth in the Plan of creditors and other parties in interest,

may amend or modify the Plan to remedy any defect or omission or reconcile any inconsistencies in the Plan or in the Confirmation Order, in such manner that may be necessary to carry out the purposes and intent of the Plan.

6. Binding Effect

Upon occurrence of the Effective Date, the Plan shall be binding on, and inure to the benefit of, the Debtor, ~~the CRO~~, Claimants and Equity Interest holders, and their respective successors, assigns, and agents, regardless of whether those parties voted to accept the Plan.

7. Governing Law

Except to the extent that the Bankruptcy Code or Bankruptcy Rules are applicable, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida, without giving effect to any conflicts of law principles.

8. No Admissions

Notwithstanding anything ~~herein~~ and to the contrary, nothing contained in the Plan shall be deemed as an admission by any person with respect to any matter set forth herein.

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9. No Injunctive Relief

Except as otherwise provided in the Plan or Confirmation Order, no Claim or Interest shall under any circumstances be entitled to specific performance or other injunctive, equitable, or other prospective relief.

10. Post Confirmation Professionals of the Estate

All Professionals retained by the Debtor's Estate prior to confirmation to perform services on behalf of the Debtor, Committee or the Debtor's Estate shall be authorized to continue such employment subsequent to confirmation of the Plan up to and including the Effective Date, at which time the continued employments of such professionals is within the sole discretion of the Debtor or Trustee, as applicable. To the extent necessary, the Plan Proponent and the Committee may retain the services of professionals subsequent to confirmation of the Plan, but prior to the Effective Date, as provided for in Sections 327 and 328 of the Bankruptcy Code. Any duly authorized Professional that performs services on behalf of the Debtor, the Committee or the Debtor's Estate subsequent to confirmation of the Plan but prior to the Effective Date shall be entitled to seek compensation from the Debtor or Trustee, as applicable, who or which will handle same consistent with the terms of this Plan.

M. Substantial Consummation & Final Decree

The Plan shall be deemed substantially consummated immediately on the completion of all material actions required to be undertaken at the Effective Date. On the Effective Date, or as soon thereafter as is reasonably practicable, the Debtor shall file with the Bankruptcy Court a "Notice of

Effective Date" in a form reasonably acceptable to the Debtor in its sole discretion, which notice shall constitute appropriate and adequate notice that this Plan has become effective, provided, however, that the Debtor shall have no obligation to notify any Person other than the Trustee of such fact, and the failure to file such notice with the Bankruptcy Court shall not affect the effectiveness of the Plan or the rights or substances obligations of any entity hereunder. Upon liquidation of the Trust Property and distributions to Beneficiaries~~On substantial consummation or as soon thereafter as the Trustee determines it is appropriate~~, the Trustee may move for a final decree closing the case and requesting such other orders as may be necessary and appropriate.

V. CONFIRMATION OF THE PLAN

A. Confirmation Hearing

The Bankruptcy Court has scheduled the hearing for confirmation of the Plan for _____, 2016 at [_____] (prevailing Eastern time) (the "Confirmation Hearing") before the Honorable A. Jay Cristol, presiding in the United States Bankruptcy Court for the Southern District of Florida (Miami Division), in the United States Bankruptcy Court for the Southern District of Florida, C. Clyde Atkins United State Courthouse, 301 N. Miami Avenue, Courtroom 7, Miami, Florida 33128. The Confirmation Hearing may be adjourned from time to time without notice except as given at the Confirmation Hearing or any subsequent adjourned Confirmation Hearing. The Bankruptcy Court has directed that objections, if any, to the confirmation of the Plan be served on or before _____ (prevailing Eastern time) in the manner described in the Notice accompanying this Disclosure Statement.

B. Confirmation Standards

For a plan to be confirmed, the Bankruptcy Code requires, among other things, that a plan be proposed in good faith and comply with the applicable provisions of Chapter 11 of the Bankruptcy Code. Section 1129 of the Bankruptcy Code also imposes requirements that at least one class of impaired claims accept a plan, that confirmation of a plan is not likely to be followed by the need for further financial reorganization, that a plan be in the best interest of creditors, and that a plan be fair and equitable with respect to each class of claims or interests which is impaired under the plan.

The Bankruptcy Court will confirm a plan only if it finds that all of the requirements enumerated in ~~Section~~section 1129 of the Bankruptcy Code have been met. The Plan Proponent believes that the Plan satisfies all of the requirements for confirmation.

VI. FUNDING AND FEASIBILITY OF THE PLAN

A. Funding of the Plan

Payment of Allowed Administrative Claims, fees incurred by the Trust pursuant to 28 U.S.C. ~~§Section~~ 1930 (the "Statutory Fees"), and Allowed Class 1, 2.1, 2.2, 2.3, 3, and 4, shall be funded from the cash on hand in the estate and the proceeds of liquidation of Secured Creditors' collateral by the Debtor. Distributions to Class 5 shall be funded from the Trust Assets of the Creditors Trust, as the same may be augmented from time to time from, among other things, the liquidation of Trust Assets and the prosecution and enforcement of the Causes of Action by the Trust. The Plan Proponent expects

that the funds available as of the Effective Date will be sufficient to pay Allowed Administrative Claims (including Professional Claims) and Statutory Fees.

B. Best Interests Test

Notwithstanding acceptance of the Plan by each Impaired Class, in order to confirm the Plan, the Bankruptcy Court must determine that the Plan is in the best interests of each holder of a Claim or Interest in any such Impaired Class who has not voted to accept the Plan. Accordingly, if an Impaired Class does not unanimously accept the Plan, the best interests test requires the Bankruptcy Court to find that the Plan provides to each member of such Impaired Class [who does not accept the Plan](#) a recovery on account of the Class member's Claim or Interest that has a value, as of the Effective Date, at least equal to the value of the distribution that each such Class member would receive if the Debtor liquidated under chapter 7 of the Bankruptcy Code on such date.

To estimate what members of each Impaired Class of unsecured creditors and equity security holders would receive if the Debtor's bankruptcy estate were liquidated under chapter 7, the Bankruptcy Court must first determine the aggregate dollar amount that would be generated from the Debtor's assets if the Chapter 11 Case was converted to chapter 7 cases under the Bankruptcy Code and the assets were liquidated by a trustee in bankruptcy (the "Liquidation Value" of such assets). The Liquidation Value would consist of the net proceeds from the disposition of the Debtor's Assets and would be augmented by any Cash held by the Debtor.

The Liquidation Value of the Debtor's Assets available to General Unsecured Claims would be reduced by the costs and expenses of the liquidation, as well as other administrative expenses of the chapter 7 case. The Debtor's costs of liquidation under chapter 7 would include the compensation of a trustee, as well as counsel and other professionals retained by the trustee(s), disposition expenses, all unpaid expenses incurred by the Estate's professionals during the chapter 11 proceedings (such as compensation for attorneys and accountants) which are allowed in the chapter 7 proceedings, and litigation costs and claims against the Debtor arising from its business operations during the pendency of the Chapter 11 Case and chapter 7 liquidation proceedings. These costs, expenses and claims would be paid in full out of the Debtor's liquidation proceeds before the balance would be made available to pay General Unsecured Claims.

The Plan Proponent believes that distributions under the Plan will provide creditors of the Debtor at least the same recovery, if not more, on account of allowed claims as would distributions by a chapter 7 trustee. Essentially, the mechanics of the liquidation of Trust Assets in a confirmed Plan would function very much like a chapter 7 liquidation, however Distributions under the Plan to creditors would be made more quickly than distributions by a chapter 7 trustee, and a chapter 7 trustee would charge a substantial statutory fee (a percentage of the gross amounts distributed to creditors), reducing the amount available for distribution on account of allowed claims. Also, the nonexistence of a tax exemption provision in chapter 7, as is found in Section 1146(a) of the Bankruptcy Code regarding sales and transfers done pursuant to a confirmed chapter 11 plan, provides additional benefit to creditors from a chapter 11 liquidation as opposed to a liquidation in chapter 7.

C. Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that the Debtor be able to perform its obligations under the Plan. For purposes of determining whether the Plan meets this requirement, the Plan Proponent analyzed the Debtor's Assets on hand and the Plan Proponent believes that the Debtor has adequate funding to be able to meet its obligations under the Plan.

D. Risk Factors Associated with the Plan

Holders of Claims against, and Interests in, the Debtor should read and consider carefully the information set forth below, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference), prior to voting to accept or reject the Plan. This information, however, should not be regarded as the only risk involved in connection with the Plan and its implementation.

The determination of whether distributions will be made to Class 5, and the amount thereof, depends primarily on the following factors: (1) whether the BankUnited, N.A. Secured Claim can be satisfied in full from the proceeds of its collateral, or whether there will be a BankUnited Deficiency Claim; (2) the amount to be realized from the liquidation of other Property that is either not subject to any Liens or generates net Proceeds in excess of the aggregate Liens on such collateral; (3) the recoveries, if any, on any Causes of Action pursued by the Trust; and (4) the ultimate amount of Allowed Class 5 Claims.

Generally, the holders of Class 5 Claims are subject to the risk of dilution if the total amount of Allowed General Unsecured Claims is higher than the Plan Proponent's estimate. The amount of distribution that will ultimately be received by any particular holder of a Class 5 Claim may be adversely (or perhaps positively) affected by the aggregate amount of all Allowed Claims after the claims resolution process. Interim distributions to holders of Class 5 Claims will be made, with a Disputed Claims Reserve established for Disputed Claims, until all Disputed Claims have been resolved.

A substantial amount of time may elapse between the Effective Date and the receipt of Distributions, including, but not limited to, a final Distribution, under the Plan for certain holders of Claims, because it may take a substantial amount of time to obtain a recovery, if any, from the pursuit of the Causes of Action by the Trust. To the extent that Distributions under the Plan are derived, in whole or in part, from recoveries on the Causes of Action prosecuted by the Trustee, there can be no assurance that any such Causes of Action will produce recoveries that will provide sufficient funds for such Distributions to be made by the Trust.

Even if all Classes entitled to vote accept the Plan, the Plan might not be confirmed by the Bankruptcy Court. Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation and requires, among other things, that the confirmation of a plan of reorganization is not likely to be followed by the liquidation or the need for further financial reorganization unless, as here, such liquidation is proposed in the Plan, and that the value of Distributions to dissenting creditors and equity security holders not be less than the value of Distributions such creditors and equity security holders would receive if the Debtor was liquidated under chapter 7 of the Bankruptcy Code. Because the Plan contemplates the liquidation of the Debtor's Estate, the Plan Proponent believes that the foregoing concerns are not implicated and that the Plan satisfies all the requirements for confirmation of a plan of reorganization under the Bankruptcy Code. There can be no assurance, however, that the

Bankruptcy Court will also conclude that the requirements for confirmation of the Plan have been satisfied.

Additionally, successful confirmation of the Plan is subject to satisfaction or waiver of the conditions to Plan effectiveness, which are discussed in detail above. **THUS, THERE CAN BE NO ASSURANCE THAT ALL OF THE VARIOUS CONDITIONS TO EFFECTIVENESS OF THE PLAN WILL BE TIMELY SATISFIED OR WAIVED.**

VII. ALTERNATIVES TO THE PLAN

Although this Disclosure Statement is intended to provide information to assist a Class 3 or Class 5 Claim holder in determining whether to vote for or against the Plan, a summary of the alternatives to confirmation of the Plan may be helpful.

If the Plan is not confirmed, the following alternatives are available: (a) confirmation of another chapter 11 plan; (b) conversion of the Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code; or (c) dismissal of the Chapter 11 Case leaving creditors and interest holders to pursue available non-bankruptcy remedies. These alternatives to the Plan are very limited and not likely to benefit creditors. As of this Disclosure Statement, no other party in interest has expressed any interest in proposing a plan. Accordingly, the most likely result if the Plan is not confirmed is that the Chapter 11 Case will be converted to a case under chapter 7 of the Bankruptcy Code. The Plan Proponent believes that conversion of the Chapter 11 Case to a chapter 7 case would result in (i) significant delay in distributions to all creditors who would have received a Distribution under the Plan and (ii) diminished recoveries for holders of Allowed General Unsecured Claims. If the Chapter 11 Case is dismissed, creditors would be free to pursue non-bankruptcy remedies in their attempts to satisfy claims against the Debtor. However, in that event, creditors would be faced with the costs and difficulties of attempting, each on its own, to collect claims from a severely financially distressed entity that has been preparing for a complete liquidation and wind-down in this Bankruptcy Case.

VIII. CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

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

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

THIS DISCUSSION DOES NOT ADDRESS FOREIGN, STATE OR LOCAL TAX CONSEQUENCES OF THE PLAN, NOR DOES IT ADDRESS THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO SPECIAL CLASSES OF TAXPAYERS (SUCH AS FOREIGN ENTITIES, NONRESIDENT ALIEN INDIVIDUALS, PASS-THROUGH ENTITIES SUCH AS PARTNERSHIPS AND HOLDERS THROUGH SUCH PASS-THROUGH ENTITIES, S CORPORATIONS, MUTUAL FUNDS, INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, SMALL BUSINESS INVESTMENT COMPANIES, REGULATED INVESTMENT COMPANIES, CERTAIN SECURITIES TRADERS, BROKER-DEALERS AND TAX-EXEMPT ORGANIZATIONS). FURTHERMORE, ESTATE AND GIFT TAX ISSUES ARE NOT ADDRESSED HEREIN AND TAX CONSEQUENCES RELATING TO THE ALTERNATIVE MINIMUM TAX ARE GENERALLY NOT DISCUSSED, NOR ARE THE INCOME TAX CONSEQUENCES TO VICTIMS OF A PONZI SCHEME DISCUSSED HEREIN.

NO REPRESENTATIONS ARE MADE REGARDING THE PARTICULAR TAX CONSEQUENCES OF THE PLAN TO ANY HOLDER OF CLAIMS OR INTERESTS. HOLDERS OF CLAIMS OR INTERESTS ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE TRANSACTIONS DESCRIBED HEREIN AND IN THE PLAN.

B. U.S. Federal Income Tax Consequences to the Debtor

i. Cancellation of Indebtedness Income

Generally, the discharge of a debt obligation owed by a debtor for an amount less than the “adjusted issue price” (in most cases, the amount the debtor received on incurring the obligation, with certain adjustments) gives rise to cancellation of indebtedness (“COD”) income to the debtor under IRC § 61(a)(12), subject to certain rules and exceptions. However, when the discharge of indebtedness occurs pursuant to a plan confirmed by the Bankruptcy Court in a case under Title 11 of the Bankruptcy Code (e.g., a chapter 11 case), there is a special rule under the IRC § 108 which specifically excludes from the debtor’s income the amount of such discharged indebtedness (the so-called “bankruptcy exception”). Instead, certain of the debtor’s tax attributes otherwise available generally must be reduced by the amount of the COD income that is excluded from the debtor’s income.

It is not certain whether the Debtor will have COD income under the Plan although any such COD income should be excluded from the Debtor's income under the "bankruptcy exception" referenced above assuming that the Plan is confirmed with respect to the Debtor.

ii. Transfer of Trust Assets to the Liquidating Trust

The transfer of the Trust Assets to the Trust by the Debtor, as of the Effective Date, may result in the recognition of gain or income by the Debtor, depending in part on the value of such Assets on the Effective Date and the Debtor's tax basis in those Assets as of the Effective Date. Provided that the Debtor is treated as an S corporation for U.S. federal income tax purposes, any such gain or income will not be taxable to the Debtor but rather will pass through and be taxable to its shareholders.

C. U.S. Federal Income Tax Consequences to the Holders of Allowed Claims

The U.S. federal income tax consequences of the Plan to the holders of Allowed Claims will depend on a number of factors, including, without limitation, the following: (i) whether the Claim constitutes a "security" for U.S. federal income tax purposes; (ii) the nature and origin of the Claim; (iii) the manner in which the holder acquired the Claim; (iv) the length of time the Claim has been held; (v) whether the Claim was acquired at a discount; (vi) whether the holder has taken a bad debt deduction or loss with respect to the Claim (or any portion thereof) in the current year or in any prior year; (vii) whether the holder has previously included in its taxable income accrued but unpaid interest with respect to the Claim; (viii) the holder's method of tax accounting; (ix) whether the Claim is an installment obligation for U.S. federal income tax purposes; and (x) the timing of any Distribution under the Plan with respect to the Claim. Holders of Allowed Claims will generally recognize gain or loss with respect to their Claims in an amount equal to the difference between the amount realized (generally, the amount of Cash and the fair market value of any other property received) with respect to their Claims and their tax basis in the Claims. In general, the character of any gain or loss recognized by such holder as capital or ordinary will depend on whether the Claim constitutes a capital asset in the hands of the holder. To the extent that a debt instrument is acquired after its original issuance for less than the issue price of such instrument, it will have market discount. A holder of an Allowed Claim with market discount must treat any gain recognized on the satisfaction of such Claim as ordinary income to the extent that it does not exceed the market discount that has already been accrued with respect to such Claim. In addition, holders of Allowed Claims will recognize ordinary income to the extent they receive cash or other property that is allocable to accrued but unpaid interest that the holder has not yet included in its income. There may also be state, local or foreign tax considerations applicable to particular holders of Allowed Claims, none of which are discussed herein. Holders of Allowed Claims should consult with their own tax advisors for information that may be relevant to their particular situation and circumstances and the particular tax consequences to them of the transactions contemplated by the Plan.

D. U.S. Federal Income Tax Treatment of the Trust and its Beneficiaries

i. U.S. Federal Income Tax Characterization of the Trust

The Creditors Trust is intended to be treated for U.S. federal income tax purposes as a liquidating trust within the meaning of § 301.7701-4(d) of the Treasury Regulations. It is being created pursuant to the Plan for the primary purpose of liquidating the assets transferred to it with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary and consistent with the liquidating purpose of the Trust. As such, the Trust should be treated as a “grantor” trust pursuant to IRC §§ 671 through 678, except as discussed in subsections iv or v, below. Assuming that this tax treatment is correct, and subject to the exception discussed in subsections iv and v, below, the Trust will not be treated as a separate entity for U.S. federal income tax purposes; instead, the holders of “beneficial interests” in the Trust (i.e., the Beneficiaries of the Trust) will be treated as the “grantors” of the Trust’s Assets and will be treated as owning their respective pro rata shares of such Assets, subject to any liabilities of the Debtor assumed by the Trust and any liabilities of the Trust itself. The Trustee may, but is not required to, request a ruling from the IRS regarding the “grantor trust” status of the Trust for U.S. federal income tax purposes. Accordingly, while it is anticipated that the Trust qualifies as a liquidating trust pursuant to § 301.7701-4(d) of the Treasury Regulations and Revenue Procedure 94-45, 1994-2 C.B. 684, in the absence of such ruling, there can be no assurance that the IRS will not dispute such tax treatment of the Trust. Beneficiaries of the Trust should consult with their own tax advisors regarding the tax treatment of the Trust for U.S. federal income tax purposes.

ii. Establishment and Taxation of the Trust

Except as discussed in subsections iv or v, below, the transfer of the Trust Assets to the Trust will be treated for U.S. federal income tax purposes (including, without, limitation, IRC §§ 61(a)(12), 483, 1001, 1012 and 1274) as a deemed transfer of the Trust Assets from the Debtor to the Beneficiaries of the Trust, subject to any liabilities of the Debtor or the Trust payable from the proceeds of such Assets, followed by such Beneficiaries’ deemed transfer of such Assets (subject to such liabilities) to the Trust in exchange for their respective “beneficial interests” in the Trust, all as of the Effective Date. Thus, on the Effective Date, each such Beneficiary should be treated as transferring its Claims to the Debtor in exchange for the Beneficiary’s Pro Rata share of the applicable Trust Assets (subject to any liabilities of the Trust) followed by the Beneficiary’s transfer of such Assets (subject to applicable liabilities) to the Trust. The “applicable Trust Assets” are the Trust Assets (or the proceeds thereof) from which a Beneficiary of the Trust may be entitled to receive a Distribution under the Plan. Each such Beneficiary should generally recognize gain or loss equal to the difference between the fair market value of the applicable Trust Assets as of the Effective Date (subject to any applicable liabilities) and the Beneficiary’s adjusted tax basis in its Allowed Claim. The tax basis of the applicable Trust Assets deemed received by the Beneficiary in the exchange will equal the amount realized by that Beneficiary and the holding period for such Assets will begin on the day following the exchange. The value of the Trust Assets transferred to the Trust as of the Effective Date shall be the fair market value of such Assets as of that Effective Date of transfer. The Assets transferred into the Trust shall be valued consistently by all parties including, but not limited to, the Debtor, the Debtor’s Estate, the Trustee and all Beneficiaries, and these valuations will be used for all U.S. federal income tax purposes. Each Beneficiary of the Trust will be required to report on its U.S. federal income tax return its allocable share of any income, loss, deduction or credit recognized or incurred by the Trust (including any interest or other investment income earned with respect to the Trust Assets) in the manner described in the Trust. The obligation of a Beneficiary to report that Beneficiary’s allocable share of any such income is not dependent on

the Trust distributing any cash or other proceeds to that Beneficiary. Beneficiaries of the Trust should consult with their own tax advisors for information that may be relevant to their particular circumstances regarding the U.S. federal income tax consequences to them resulting from the establishment of the Creditors Trust.

iii. Tax Reporting

The Trustee shall file returns (including U.S. federal income tax returns) for the Trust as a grantor trust pursuant to § 1.671-4(a) and (b) of the Treasury Regulations. As soon as practicable after the close of each calendar year, but in no event later than March 15th, the Trustee shall mail to each Beneficiary of record during such year, a statement showing information sufficient for each Beneficiary to determine its share of income, gain, loss, deductions and credits for U.S. federal income tax purposes in accordance with §§ 1.671-4(a) and 1.671-4(b)(3) of the Treasury Regulations. Notwithstanding the foregoing, in the event that (i) any portion of the Trust is treated as a “qualified settlement fund” pursuant to § 1.468B-1 of the Treasury Regulations, or (ii) the Trustee timely elects to treat any portion of the Trust subject to Disputed Claims as a “disputed ownership fund” pursuant to § 1.468B-9(c)(2)(ii) of the Treasury Regulations, the federal income tax consequences (including the tax reporting) shall be determined in accordance with the rules set forth in IRC § 468B and the Treasury Regulations thereunder.

iv. Holders of Disputed Claims and Disputed Ownership Fund Election

Although not free from doubt, holders of Disputed Claims should not recognize any gain or loss on the date that the assets are transferred to the Disputed Claims Reserve, but should only be required to report their gain or loss on the cash or other property that is distributed out to the holder from the Claims Reserve free from any further restriction. The Trustee may elect under § 1.468B-9(c)(2)(ii) of the Treasury Regulations to treat the Trust Assets allocable to the Disputed Claims Reserve as a “disputed ownership fund” for U.S. federal income tax purposes. Such election, if timely made, will result in the creation of a separate taxable entity and the U.S. federal income taxation would be governed by § 1.468B-9(c) of the Treasury Regulations. If treated as a “disputed ownership fund,” the income and gain recognized with respect to the Trust Assets allocable to the Disputed Claims Reserve will be subject to tax annually on a separate entity basis on any net income earned with respect to such Trust Assets allocable to the Disputed Claims Reserve, and all Distributions from such Disputed Claims Reserve (which Distributions will be net of the related expenses by such Reserve) will be treated as received by the holders of Disputed Claims in respect of their Claims. Holders of Disputed Claims should consult with their own tax advisors regarding the U.S. federal income tax consequences to them arising from the Disputed Claims Reserve and any election to treat the Disputed Claims Reserve as a “disputed ownership fund” for U.S. federal income tax purposes.

v. Qualified Settlement Fund

In the event any portion of the Trust is treated as a “qualified settlement fund” pursuant to § 1.468B-1 of the Treasury Regulations, the U.S. federal income tax consequences shall be determined in accordance with the rules set forth in IRC § 468B and the Treasury Regulations thereunder. The creation of a qualified settlement fund (“QSF”) is generally taxed as a C corporation and income tax returns will be required to be filed by the “administrator” of the QSF. In addition, if there is only one transferor of assets to the QSF, there is a special grantor

trust tax election that the sole transferor of the property may make with the initial tax return to treat the QSF as a grantor trust (whether or not the QSF would otherwise be classified, in the absence of this election, as a grantor trust for U.S. income tax purposes. Holders of Claims should consult with their own tax advisors for information that may be relevant to their particular circumstances regarding the U.S. federal income tax consequences to them of having a qualified settlement fund established.

E. Information Reporting and Backup Withholding

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

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

F. Importance of Obtaining Professional Tax Assistance

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

G. Circular 230 Disclaimer

TO ENSURE COMPLIANCE WITH U.S. TREASURY CIRCULAR 230, EACH HOLDER OF A CLAIM OR INTEREST IS HEREBY NOTIFIED THAT (A) ANY DISCUSSION OF U.S. FEDERAL INCOME TAX ISSUES IN THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE USED OR RELIED UPON, AND CANNOT BE USED OR RELIED UPON, BY ANY HOLDER OF A CLAIM OR INTEREST FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE IRC; (B) SUCH DISCUSSION IS WRITTEN IN

CONNECTION WITH THE SOLICITATION OF VOTES ACCEPTING THE PLAN;
AND (C) EACH HOLDER OF A CLAIM OR INTEREST SHOULD SEEK ADVICE
BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT
TAX ADVISOR.

IX. CONCLUSION

For all of the reasons set forth in this Disclosure Statement, the Plan Proponent believes that confirmation of the Plan is preferable to all other alternatives. Consequently, the Plan Proponent recommends all holders of Class 3 and 4 Claims, vote to ACCEPT the Plan, and to complete and return their Ballots so that they will be RECEIVED by the Clerk of the Bankruptcy Court on or before _____ (prevailing Eastern time) on _____, 2016.

###

Dated: March 21, 2016

By: /s/ James S. Howard
James S. Howard, Debtor's CRO

Kozyak Tropin & Throckmorton, LLP
Counsel for the Chapter 11 Debtor
2525 Ponce de Leon, 9th Floor
Miami, FL 33134
Tel: (305) 372-1800
Fax: (305) 372-3508
E-Mails: clc@kttlaw.com
dlr@kttlaw.com

By: /s/ Corali Lopez-Castro
Corali Lopez-Castro
Florida Bar No. 863830
David L. Rosendorf
Florida Bar No. 996823

EXHIBIT A

See Debtor's Plan of Liquidation filed on March 21, 2016 [ECF ____].

EXHIBIT 2

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov

In re:

STAR COMPUTER GROUP, INC.

Case No. 15-28100-BKC-AJC

Debtor.

Chapter 11

DEBTOR'S AMENDED PLAN OF LIQUIDATION

Kozyak Tropin & Throckmorton, LLP
Coralí Lopez-Castro, Esq.
David L. Rosendorf, Esq.
2525 Ponce De Leon Blvd., 9th Floor
Miami, Florida 33134
Tel: (305) 372-1800
Emails: clc@kttlaw.com; dlr@kttlaw.com
Counsel for Chapter 11 Debtor-in-Possession

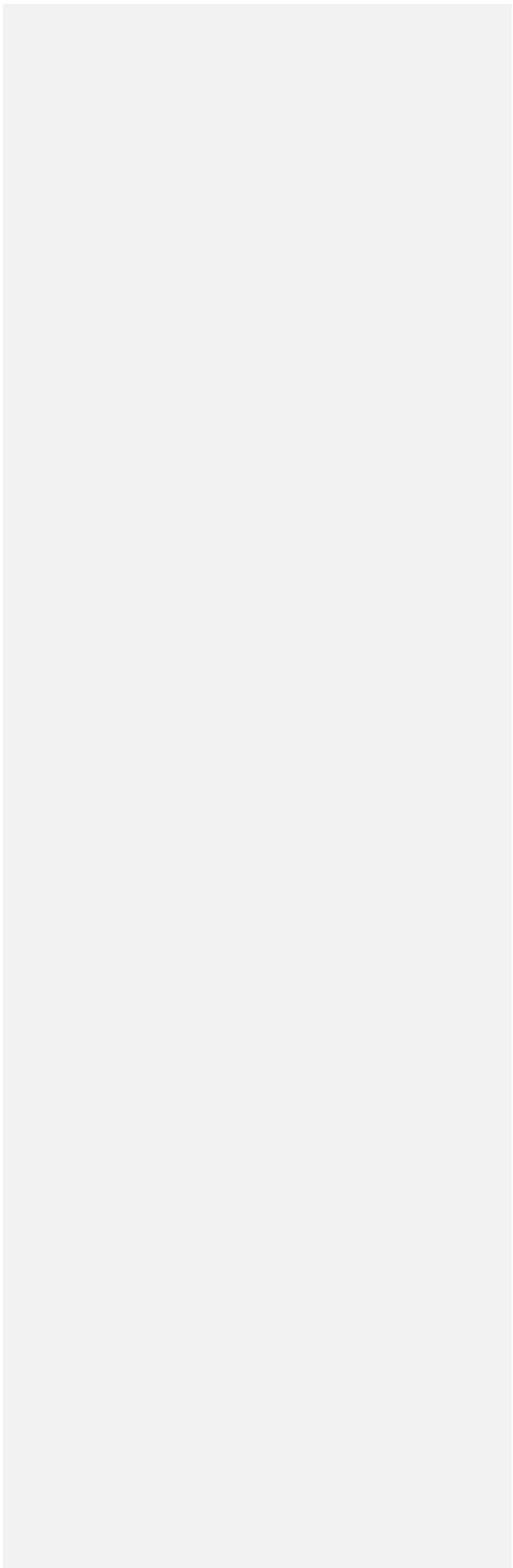
DATED: ~~March 21~~ May 5, 2016

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ATTACHMENT TO PLAN

Trust Agreement **Exhibit “A”**



INTRODUCTION

Star Computer Group, Inc. (the “Debtor” or “Plan Proponent”) proposes the following Plan of Liquidation (“Plan”) pursuant to Section 1121(a) of Title 11 of the United States Code (the “Bankruptcy Code”).

Reference is made to the *Disclosure Statement under 11 U.S.C. § 1125 in Support of the Debtor’s Plan of Liquidation* for a discussion of the Debtor’s history, business, property, results of operations, projections for future recoveries, a summary and analysis of the Plan and other related matters.

PLEASE READ THE PLAN AND DISCLOSURE STATEMENT CAREFULLY WITH RESPECT TO HOW YOUR RIGHTS MAY BE AFFECTED.

ARTICLE 1 **DEFINITIONS AND CONSTRUCTION OF TERMS**

1.1 Definitions. All capitalized terms in the Plan shall have the meanings ascribed to them herein. Any capitalized term used in the Plan that is not defined herein or elsewhere in the Plan shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be.

1.1.1 Administrative Claim means any Claim constituting a cost or expense of administration of the Debtor’s Chapter 11 case under Section 503(b) of the Bankruptcy Code and that is entitled to priority under Section 507(a) of the Bankruptcy Code, including, without limitation, any actual and necessary expenses of preserving the estate, and all fees and charges assessed against the bankruptcy estate under Chapter 123 of Title 28, United States Code.

1.1.2 Administrative Claims Bar Date means fourteen (14) days prior to the date first scheduled for the Confirmation Hearing.

1.1.3 Allowance Date shall mean the date on which a Disputed Claim becomes an Allowed Claim by Final Order.

1.1.4 Allowed Claim means any Claim against the Debtor or any portion thereof allowable under Section 502 of the Bankruptcy Code (i) for which a proof of claim was filed on or before the date designated by the Bankruptcy Court as the last date for filing proofs of claim against the Debtor, or (ii) which has been listed in the Debtor’s bankruptcy Schedules of Assets and Liabilities as liquidated in amount and not disputed or contingent and as to which a proof of claim is not filed and, in case of (i) and (ii) above, as to which no objection to the allowance thereof has been timely filed, or, if an objection has been timely filed, such Claim is allowed by Final Order, or (iii) which is deemed allowed by the terms of the Plan. For purposes of determining the amount of an Allowed Claim there shall be deducted therefrom an amount equal to the amount of any claim which the Debtor may hold against the Claimant pursuant to Section 553 of the Bankruptcy Code. Unless otherwise specified in this Plan, “Allowed Claim” shall not, for the purposes of computation of Distributions under the Plan, include post-petition interest on the amount of such Claim.

1.1.5 Assets means all legal or equitable prepetition and postpetition interests of the Debtor in any and all real or personal property of any nature, including any real estate, buildings, structures, improvements, privileges, rights, easements, leases, subleases, licenses, goods, materials, supplies, furniture, fixtures, equipment, work in process, accounts, chattel paper, cash, deposit accounts, reserves, deposits, contractual rights, intellectual property rights, claims, causes of actions, and any other general intangibles, and the proceeds, product, offspring, rents or profits thereof.

1.1.6 Available Cash means all Cash available for distribution to Beneficiaries under the Trust Agreement.

1.1.7 Bankruptcy Case means this Chapter 11 bankruptcy case, Case No. 15-28100-BKC-AJC.

1.1.8 Bankruptcy Court means the United States Bankruptcy Court for the Southern District of Florida, Miami Division, or in the event such court ceases to exercise jurisdiction over the Debtor's Chapter 11 case, such court as may have jurisdiction with respect to the liquidation of the Debtor under Chapter 11 of the Bankruptcy Code.

1.1.9 Bankruptcy Rule(s) means the Federal Rules of Bankruptcy Procedure, the Local Rules of the Bankruptcy Court for the Southern District of Florida and the guidelines and requirements of the Office of the United States Trustee, as in effect on the Petition Date and as thereafter amended, as applicable from time to time in the Chapter 11 Case.

1.1.10 Bar Date means the deadline for filing and serving upon the Debtor all proofs of claims established by the Bankruptcy Court as February 16, 2016, except as to governmental units, for whom the deadline is April 11, 2016.

1.1.11 Beneficiary or Beneficiaries means the holder(s) of an Allowed Claim or Equity Interest as may be determined from time to time in accordance with the Plan and the Trust Agreement.

1.1.12 Business Day means any day other than a Saturday, Sunday, or a "legal holiday" (as such term is defined in Federal Bankruptcy Rule 9006(a)).

1.1.13 Cash means lawful currency of the United States of America.

1.1.14 Cash Collateral Order means the Bankruptcy Court's Final Order (A) Authorizing Debtor's Use of Cash Collateral and (B) Granting Adequate Protection [ECF No. 51] entered on November 16, 2015.

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1.1.15 Causes of Action means any and all causes of action and rights to recover funds for the benefit of the Estate, including, but not limited to, those arising under Sections 502, 505, 506, 510, 541 through 550, inclusive, and 551 and/or 553 of the Bankruptcy Code.

1.1.16 Claim shall have the meaning set forth in 11 U.S.C. § 101(5), as construed by Bankruptcy Code Section 102(2). Without limiting the generality of the

foregoing, "Claim" shall also be deemed to include any claim arising under Bankruptcy Code Section 502(h).

~~1.1.16~~1.1.17 Claimant means the holder of a Claim.

~~1.1.17~~1.1.18 Class means a category of holders of Claims or Equity Interests as classified in the Plan pursuant to Bankruptcy Code Section 1122.

~~1.1.18~~1.1.19 Committee means the Official Committee of Unsecured Creditors in the Bankruptcy Case. The Committee will be disbanded automatically on the Effective Date of the Plan, in connection with the creation of the Trust.

1.1.20 Committee Standing Order means the Bankruptcy Court's Order Granting Committee's Emergency Motion for Entry of an Order Granting Leave, Standing and Authority to Notice and Preserve Claims on Behalf of the Debtor's Estate, Pursuant to 11 U.S.C. § 105(a), 1103(c) and 1109(b) [ECF No. 120] entered February 5, 2016.

~~1.1.19~~1.1.21 Confirmation Date means the date upon which the Bankruptcy Court enters the Confirmation Order on its docket.

~~1.1.20~~1.1.22 Confirmation Hearing means the date established by the Bankruptcy Court to consider confirmation of the Plan pursuant to Bankruptcy Code Section 1128, including any continuances thereof.

~~1.1.21~~1.1.23 Confirmation Order means the order of the Bankruptcy Court confirming the Plan.

~~1.1.22~~1.1.24 Credit Bid means a bid made by a secured creditor up to the allowed amount of its lien with respect to its collateralized Asset(s), which shall be permitted to offset the amount of its Allowed Claim against any successful bid or, if applicable, any backup bid with respect to a sale of any of its collateralized Assets in furtherance of this Plan or the Trust Agreement.

~~1.1.23~~1.1.25 Creditor shall have the meaning set forth in 11 U. S.C. § 101(10).

~~1.1.24~~1.1.26 CRO means James S. Howard as the Chief Restructuring Officer of the Debtor in the above-captioned Bankruptcy Case.

~~1.1.25~~1.1.27 Debtor means Star Computer Group, Inc. as a debtor in the Bankruptcy Case.

~~1.1.26~~1.1.28 Disclosure Statement means the Disclosure Statement under 11 U.S.C. § 1125 in Support of this Plan of Liquidation filed simultaneously with this Plan, including the exhibit attached thereto, as it may be amended, modified or supplemented from time to time.

~~1.1.27~~1.1.29 Disputed Claim means any Claim to which an objection is timely filed or any Claim which is listed as disputed, unliquidated or contingent on the Schedules of Assets and Liabilities filed with the Bankruptcy Court and which is not otherwise allowed by the Plan.

~~1.1.281.1.30~~ Disputed Claims Reserve means that certain Cash reserve held by the Trustee pursuant to Article 7.5 of the Plan.

~~1.1.291.1.31~~ Distribution(s) means a distribution of Cash by the Trust.

~~1.1.301.1.32~~ Effective Date means, pursuant to Article 10 of the Plan, the business day designated in writing by the Plan Proponent on which each condition to the occurrence of the Effective Date has been satisfied or waived by the applicable party pursuant to Article 10 of the Plan.

~~1.1.341.1.33~~ Encumbrance means any lien, charge, mortgage, interest, security interest, claim, option, encumbrance, pledge, hypothecation, right to purchase, deed of trust, equitable interest, beneficial interest, easement, right-of-way, servitude, right of possession, lease tenancy, license, Claim, encroachment, reservation, imperfection of title, condition, interest or restriction of any kind, including, but not limited to, a restriction on use.

~~1.1.321.1.34~~ Equity Interest means interests arising from or related to an ownership interest or shares in the Debtor.

~~1.1.331.1.35~~ Equity Interest Holder(s) means the holders of Equity Interest(s) in the Debtor.

~~1.1.341.1.36~~ Estate means the bankruptcy estate of Star Computer Group, Inc. in the Bankruptcy Case.

~~1.1.351.1.37~~ Estate Assets means all legal or equitable interests as defined in 11 U.S.C. § 541 or the Plan belonging to the Estate.

~~1.1.361.1.38~~ Executory Contracts shall mean “executory contracts” and “unexpired leases” as such terms are used within Section 365 of the Bankruptcy Code, whether or not scheduled by the Debtors.

~~1.1.371.1.39~~ Final Order means an Order as to which (a) the time for appeal has expired, and (b) no stay pending appeal or pending review, rehearing, or certiorari has been issued.

~~1.1.381.1.40~~ General Unsecured Claim means an Unsecured Claim that is not entitled to priority under the Bankruptcy Code.

~~1.1.391.1.41~~ IRC means the Internal Revenue Code of 1986, as amended.

~~1.1.401.1.42~~ IRS means the Internal Revenue Service.

~~1.1.411.1.43~~ Lien means a valid, perfected and enforceable lien, security interest or other interest in or encumbrance against Property of the Debtor’s Estate as defined in Section 101(37) of the Bankruptcy Code.

1.1.44 Modification Order means the Bankruptcy Court’s Order Granting Committee’s Emergency Motion for Modification of Final order (A) Authorizing Debtor’s

Use of Cash Collateral and (B) Granting Adequate Protection [ECF No. 107] entered on January 26, 2016.

1.1.421.1.45 Person means an individual, corporation, partnership, trust, business trust association, joint stock company, joint venture, pool, syndicate, sole proprietorship, unincorporated organization, governmental authority, or any other form of entity not specifically listed herein.

1.1.431.1.46 Petition Date means October 12, 2015, the date the Debtor filed the Bankruptcy Case.

1.1.441.1.47 Plan or Plan of Liquidation means this plan of liquidation of the Debtors, as amended, modified or supplemented from time to time in accordance with the provisions of the Plan, the Bankruptcy Code and Bankruptcy Rules.

1.1.451.1.48 Plan Proponent means the Debtor, Star Computer Group, Inc.

1.1.461.1.49 Priority Tax Claim means a Claim that is entitled to priority in payment under Section 507(a)(8) of the Bankruptcy Code.

1.1.471.1.50 Proceeds means any Cash realized on account of any sale of Property of the Estate or recovery on any Causes of Action of the Estate.

1.1.481.1.51 Professional means a professional employed in the Debtor's Chapter 11 case under 11 U.S.C. §§ 327 and/or 1103.

1.1.491.1.52 Professional Fee Claim means a Claim for compensation or reimbursement of expenses of a Professional retained in the Bankruptcy Case in accordance with the provisions of Section 327 and 328 of the Bankruptcy Code.

1.1.501.1.53 Property means all right, title and interest in and to any and all property of every kind or nature, owned by the Debtor as of the Effective Date, including, but not limited to, property as defined in Section 541 of the Bankruptcy Code such as any tax refund claims, accounts receivable, inventory, Assets and Causes of Action in connection with any and all property of the estate or any of the Debtor's operations as of the Effective Date.

1.1.511.1.54 Pro Rata means proportionately so that the ratio of the amount of consideration distributed on account of a particular Allowed Claim to the amount of the Allowed Claim is the same as the ratio of the amount of consideration distributed on account of all Allowed Claims of the Class in which the particular Allowed Claim is included to the amount of all Allowed Claims of that Class, but in any event the amount of consideration distributed on account of an Allowed Claim shall not exceed 100% of the amount of the Allowed Claim.

1.1.521.1.55 Real Property means the office / warehouse building (4 contiguous units) located at 2155-2185 N.W. 115th Avenue, Units 1-4, Miami, Florida 33172 owned by the Debtor.

4.1.531.1.56 Schedules of Assets and Liabilities means the Schedules of Assets and Liabilities as amended from time to time and filed by the Debtors in the bankruptcy cases.

4.1.541.1.57 Secured Claim means a Claim for which a Claimant holds a valid, perfected and enforceable Lien, not subject to avoidance or subordination under the Bankruptcy Code or applicable non-bankruptcy law, or a Claim for which a Claimant asserts a setoff under Section 553 of the Bankruptcy Code, but only to the extent of the value, determined in accordance with Section 506(a) of the Bankruptcy Code, of the Claimant's interest in the Debtor's interest in the Property or to the extent of the amount subject to such setoff, as the case may be, unless a timely election has been made under Section 1111(b)(2) of the Bankruptcy Code.

4.1.551.1.58 Secured Tax Claim means a Secured Claim of a governmental unit imposed for a tax.

4.1.561.1.59 Trust means the Star Computer Group Creditors Trust created under the Trust Agreement.

4.1.571.1.60 Trust Agreement means the Trust Agreement for the Trust to be executed by and between the Debtor and the Trustee for the benefit of the respective Beneficiaries entitled to the Trust Assets and attached at Exhibit A to the Plan.

4.1.581.1.61 Trust Assets or Trustee Estate shall mean the Unencumbered Property, including such Causes of Action as are Unencumbered Property, which shall be irrevocably assigned, transferred and conveyed to the Trust on the Effective Date of the Plan, plus all property that becomes Unencumbered Property after the Effective Date, plus any and all net income earned on the foregoing.

4.1.591.1.62 Trustee shall mean the person acting as trustee of the Trust at a particular time. The initial Trustee shall be Joseph J. Luzinski.

4.1.601.1.63 Unencumbered Property means all Property which is not subject to a Secured Claim.

4.1.611.1.64 Unsecured Claim means a Claim that is not a Secured Claim. The term specifically includes any tort Claims or contractual Claims or Claims arising from damage or harm to the environment and, pursuant to Section 506(a) of the Bankruptcy Code, any Claim of a creditor against the Debtor to the extent that such Creditor's Claim is greater than the value of the Lien securing such Claim, any Claim for damages resulting from rejection of any Executory Contract pursuant to Section 365 of the Bankruptcy Code, and any Claim not otherwise classified under the Plan.

4.1.621.1.65 United States Trustee means the Office of the U.S. Trustee for Region 21 located in the Southern District of Florida in Miami, as provided for in 28 U.S.C. § 581 *et. seq.*

4.1.631.1.66 U.S. Trustee Fee(s) means fees payable to the U.S. Trustee pursuant to 28 U.S.C. § 1930(a)(6).

1.2 Rules of Interpretation and Construction. For purposes of the Plan, (i) any reference in the Plan to an existing document or exhibit filed or to be filed means that document or exhibit as it may have been or may be amended, modified, or supplemented; (ii) unless otherwise specified, all references in the Plan to sections, articles, and exhibits are references to sections, articles, or exhibits to the Plan; (iii) the words “herein,” “hereof,” “hereto,” “hereunder,” and other words of similar import refer to the Plan in its entirety and not to any particular portion of the Plan; (iv) captions and headings contained in the Plan are inserted for convenience and reference only, and are not intended to be part of or to affect the interpretation of the Plan; (v) wherever appropriate from the context, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter gender; and (vi) the rules of construction outlined in Section 102 of the Bankruptcy Code and in the Bankruptcy Rules shall apply to the Plan.

In the event of an inconsistency, the provisions of the Plan shall control over the contents of the Disclosure Statement; the provisions of the Trust Agreement shall control over the contents of the Plan; and the provisions of the Confirmation Order shall control over the contents of the Plan and the Trust Agreement. Whenever a Distribution is required to be made on a particular date, the distribution shall be made on such date or as soon as reasonably practicable thereafter.

ARTICLE 2

CLASSIFICATION OF CLAIMS AND INTERESTS; IMPAIRMENT

2.1 Classification. Pursuant to Section 1122 of the Bankruptcy Code, a Claim or Equity Interest is placed in a particular Class for purposes of voting on the Plan and receiving Distributions under the Plan only to the extent the particular Claim or Equity Interest is an Allowed Claim or Allowed Equity Interest in that Class and such Claim or Equity Interest has not been paid, released, or otherwise settled before the Effective Date. A Claim or Equity Interest shall be classified in a different Class to the extent that it qualifies within the identification of that different Class.

2.2 Unclassified Claims. In accordance with Section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, Priority Tax Claims, and U.S. Trustee Fees are not classified under the Plan, and the treatment of those Claims is set forth in Article 3.

2.3 Identification of Classes. Classes of Claims against and Equity Interests in the Debtors are designated as follows:

Class	Designation	Impairment	Entitled to Vote
Class 1	Secured Tax Claims	Unimpaired	No--Deemed Accepted
Class 2.1	Secured Claim of Mercantil Commercebank, N.A.	Unimpaired	No--Deemed Accepted
Class 2.2	Secured Claim of U.S. Small Business Administration	Unimpaired	No--Deemed Accepted
Class 2.3	Secured Claim of BVDCC Condo Association	Unimpaired	No--Deemed Accepted
Class 3	Secured Claim of BankUnited, N.A.	Impaired	Yes
Class 4	Other Secured Claims	Unimpaired	No--Deemed Accepted

Class 5	General Unsecured Claims	Impaired	Yes
Class 6	Equity Interests	Impaired	No--Deemed Rejection

2.4 Unimpaired Classes. Claims in Classes 1, 2.1, 2.2, 2.3 and 4 are not impaired under the Plan. Pursuant to Section 1126(f) of the Bankruptcy Code, Claimants within Classes 1, 2.1, 2.2, 2.3 and 4 are conclusively presumed to have accepted the Plan, and therefore are not entitled to vote to accept or reject the Plan.

2.5 Impaired Classes. Claims in Classes 3 and 5 are impaired under the Plan and, therefore, Claimants in such Classes are entitled to vote to accept or reject the Plan.

2.6 Impaired Non-Voting Class. Class 6 is deemed to have rejected the Plan by virtue of Section 1126(g) of the Bankruptcy Code and is not entitled to vote to accept or reject the Plan.

ARTICLE 3

TREATMENT OF ADMINISTRATIVE CLAIMS, PROFESSIONAL FEE CLAIMS, AND ALLOWED PRIORITY TAX CLAIMS

3.1 Administrative Claims Bar Date. All requests for payment of Administrative and/or Professional Fee Claims for final approval of fees and expenses incurred from the Petition Date through the Effective Date shall be filed with the Bankruptcy Court and served upon the Debtor, Committee and the United States Trustee at least fourteen days before the date first scheduled for the Confirmation Hearing. For holders of Administrative Claims and Professional Fee Claims that are continuing to provide services and incur fees on behalf of the Estate after the Administrative Claims Bar Date through the Confirmation Date, such Claimants shall file and serve a supplemental application by no later than the second business day prior to the Confirmation Hearing and may include a final estimate for remaining fees and costs to be incurred through the Confirmation Date. Except as provided herein, any Administrative Claim or Professional Fee Claim for which an application or request for payment is not filed within such time period shall be discharged and forever barred.

3.2 Treatment of Administrative Claims, including Professional Fee Claims. All Allowed Administrative Claims and Professional Claims shall be paid as soon as practicable on the later of the Effective Date or the Allowance Date, except to the extent that any Claimant holding an Allowed Administrative Claim or Allowed Professional Fee Claims agrees to treatment different than that proposed under the Plan.

3.3 Treatment of Priority Tax Claims. To the extent not already satisfied by the Debtor prior to the Effective Date, then commencing as soon as reasonably practicable on or after the Effective Date, the Trustee shall pay to the holder of an Allowed Priority Tax Claim the amount of Cash equal to such Allowed Priority Tax Claim from Cash on hand, on the later of the Effective Date or the Allowance Date.

3.4 U.S. Trustee Fees. Notwithstanding any other provisions of the Plan to the contrary, to the extent not already satisfied by the Debtor prior to the Effective Date, the United States Trustee shall be paid in cash the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6), within fourteen (14) days after the entry of the Order confirming this Plan, for pre-confirmation periods by the Trustee, and the Trustee shall simultaneously provide the United States Trustee an appropriate affidavit

indicating the cash disbursements for the relevant period. In addition, the Trustee shall further pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) for post-confirmation periods within the time periods set forth in 29 U.S.C. § 1930(a)(6), based upon all post-confirmation disbursements made by the Chapter Trustee until the earlier of the close of this Case by the issuance of a Final Decree by the Bankruptcy Court, or upon the entry of an order by the Bankruptcy Court dismissing this Case or converting this Case to another chapter under the Bankruptcy Code, and the Trustee shall provide to the United States Trustee upon the payment of each post-confirmation payment an appropriate affidavit indicating all the cash disbursements for the relevant period.

ARTICLE 4

PROVISIONS FOR TREATMENT OF ALLOWED CLAIMS & INTERESTS

4.1 Treatment of Class 1 Secured Tax Claims. Allowed Claims within Class 1 shall retain their Liens on the Real Property and shall be satisfied from the Proceeds of the sale of the Real Property. The combined real estate taxes arising from the Debtor's Real Property within Class 1 corresponding to year 2015 are currently estimated to be \$160,953.40 if timely paid in March 2016. These real estate taxes are subject to lower discounted payment amounts if paid prior to March 2016. Subject to customary allocation and credits for such tax obligations at closing, the real estate taxes for year 2016, if any, would be the responsibility of the purchaser/successful bidder of the Real Property, as the Real Property will be transferred pursuant to the sale of the Real Property, with the Debtor addressing any prorated tax responsibility with the purchaser/successful bidder at closing.

4.2 Treatment of Class 2.1 Secured Claim of Mercantil Commercebank, N.A. The Allowed Claim in Class 2.1 shall receive the following treatment:

4.2.1 Mercantil Commercebank, N.A. holds a first mortgage Lien against the Real Property. Mercantil Commercebank, N.A. shall retain its Lien on the Real Property and its Class 2.1 Secured Claim shall be satisfied from the Proceeds of the sale of the Real Property. Its Lien shall attach to any net Proceeds of the sale of the Real Property in accordance with applicable state law lien priorities after full payment of all Allowed Secured and Priority Tax Claims, and pre- and post-confirmation U.S. Trustee Fees through and including the quarter in which the Effective Date occurs, and shall not be subject to objection, disallowance, or subordination. Such Lien shall be released and discharged at closing upon payment in full of its proof of claim amount of \$3,070,791.52 plus any applicable contractual non-default rate interest, fees and costs, subject to final reconciliation and agreement to a final payoff amount at closing or a Final Order of the Bankruptcy Court in the absence of agreement. In the event that a sale of the Real Property results in a Credit Bid by Mercantil Commercebank, N.A., it shall be permitted to offset its Allowed Class 2.1 Secured Claim against the purchase price.

4.3 Treatment of Class 2.2 Secured Claim of U.S. Small Business Administration. The Allowed Secured Claim in Class 2.2 shall receive the following treatment:

4.3.1 U.S. Small Business Administration holds a second mortgage lien against the Real Property. U.S. Small Business Administration shall retain its Lien on the Real Property and its Allowed Class 2.2 Secured Claim shall be satisfied from the Proceeds of the sale of the Real Property. Its Lien shall attach to any net Proceeds of the sale of the Real Property in accordance with applicable state law lien priorities after full payment of all (i) Allowed

Secured and Priority Tax Claims, (ii) pre- and post-confirmation U.S. Trustee Fees through and including the quarter in which the Effective Date occurs, and (iii) Allowed Secured Class 2.1 Secured Claims, and shall not be subject to objection, disallowance, or subordination. Such lien shall be released and discharged at closing upon payment in full of its scheduled claim amount of \$2,280,585.87 plus any applicable contractual non-default rate interest, fees and costs, subject to final reconciliation and agreement to a final payoff amount at closing or a Final Order of the Bankruptcy Court in the absence of agreement. In the event that a sale of the Real Property results in a Credit Bid by the U.S. Small Business Administration, it shall be permitted to offset its Allowed Class 2.2 Secured Claim against the purchase price.

4.4 Treatment of Class 2.3 Secured Claim of BVDCC Condo Association. The Allowed Claim in Class 2.3 shall receive the following treatment:

4.4.1 BVDCC Condo Association holds a third Lien against the Real Property on account of outstanding condo association dues. BVDCC Condo Association shall retain its Lien on the Real Property and its Allowed Class 2.3 Secured Claim shall be satisfied from the Proceeds of the sale of the Real Property. Its Lien shall attach to any net Proceeds of the sale of the Real Property in accordance with applicable state law lien priorities after full payment of all: (i) Allowed Administrative Claims, Allowed Professional Fee Claims, and Allowed Priority Tax Claims; (ii) pre-confirmation U.S. Trustee Fees and post-confirmation U.S. Trustee Fees up to and including the quarter in which the Effective Date occurs; (iii) the Class 2.1 Allowed Secured Claim of Mercantile Commercebank, N.A.; and (iv) the Class 2.2 Allowed Secured Claim of the U.S. Small Business Administration, and shall not be subject to objection, disallowance, or subordination. Such lien shall be released and discharged at closing upon payment in full of its ~~proof of claim amount of \$38,947.26~~ Allowed Secured Claim plus any applicable contractual non-default rate interest, fees and costs, subject to final reconciliation and agreement to a final payoff amount at closing or a Final Order of the Bankruptcy Court in the absence of agreement. In the event that a sale of the Real Property results in a Credit Bid by the BVDCC Condo Association, it shall be permitted to offset its Allowed Class 2.3 Secured Claim against the purchase price.

4.5 Treatment of Class 3 Secured Claim of BankUnited, N.A. The Allowed Secured Claim in Class 3 shall receive the following treatment:

4.5.1 BankUnited, N.A. holds a first position Lien on and security interest in substantially all of Debtor's Property except for the Real Property and certain Causes of Action including Chapter 5 avoidance actions, as its Lien covers all ~~other~~ Property and proceeds thereof, specifically and without limitation, including inventory, accounts receivable, equipment, contracts, general intangibles, goods, proceeds, tax refunds, intellectual property, bank accounts, etc. except the Real Property, such other Property as may be excluded from the description of collateral set forth in BankUnited, N.A.'s Security Agreement and "investment property," as identified in Schedule I to its U.C.C-1 financing statement and such Property as to which BankUnited, N.A. did not obtain a duly perfected and enforceable security interest. The Committee contends that BankUnited, N.A.'s Lien does not attach to the Trust Litigation Claims and is limited to the categories of collateral set forth in its Security Agreement; BankUnited, N.A. disagrees. The parties agree that the extent of BankUnited, N.A.'s Lien with respect to the Trust Litigation Claims shall be determined prior to or in conjunction with confirmation. BankUnited, N.A. shall retain its Lien, except with respect to (a) the \$75,000

Committee Carve Out provided in the Bankruptcy Court's November 16, 2015 Final Order (A) Authorizing Debtor's Use of Cash Collateral and (B) Granting Adequate Protection ("**Cash Collateral Order**," ECF No. 51), (b) the additional \$25,000 Committee Carve Out provided for in the Cash Collateral Order in the event the Committee is unable to recover its allowed fees and expenses from any other source, if applicable, and (c) all fees and costs budgeted and paid from BankUnited, N.A.'s cash collateral for the Debtor's professionals' fees and expenses pursuant to the Cash Collateral Order (collectively, the "**Carve Outs**"). BankUnited, N.A.'s Allowed Secured Claim shall be satisfied from Proceeds of Property subject to its Lien from the ongoing liquidation of such Property in accordance with applicable state law lien priorities and shall not be subject to objection, disallowance, or subordination except to the extent of any rights of the Committee under the Modification Order or otherwise. Such Lien shall be released and discharged upon payment in full of its Allowed Secured Claim (currently estimated to be approximately \$~~7,250,000~~6,100,000) as of the date of filing of this Plan, based on proceeds from pre-confirmation liquidation of Property and adequate protection payments) plus any applicable contractual non-default rate interest, fees and costs, but **excluding** any claim for default rate interest, all subject to final reconciliation and agreement to a final payoff amount at closing or a Final Order of the Bankruptcy Court in the absence of agreement. In the event that a sale of any of the Property results in a Credit Bid by BankUnited, N.A., it shall be permitted to offset its Allowed Secured Claim against the purchase price.

4.5.2 BankUnited Deficiency Claim. Notwithstanding the proposed treatment set forth in Article 4.5.1 for BankUnited, N.A.'s Lien, there is a potential that BankUnited, N.A. will not be paid in full from the liquidation of its collateral. In such event, BankUnited, N.A. shall be deemed to have a Class 5 Allowed General Unsecured Claim (the "BankUnited Deficiency Claim") in an amount equal to BankUnited N.A.'s Allowed Secured Claim less: (a) the Proceeds of the post-~~confirmation~~Petition Date liquidation of Property subject to its Lien and any other payments received in connection with its Lien against the Property; and/or (b) the amount of a successful Credit Bid against the Debtor's Property subject to BankUnited N.A.'s Lien. The BankUnited Deficiency Claim, to the extent there is one, shall not be subject to objection, disallowance or subordination except to the extent of any rights of the Committee under the Modification Order or otherwise. The rights of BankUnited N.A. to assert the full amount of the BankUnited Deficiency Claim in any other proceeding in state or federal court for any and all causes of action BankUnited N.A. may possess, including, but not limited to, causes of action for indemnification and/or enforcement of any guarantee against any third party shall not be waived, altered, or in any way prejudiced by the terms of this Plan.

4.6 Treatment of Class 4 Other Secured Claims. Any other Allowed Secured Claims within Class 4 shall receive the following treatment:

4.6.1 Allowed Secured Claims within Class 4 shall retain their Liens on the Property securing their Claims, and their Allowed Secured Claims shall be paid in full from the Proceeds of the liquidation of their collateral, or alternatively at the Debtor's election, such collateral shall be returned to such creditor in full satisfaction of their Allowed Secured Claim.

4.7 Treatment of Class 5 General Unsecured Claims. Allowed Claims within Class 5 shall receive the following treatment:

4.7.1 The Debtors' Schedules of Assets and Liabilities listed General Unsecured Claims in the aggregate amount of \$51,356,039.04, with some Claims being listed as contingent, unliquidated and/or disputed, requiring those Creditors to timely file proofs of claim. The Debtor is still reconciling the scheduled claims with the filed proofs of claim, but anticipates the ultimate amount, excluding claims scheduled as contingent, unliquidated and/or disputed, will be approximately \$53 million. Allowed Class 5 Claims shall be paid an initial Pro Rata Distribution of the Proceeds from the Trust Assets as soon as reasonably practicable on the later of (a) the date the Trustee determines to make an Initial Distribution or (b) the Allowance Date, as applicable, and shall receive subsequent Pro Rata Distributions of the Proceeds from the Trust Assets in accordance with the terms of the Creditors Trust Agreement. The Clerk's office established February 16, 2016 as the Claims Bar Date for all Creditors (except governmental units). Should the Debtor or Committee prior to the Effective Date, or the Trustee after the Effective Date, object to a Class 5 Claim, such Claim would be a Disputed Claim, with the appropriate reserve amount established for the Disputed Claims Reserve from Available Cash. At such time as a Disputed Class 5 Claim may become an Allowed Class 5 Claim, such Allowed Class 5 Claim shall be paid as set forth in this Article 4.7 of the Plan.

4.8 Treatment of Class 6 Equity Interests. Allowed Class 6 Equity Interests shall receive no Distribution under the Plan and shall retain no Property whatsoever under the Plan.

ARTICLE 5

EXECUTORY CONTRACTS

Executory Contracts entered into by the Debtor prior to the Petition Date shall be treated as follows:

5.1 Rejection. Unless a motion to assume is filed prior to confirmation and an order authorizing assumption is entered on or prior to the Effective Date, all executory contracts and unexpired leases of the Debtor shall be deemed rejected as of the Effective Date.

5.2 Approval of Rejection; Rejection Damages Claims Bar Date. The Confirmation Order shall constitute an Order of the Bankruptcy Court approving the rejection of executory contracts under Section 5.1 above pursuant to Bankruptcy Code Section 365 as of the Effective Date. **Any Claim for damages arising from any such rejection must be filed within thirty (30) days after the mailing of notice of the entry of the Confirmation Order (the "Rejection Claim Bar Date"), or such Claim shall be forever barred, shall not be enforceable against the Debtor, its Estate, the Trust, the Trustee, or any of their respective properties and shall receive no distribution under the Plan or otherwise on account of such Claim.**

ARTICLE 6

MEANS FOR IMPLEMENTATION OF THE PLAN

6.1 The Creditors Trust.

6.1.1 Establishment of Creditors Trust/Disbanding Creditors' Committee. On the Effective Date, the CRO, on behalf of the Debtor and the Beneficiaries, shall execute the Creditors Trust Agreement attached to the Plan and incorporated herein as **Exhibit A**, and take all steps necessary to establish the Creditors Trust. The Official Committee of Unsecured Creditors in this Bankruptcy Case is deemed automatically disbanded on the Effective Date.

6.1.2 Purpose of Creditors Trust. The Trust is being established for the purpose of (i) liquidating the Debtor's Unencumbered Property including those Causes of Action which the Trustee is authorized to prosecute in accordance with Article 7.10 hereof (provided that any Causes of Action that are subject to BankUnited, N.A.'s Lien shall not become Unencumbered Property to be turned over to the Trust unless and until the Class 3 Secured Claim of BankUnited, N.A. has been satisfied; and without prejudice to BankUnited, N.A.'s right to assert that its Lien attaches to the proceeds of any Causes of Action which the Trustee has been authorized to prosecute, and without prejudice to any objection or defenses thereto, which issue shall be resolved in advance of or in conjunction with confirmation), and (ii) distributing the Proceeds thereof to certain holders of Allowed General Unsecured Claims, as identified in and prescribed by this Plan. The Trust shall not continue or engage in any trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Trust.

6.1.3 Contribution of Assets to the Trust. On the Effective Date of the Plan, the CRO on behalf of the Debtor's estate shall transfer all of the Debtor's Unencumbered Property to the Trust, pursuant to the terms of the Creditors Trust Agreement. Title to all Property contributed to the Trust shall vest in the Trust on the Effective Date following the transfer. Upon the satisfaction of any Secured Claim pursuant to this Plan, all Property which had been collateral for such Secured Claim, or the Proceeds thereof in excess of the amount necessary to satisfy the Secured Claim, shall become Unencumbered Property and shall be turned over by the Debtor to the Trust. For the avoidance of any doubt, following the contribution of Property to the Trust pursuant to this Article 6.1.3 and the Trust Agreement, the Trustee shall have standing to liquidate such Property of the Estate and pursue Causes of Action on behalf of the Trust and shall be entitled to all remedies with respect thereto currently available to the Debtor and CRO-creditors, if applicable, in the Bankruptcy Case.

6.1.4 Trust Management. The Trustee shall have the power and authority set forth in the Trust Agreement. As a condition to serving as Trustee, the Trustee, and any successor Trustee, is required to and shall post a bond in favor of the Trust in an amount not less than the amount of Cash held by the Trust, which bond shall be in substantially the form as that required by the United States Trustee's Office for trustees serving in bankruptcy cases within the Southern District of Florida. For the avoidance of any doubt, the Trust shall post and be responsible for all costs associated with the posting of the foregoing bond including costs associated with such bond.

6.1.5 Trust Structure. As more fully set forth in the Trust Agreement, the Trustee shall oversee and direct the Trust's operations and activities, including the liquidation of Assets, retention of counsel, decisions to pursue or not pursue Causes of Action belonging solely to the Trust and its Beneficiaries, and settlement of any such Causes of Action belonging solely to the Trust and its Beneficiaries.

6.1.6 Approval of Settlement. The Trustee shall have the authority as set forth in Section 4.4 of the Trust Agreement to settle or resolve any Causes of Action transferred to the Trust in his sole discretion for cases in which the amount in controversy is \$10,000.00 or less, and otherwise, subject to Bankruptcy Court approval under the Retention of Jurisdiction provisions set forth in Article 11 of this Plan.

6.1.7 Allocation of Costs and Expenses of the Trust. All costs and expenses incurred by the Trust shall be the obligation of the Trust and shall be payable from the Trust Assets of the Trust.

6.1.8 Retention and Compensation of Professionals by the Trustee. The Trustee, subject to approval of the Bankruptcy Court, may employ attorneys, accountants, appraisers, expert witnesses, insurance adjusters or other persons whose services may be reasonably necessary or advisable in the judgment of the Trustee to advise or assist him in the discharge of his duties as Trustee, or otherwise in the exercise of any powers vested in the Trustee, and to pay reasonable compensation, subject to approval of the Bankruptcy Court, to such attorneys, accountants, appraisers, expert witnesses, insurance adjusters or other persons. The Trustee shall be authorized pursuant to Sections 4.5 of the Trust Agreement to pay on a monthly basis the reasonable fees and expenses incurred by the Trustee and his professionals, but shall file post-confirmation quarterly fee applications with the Bankruptcy Court for final approval of same.

6.1.9 Resignation and Removal of the Trustee. The Trustee may resign and be discharged from any future obligations and liabilities under the Trust Agreement by filing a notice thereof with the Bankruptcy Court at least thirty (30) days prior to the effective date of such resignation. Such resignation shall become effective on the date specified in such notice. The Trustee may be removed at any time by order of the Bankruptcy Court upon motion by any party in interest pursuant to the standard under applicable law for removal of a Chapter 7 trustee. Venue for any actions concerning removal of the Trustee shall be proper in the Bankruptcy Court. ~~Upon any such removal, such removed Trustee shall not be entitled to any reimbursement and indemnification as set forth in the Trust Agreement which remain due and owing to such Trustee at the time of such removal, however, the Trustee may request such reimbursement and indemnification, or a portion thereof, from the Bankruptcy Court upon notice and hearing to parties in interest.~~ If, at any time, the Trustee shall give notice of his intent to resign pursuant to the Trust Agreement, or be removed or shall become incapable of acting, counsel to the Trustee shall provide notice thereof to the Bankruptcy Court. ~~A three member committee made up from the members of the Committee-The U.S. Trustee's Office,~~ with the approval of the Bankruptcy Court, and upon notice and hearing to parties in interest, shall designate a successor trustee for the Trust.

6.1.10 Tax Treatment of the Trust. It is intended that the Trust be classified for federal income tax purposes as a "liquidating trust" within the meaning of Section 301.7701-4(d) of the Treasury Regulations. All parties shall treat the transfers in trust described in this Plan as transfers to the Beneficiaries for all purposes of the Internal Revenue Code (including IRC §§ 61(12), 483, 1001, 1012, and 1274). All parties shall treat the transfers in trust as if all the transferred assets, including all the Trust Assets, had been first transferred to the Beneficiaries and then transferred by the Beneficiaries to the Trust. The Beneficiaries shall be treated for all purposes of the Internal Revenue Code as the grantors of the Trust and the owners of the Trust. All income of the Trust shall be taxed directly to its Beneficiaries (except to the extent the IRS is a Beneficiary). The Trustee shall file returns for the Trust as a grantor trust pursuant to Section 1.671-4(a) or (b) of the Treasury Regulations.

The Debtor and the Committee will work together to address the valuation of the Trust Assets in advance of the Confirmation Hearing. In the absence of an agreement, the Trust Litigation Claims shall be valued at zero dollars (\$0.00). The parties, including the Trustee and the Beneficiaries, shall value the Property transferred to the Trust consistently and such valuations shall be used for all federal income tax purposes. The Beneficiaries (except to the extent the IRS is a Beneficiary) shall be responsible for payment of any taxes due with respect to the operations of the Trust. The Trust shall terminate on the date which is if the fifth anniversary of its establishment unless sooner terminated, or unless its termination date is extended by the Bankruptcy Court as provided in the Trust

Agreement. During its existence, the Trust shall not receive or retain Cash or Cash equivalents in excess of a reasonable amount necessary to meet Claims and contingent liabilities (including Disputed Claims) or to maintain the value of the Trust Assets during liquidation.

The Trustee shall distribute to the Beneficiaries all its net income and all the net proceeds from the liquidation of Trust Assets, less such net income or net proceeds reasonably necessary to maintain the value of the Trust Assets or to meet Claims or contingent liabilities (including Disputed Claims). The Trustee shall use his/her continuing best efforts to dispose of the Trust Assets, make timely Distributions, and shall not unduly prolong the duration of the Trust.

6.1.11 Continuation of Automatic Stay. In furtherance of the implementation of the Plan, except as otherwise provided herein, all injunctions or stays provided for in the Bankruptcy Case pursuant to Sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect and apply to all Creditors and Beneficiaries holding Claims against the Debtor, the Estate, the Assets, the Trustee, the Trust and the Trust Assets until the Trust's final distribution date.

6.2 Continued Existence and Dissolution of the Debtor. The Debtor shall continue to exist after the Effective Date for the sole purpose of liquidating all Property that serves as collateral to any Secured Claim and distributing the Proceeds of such Property to the holders of Allowed Claims in Classes 1, 2.1, 2.2, 2.3, 3 and 4 of the Plan. All Property which serves as collateral to any Secured Claim shall revert in the Debtor upon the Effective Date, provided that upon the satisfaction of any Secured Claim pursuant to this Plan, all Property which had been collateral for such Secured Claim, or the Proceeds thereof in excess of the amount necessary to satisfy the Secured Claim, shall become Unencumbered Property and shall be turned over by the Debtor to the Trust. The Debtor shall report to the Trustee, in writing, on a weekly basis as to its progress in liquidating Property subject to Secured Claims and the satisfaction of Secured Claims in accordance with the Plan. Any settlement of a Cause of Action retained by the Debtor pursuant hereto which was originally asserted in an amount in excess of \$100,000, and any sale of property which was originally scheduled as having a value in excess of \$100,000, shall be subject to Bankruptcy Court approval in accordance with Fed.R.Bankr.P. 9019 and 11 U.S.C. § 363 and Fed.R.Bankr.P. 6004, respectively. The Debtor, subject to Bankruptcy Court approval, may pay reasonable compensation to and reimburse expenses of its professionals prior to its dissolution.

As soon as practicable after the liquidation of all Property subject to a Secured Claim and the satisfaction of all Secured Claims, the Debtor will be dissolved and cease to exist for all purposes without the necessity for any other or further actions to be taken by or on behalf of the Debtor or payments to be made in connection therewith; provided, however, that the Debtor and its professionals shall be authorized at the appropriate time to file the Debtor's final tax returns and shall be authorized to file and shall file with the official public office for keeping corporate records in each Debtor's state of incorporation a certificate of dissolution or equivalent document. From and after the Effective Date, the Debtor (i) for all purposes shall be deemed to have withdrawn its business operations from any state in which it was previously conducting, or are registered or licensed to conduct, its business operations, and shall not be required to file any document, pay any sum or take any other action, in order to effectuate such withdrawal, and (ii) shall not be liable in any manner to any taxing authority for franchise, business, license or similar taxes accruing on or after the Effective Date.

All expenses and liability for the Debtor's wind-down process after the Effective Date shall be the responsibility of the Debtor and BankUnited, N.A., and the Trust and the assets contributed to it shall not be obligated on any post-Effective Date liabilities of the Debtor. All expenses and liability for the Trust after the Effective Date shall be the responsibility of the Trust, and the Debtor and the assets vested in it on the Effective Date shall not be obligated on any post-Effective Date liabilities of the Trust (except for the Debtor's obligation to turn over Unencumbered Property to the Trust upon the satisfaction of any Secured Claim). The Committee contends that it has the right to reduce or offset the amount of BankUnited, N.A.'s allowed claim by the amount of any proceeds of its collateral used to pay the post-Effective Date liabilities of the Debtor in liquidating the collateral; the Debtor and BankUnited, N.A. dispute that assertion.

6.3 Section 1145 Determination. Confirmation of the Plan shall constitute a determination, in accordance with Section 1145 of the Bankruptcy Code, that except with respect to an entity that is an underwriter as defined in Section 1145(b) of the Bankruptcy Code, Section 5 of the Securities Act of 1933, as amended, and any state or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, broker or dealer in, a security does not apply to the offer or sale under the Plan of the Trust Assets or of the exchange of Claims against the Debtor for Claims against the Trust.

6.4 Section 1146 Exemption. Pursuant to Section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of any security under the Plan, or the making, delivery, or recording of an instrument of transfer in connection with the sale by the Debtor of the Real Property or other applicable Property shall not be taxed under any law imposing a stamp or similar tax, including but not limited to any recording fee, intangible taxes or documentary stamp taxes, whether on any deed, leasehold, assignment, promissory note, security agreement or mortgage.

6.5 Waiver of Federal Rule of Bankruptcy Procedure 3020(e). The Confirmation Order shall include (i) a finding that Fed.R.Bankr.P. 3020(e) shall not apply to the Confirmation Order; and (ii) authorization for the consummation of the Plan and the transactions contemplated by the Plan immediately after entry of the Confirmation Order.

6.6 Closing of the Bankruptcy Case. Notwithstanding anything to the contrary in the Bankruptcy Rules providing for earlier closure of the Bankruptcy Case, when all Assets retained by the Debtor have been liquidated and their proceeds distributed, and all Assets contributed to the Trust have been liquidated and converted into Cash (other than those Assets abandoned by the Liquidating Trust), and such Cash has been distributed in accordance with the Trust Agreement and this Plan, and the final Distribution of the Trust has been made, then, in conjunction with the provisions of Article 14 of the Plan, the Trustee shall seek authority from the Bankruptcy Court to close the Bankruptcy Case in accordance with the Bankruptcy Code and the Bankruptcy Rules.

ARTICLE 7

DISTRIBUTIONS AND POST-CONFIRMATION LITIGATION

7.1 Designation of Trustee. Upon the Effective Date, the initial Trustee of the Trust will be Joseph J. Luzinski, of Development Specialists, Inc., the former Financial Advisors to the Committee, who will serve as Trustee until such Trustee resigns or is replaced in accordance with the Trust Agreement and any Trust bylaws. As consideration for the Trustee's services, the Trustee shall receive the compensation set forth in the Trust Agreement.

7.2 Rights and Powers of Trustee.

(a) Powers of the Trustee. The Trustee shall be empowered to (i) take all actions and execute all agreements, instruments and other documents necessary to perform its duties under this Plan, (ii) make all Distributions contemplated hereby, (iii) employ professionals to represent it with respect to its responsibilities, if necessary, and (iv) exercise such other powers as may be vested in the Trustee by order of the Bankruptcy Court, pursuant to this Plan, or as deemed by the Trustee to be necessary and proper to implement the provisions hereof, including without limitation, the powers set forth in Sections 1106 and 704 of the Bankruptcy Code, and all to the rights and powers set forth in the Trust Agreement.

(b) Expenses Incurred on or After the Effective Date. Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Trustee on or after the Effective Date (including, without limitation, taxes) and any reasonable compensation and expense reimbursement claims (including, without limitation, reasonable attorney fees and expenses) made by the Trustee shall be paid in cash by the Trustee.

7.3 Place and Manner of Payments or Distributions. After the Effective Date, Distributions shall be delivered by either: (i) mail to the Claimant at the address of such Claimant as listed in the Schedules of Assets and Liabilities, or listed on any proof of claim filed by the Claimant; or (ii) by mail to such other address or by wire transfer to the destination that such Claimant shall have specified for payment purposes in a written notice to Trustee or Debtor, as applicable, and/or filed with the Bankruptcy Court.

7.4 Distributions on Allowed Claims Only. Distributions made under the Plan shall be made only to the holders of Allowed Claims. Until a Disputed Claim becomes an Allowed Claim, the holder of that Disputed Claim shall not receive the consideration otherwise provided to such Claimant under the Plan.

7.5 Establishment of Disputed Claims Reserve. The Trustee shall deposit the Distributions reserved for the holders of Disputed Claims in a reserve fund called the Disputed Claims Reserve. The Trustee shall continue to hold the Disputed Claims Reserve in trust for the benefit of the holders of Allowed Claims whose Distributions are unclaimed and the holders of Disputed Claims pending determination of their entitlement thereto under the terms of the Plan. If and when a Disputed Claim becomes an Allowed Claim, the Trustee shall release and deliver the Distributions reserved for such Allowed Claims from the Disputed Claims Reserve.

7.6 Unclaimed and Undeliverable Distributions. An “Unclaimed Distribution” or “Undeliverable Distribution” (and, collectively, “Unclaimed Property”) means any distribution check issued by the Trustee to any holder of an Allowed Claim pursuant to the Plan that (i) is returned to the Trustee as undeliverable and no appropriate forwarding address is received within the later of: (a) 90 days after the Effective Date, and (b) 90 days after such attempted distribution by the Trustee is made to such holder, or (ii) such distribution check is not negotiated or cashed within 90 days after its issuance by the Trustee on such attempted distribution and no request for re-issuance is made within such 90-day period, at which time, such distribution shall be subject of a stop payment order and no further distributions shall be made to such holder on account of such Allowed Claim. The Trustee is under no affirmative obligation to attempt to locate any holder of an Allowed Claim and may rely

upon the procedures set forth in Article 7.3 in the Plan (“Delivery of Distributions in General”). Such Allowed Claim shall be discharged and the holder of such Allowed Claim shall be forever barred from asserting such Claim against the Trustee, the Debtor, its Estate or its respective property. In such cases, any Cash held for distribution on account of such Claim shall remain property Trust subject to the other provisions of this Article 7.6 described herein. The Trustee shall not make distributions of less than \$100.00 to Claimants.

As authorized by Local Rule 3011-1(B)(2) and (C)(2), if the combined total of Unclaimed Property related to Allowed Claims under the Plan totals (i) \$10,000 or more, the Unclaimed Property shall, subject to other provisions of the Plan, be distributed by the Trustee, at the time of any final Distribution date, to the Beneficiaries in the order of priority set forth in, and pursuant to the terms of, the Plan, or (ii) less than \$10,000, the Unclaimed Property shall be donated to the Bankruptcy Bar Foundation, a not-for-profit, non-religious organization dedicated to, among other things, promoting the pro bono legal representation of the indigent; provided that, pursuant to Section 1143 of the Bankruptcy Code, all Claims in respect of Unclaimed Property shall be deemed Disallowed, and the holder or successor to such holder of any Claim Disallowed will be forever barred, expunged, estopped and enjoined from asserting any such Disallowed Claim in any manner against the Debtor, CRO, the Estate, the Trust, the Trustee, or their respective property, notwithstanding any federal or state escheat laws to the contrary.

7.7 Interim Distributions. Unless otherwise provided in the Plan, the Trustee in his discretion may make periodic distributions to the Beneficiaries entitled thereto in accordance with Section 5 of the Trust Agreement. The Trustee is directed to endeavor to make an interim distribution at the earliest time practicable.

7.8 Final Distribution. The Trustee shall make a final distribution in accordance with Section 5 of the Trust Agreement.

7.9 Withholding and Reporting Requirements. In connection with the Plan and all distributions hereunder, the Trustee or Debtor, as applicable, shall, to the extent applicable, comply with all tax withholding and reporting requirements imposed by any federal, state, provincial, local, or foreign taxing authority and all distributions hereunder shall be subject to any such withholding and reporting requirements. The Trustee shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. Notwithstanding any other provision of the Plan and consistent with Article 6.1.10 of the Plan, (a) each holder of an Allowed Claim that is to receive a Distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of such Distribution, and (b) no Distribution shall be made to or on behalf of such holder pursuant to the Plan unless and until such holder has made arrangements satisfactory to the Trustee or Debtor, as applicable, for the payment and satisfaction of such withholding tax obligations. Any property to be distributed pursuant to the Plan shall, pending the implementation of such arrangements, be treated as an undeliverable distribution.

7.10 Continued Authority to Prosecute Causes of Action. Pursuant to Section 1123(b)(3)(B) of the Bankruptcy Code, except as otherwise provided in this Plan or the Confirmation Order, the Debtor-CRO shall have full and exclusive authority through the Effective Date to prosecute all Causes of Action on behalf of the Debtor’s estate, and, thereafter, all Causes of Action which serve

as collateral to any Allowed Secured Claim. The Trustee shall have full and exclusive authority and standing without need for any further court approval to prosecute on behalf of the Debtor's estate (a) all Causes of Action which are or become Unencumbered Property; (b) all Causes of Action for which the Committee, prior to the Effective Date, was conferred the authority to prosecute, including those potential claims against BankUnited, N.A. as set forth in the Court's Order Granting Committee's Emergency Motion for Modification of Final Order (A) Authorizing Debtor's Use of Cash Collateral and (B) Granting Adequate Protection ("Modification Order," ECF No. 107) Modification Order and such additional claims against third parties as set forth in the Committee Standing Order Court's Order Granting Committee's Emergency Motion for Entry of an Order Granting Leave, Standing and Authority to Notice and Preserve Claims on Behalf of the Debtor's Estate, Pursuant to 11 U.S.C. § 105(a), 1103(e) and 1109(b) ("Committee Standing Order," ECF No. 120); and (c) after the Effective Date and upon the satisfaction of any claim secured by a Lien against such Causes of Action or their proceeds, all Causes of Action transferred to the Trust by the Debtor.

The Causes of Action which the Debtor/~~CRO~~ shall have continued authority to prosecute after the Effective Date are: (a) all claims relating to any accounts, inventory, equipment, contracts, general intangibles, or other assets which are subject to BankUnited, N.A.'s Lien; (b) all tax refund claims being sought by the estate; and (c) all claims relating to the Real Property and the sale thereof.

The Causes of Action which the Trustee shall have authority to prosecute upon the Effective Date are include, without limitation: (a) any claims which the Committee may pursue against BankUnited, N.A. as set forth in the Modification Order, subject to the terms thereof; (b) any claims constituted-constituting Unencumbered Property against other third parties in connection with Estate Property and/or its operations prior to the Petition Date, including without limitation, claims for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, negligence and professional negligence/malpractice against all directors and officers and any insider affiliated or related entity or person without limitation including the following individuals listed immediately below, and including without limitation all claims against insurance companies for breach of contract, bad faith, common law, and by statute, including against Scottsdale Indemnity Company. (c) any claims against other third parties for avoidance and recovery of avoidable transfers, recharacterization and equitable subordination; (d) any claims resulting from failure to access Coface North American Insurance Company for certain claims; and (e) prosecuting objections to claims filed against the bankruptcy estate (the "Trust Litigation Claims").

Listed individuals:

Henry Weissmann
Henry Aguilar
Luis E. Derlon
Hugo Beltran
Jose Somaza
Caesar Ortiz
Rafael Pena

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BankUnited, N.A. asserts that its Lien may attach to certain claims or causes of action listed herein as Trust Litigation Claims; the Committee disputes that assertion. The extent of BankUnited, N.A.'s Lien with respect to any of the Trust Litigation Claims shall be determined in advance of or in conjunction with confirmation. Any claim or cause of action which is determined to be subject to BankUnited, N.A.'s Lien shall remain with the Debtor and shall not be transferred to the Trust, and

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the Trustee shall not have authority to prosecute such claim or cause of action, except upon satisfaction of the BankUnited, N.A. Allowed Secured Claim in full and the turnover of such claim or cause of action to the Trust as Unencumbered Property.

~~Such parties~~The Debtor or Trustee, as applicable, may commence or continue, in any appropriate court or tribunal, any suit or other proceeding for the enforcement of such causes of action, and, if deemed appropriate by the Debtor or Trustee, as applicable, ~~to~~ compromise or settle such litigation, subject to the terms of the Plan and/or Trust. The Trustee shall be able to use Federal Rule of Bankruptcy Procedure 2004 I connection with the investigation of the Trust Litigation Claims. All such causes of action shall remain the property of the Estate post-Effective Date and, if pursued and any recovery is ultimately realized, the proceeds of any such recovery on the Causes of Action shall be disbursed pursuant to the terms of the confirmed Plan and the Trust Agreement.

7.11 Preservation of Rights. Except to the extent that any Claim is Allowed during the Bankruptcy Case or expressly by this Plan, nothing, including, but not limited to, the failure of the Trustee to object to a Claim for any reason during the pendency of the Bankruptcy Case shall affect, prejudice, diminish, or impair the rights and legal and equitable defenses of the Trustee to contest or defend against such Claims in any lawful manner or forum, including the right of setoff.

7.12 Objections to Claims. Subject to applicable law, and except as otherwise set forth herein, from and after the Effective Date, the Trustee shall have the sole authority to litigate to judgment objections to Claims pursuant to applicable procedures established by, or grounds set forth in, the Bankruptcy Code, the Bankruptcy Rules, and this Plan. Any compromise of any Claim objection by the Trustee shall be subject to approval by the Bankruptcy Court under the Retention of Jurisdiction provisions set forth in Article 11 of this Plan. The deadline within which the Trustee shall file and serve objections to Claims is ninety (90) days after the Effective Date ("**Claims Objection Deadline**"), subject to extension by the Bankruptcy Court for cause shown. Claim objections may be pursued, litigated and/or settled by the Debtor ~~CRO~~ subject to approval by the Bankruptcy Court up until the Effective Date.

7.13 Deadline for Responding to Claim Objections. A Claimant whose Claim has been objected to in accordance with Article 7.12 of the Plan must file with the Court and serve upon the Trustee a response to such claim objection within 30 days after service of any objection to its Claim. Failure to file such a response within the 30-day time period shall be cause for the Bankruptcy Court to enter a default judgment or order against the non-responding Claimant and to thereby grant the relief requested in the Claim objection.

7.14 Estimation of Claims. After the Effective Date, the Trustee may request the Bankruptcy Court to estimate any Claim for purposes of Allowance pursuant to Section 502(c) of the Bankruptcy Code.

ARTICLE 8

DISCHARGE AND LIMITATIONS ON LIABILITY

8.1 No Discharge of Debtors. As this Plan is one of liquidation, the Debtor shall not be discharged under Section 1141 of the Bankruptcy Code nor shall this Plan release or discharge claims against any other Person, including but not limited to guarantors of obligations of the Debtor.

8.2 Limitation on Fiduciary Liability of Trustee. Only holders of Allowed General Unsecured Claims shall be beneficiaries of the Trust.

8.3 Limitation of Liability. EXCEPT AS EXPRESSLY SET FORTH IN THE PLAN, FOLLOWING THE EFFECTIVE DATE, NEITHER THE PLAN PROPONENT NOR THE TRUSTEE, OR ANY OF SUCH PARTIES' EMPLOYEES, ADVISORS, MEMBERS, ATTORNEYS, PROFESSIONALS OR AGENTS SHALL HAVE OR INCUR ANY LIABILITY TO ANY HOLDER OF A CLAIM OR EQUITY INTEREST FOR ANY ACT OR OMISSION IN CONNECTION WITH, RELATED TO, OR ARISING OUT OF, THE BANKRUPTCY CASE, THE NEGOTIATION AND PURSUIT OF CONFIRMATION OF THE PLAN, THE CONSUMMATION OF THE PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE OR OTHER AGREEMENT OR DOCUMENT CREATED IN CONNECTION WITH THE PLAN, OR THE ADMINISTRATION OF THE PLAN OR THE PROPERTY TO BE DISTRIBUTED UNDER THE PLAN, EXCEPT FOR GROSS NEGLIGENCE, WILLFUL MISCONDUCT, ACTUAL FRAUD, OR ULTRA VIRES ACTS, PROVIDED, HOWEVER, THAT ANY LIABILITY OF THE FOREGOING PERSONS RELATED TO THE ASSERTION OR NON-ASSERTION OF CLAIMS UNDER THE COFACE NORTH AMERICA INSURANCE COMPANY POLICIES IS PRESERVED IN ALL RESPECTS.

ARTICLE 9

INJUNCTION AGAINST ENFORCEMENT OF PRECONFIRMATION DEBT

9.1 Injunction Enjoining Certain Actions

Except as expressly provided herein, at all times on and after the Effective Date, the Trustee and all Persons who or which have been, are, or may be holders of Claims against the Debtor arising prior to the Effective Date, shall be enjoined from taking any of the following actions against or affecting the Estate's Property, Real Property, any other Assets, and the Proceeds from all of the foregoing:

(i) commencing, conducting or continuing in any manner, directly or indirectly any suit, action, or other proceeding of any kind arising before the Confirmation Date against the Debtor, the Estate, ~~the CRO~~, the Trustee, or the Estate's Assets, including its Proceeds and other property of the Estate (including, without limitation, all suits, actions, and proceedings that are pending as of the Effective Date, shall be deemed to be withdrawn or dismissed with prejudice), including any suit, action or other proceeding which might affect the use or enjoyment of any Assets being administered by the Trustee;

(ii) enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means whether directly or indirectly any judgment, award, decree, or order against the Debtor, the Estate, ~~the CRO~~, the Trustee, or the Estate's Assets, including its Proceeds and other property of the Estate relating to any obligation which arose prior to the Effective Date;

(iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien or Encumbrance against the Debtor, the Estate, ~~the CRO~~, the Trustee, or the Estate's Assets, including its Proceeds and other property of the Estate;

(iv) asserting any right of subrogation, or recoupment of any kind, directly or indirectly against any obligation due the Debtor, the Estate, ~~the CRO~~, the Trustee, or the Estate's Assets, including its Proceeds and other property of the Estate; and

(v) proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan.

ARTICLE 10

CONDITIONS TO EFFECTIVE DATE

10.1 Conditions. The occurrence of the Effective Date shall be subject to the satisfaction or waiver by the Plan Proponent of each of the following conditions:

10.1.1 The Confirmation Order in form and substance satisfactory to the Plan Proponent shall be entered by the Bankruptcy Court and not stayed.

10.1.2 The Confirmation Order shall be final and nonappealable, either due to the time for appeal, petition and/or rehearing motion having expired, or such appeal, petition and/or rehearing motion having been resolved by the highest court without any further action available to any party with respect to the Confirmation Order.

10.1.3 All deliveries or payments required to be made pursuant to the Plan by the Effective Date shall have been made or waived by the party for whose benefit such delivery is intended.

10.1.4 All documents, instruments and agreements, in form and substance satisfactory to the Plan Proponent, provided for under this Plan or necessary to implement this Plan, including, without limitation, the Trust Agreement, shall have been executed and delivered by the parties thereto, unless such execution or delivery has been waived by the parties benefited thereby.

ARTICLE 11

RETENTION OF JURISDICTION

11.1 Retention of Jurisdiction. The Bankruptcy Court, even after the case has been closed, shall have jurisdiction to the fullest extent of the law over all matters arising under, arising in, or relating to the Debtor's chapter 11 case, including proceedings to:

(a) ensure that the Plan, Trust Agreement and Confirmation Order are implemented;

(b) conduct or consider any post-confirmation sales contemplated under this Plan, Trust Agreement or Confirmation Order, and/or enter an order approving sales of Property, Real Property or other Estate Assets;

(c) enter such orders as may be necessary or appropriate to implement, consummate, or enforce the provisions of the Plan, the Trust Agreement and Confirmation Order and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, Trust Agreement or Confirmation Order;

- (d) consider any modification of the Plan under Section 1127 of the Bankruptcy Code;
- (e) hear and determine all Claims, controversies, suits and disputes against the Debtor to the extent permitted under 28 U.S.C. § 1334;
- (f) allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status of any Claim, including the resolution of any and all objections to the allowance or priority of Claims;
- (g) hear, determine, and adjudicate any litigation involving the Causes of Action or other claims or causes of action constituting the Property of the Estate;
- (h) decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving the Debtor that may be pending on or commenced after the Effective Date;
- (i) resolve any cases, controversies, suits, or disputes that may arise in connection with the consummation, interpretation, or enforcement of the Plan, the Trust Agreement or the Confirmation Order, or any entity's obligations incurred in connection with the Plan, Trust Agreement or Confirmation Order or any other agreements governing, instruments evidencing, or documents relating to any of the foregoing, including the interpretation or enforcement of any rights, remedies, or obligations under any of the foregoing;
- (j) hear and determine all controversies, suits, and disputes that may arise out of or in connection with the enforcement of any and all subordination and similar agreements among various creditors pursuant to Section 510 of the Bankruptcy Code;
- (k) hear and determine all requests for compensation and/or reimbursement of expenses that may be made for fees and expenses incurred before the Effective Date;
- (l) enforce any order of the Bankruptcy Court, the Confirmation Order, the final decree, and all injunctions contained in those orders;
- (m) enter an order concluding and terminating this case;
- (n) correct any defect, cure any omission, or reconcile any inconsistency in the Plan, Trust Agreement or the Confirmation Order;
- (o) determine all questions and disputes regarding title to the Property of the Estate and any other assets of Debtor;
- (p) classify the Claims of any Claim holders and the treatment of these Claims under the Plan, to re-examine Claims that may have been allowed for purposes of voting, and to determine objections that may be filed to any Claims;
- (q) take any action described in the Plan involving the post-confirmation Debtor, the Trust or the Estate;

(r) enter a final decree in the Debtor's case as contemplated by Bankruptcy Rule 3022;

(s) enforce, by injunction or otherwise, the provisions set forth in the Plan, the Trust Agreement, Confirmation Order, any final decree, and any final Order that provides for the adjudication of any issue by the Bankruptcy Court; and

(t) enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated.

11.2 Failure of Bankruptcy Court to Exercise Jurisdiction. If the Bankruptcy Court abstains or exercises discretion not to hear any matter within the scope of its jurisdiction, nothing herein shall prohibit or limit the exercise of jurisdiction by any other tribunal of competent jurisdiction.

ARTICLE 12 ACCEPTANCE OR REJECTION OF THIS PLAN

12.1 Persons Entitled to Vote. Classes 3 and 5 are Impaired. The Plan Proponent shall solicit votes from the holders of Claims in Classes 3 and 5. Classes 1, 2.1, 2.2 and 2.3, and 4 are deemed to accept the Plan, while Class 6 made up of Equity Interest Holders receiving nothing under the Plan are deemed to reject the Plan.

12.2 Acceptance by Impaired Classes. An Impaired Class of Claims shall have accepted the Plan if (i) the holders (other than any holder designated under Section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Claims actually voting in such Class have voted to accept the Plan, and (ii) the holders (other than any holder designated under Section 1126(e) of the Bankruptcy Code) of ~~at least~~more than one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

12.3 Cramdown. If any impaired Class of Claims shall fail to accept the Plan in accordance with Section 1129(a) of the Bankruptcy Code, then the Plan Proponent reserves the right to request that the Bankruptcy Court confirm the Plan in accordance with Section 1129(b) of the Bankruptcy Code.

ARTICLE 13 GENERAL PROVISIONS

13.1 Notices. Whenever the Plan requires notice to be given, such notice shall be given to the following parties at their respective addresses unless a prior notice of change of address has been served indicating a new address:

Star Computer Group, Inc.

Attn: James S. Howard, CRO
GlassRatner Advisory & Capital Group
1101 Brickell Avenue, Suite S-503
Miami, Florida 33131
Tel: (305) 358-6092
Fax: (305) 358-7039

-and-

Kozyak Tropin & Throckmorton, LLP

Coral Lopez-Castro, Esq.
David L. Rosendorf, Esq.
2525 Ponce De Leon Blvd., 9th Floor
Miami, Florida 33134
Tel: (305) 372-1800
Fax: (305) 372-3508
Email: clc@kttlaw.com; dlr@kttlaw.com

Trustee Joseph J. Luzinski on behalf of the Trust

Joseph J. Luzinski

Development Specialists, Inc.
200 S. Biscayne Boulevard, Suite 1818
Miami, FL 33131
Tel: (305) 374-2717
Fax: (305) 374-2718
Email: jluzinski@dsi.biz

Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.

Patricia A. Redmond, Esq.
Museum Tower, Suite 2200
150 West Flagler Street
Miami, FL 33130
Tel: (305) 789-3200
Fax: (305) 789-3395
Email: predmond@stearnsweaver.com

United States Trustee

Johanna P. Armengol, Esq.
51 S.W. First Avenue, Suite 1204
Miami, Florida 33130
Tel: (305) 536-7355
Fax: (305) 536-7360
Email: johanna.armengol@usdoj.gov

13.2 Dates. The provisions of Bankruptcy Rule 9006 shall govern the calculation of any dates or deadlines referenced in the Plan, except as otherwise provided.

13.3 Further Action. Nothing contained in the Plan shall prevent the Debtor's ~~CRO~~ prior to and after the Effective Date of the Plan, and the Trustee after the Effective Date of the Plan, from taking such actions as may be necessary to consummate the Plan, even though such actions may not

be specifically provided for within the Plan, provided that any major actions that are not specifically provided for within the Plan shall be undertaken only upon Court approval after notice and a hearing.

13.4 Attachments. All attachments to the Plan, including any amended or supplemental exhibits to the Plan, are incorporated herein by reference and are intended to be an integral part of this document as though fully set forth in the Plan.

13.5 Plan Amendments. Before the Confirmation Date, the Plan Proponent may modify, amend or withdraw the Plan, without approval of the Bankruptcy Court. After the Confirmation Date, modifications and amendments of the Plan are subject to Bankruptcy Court approval and so long as it does not materially or adversely affect the rights set forth in the Plan of creditors and other parties in interest, may amend or modify the Plan to remedy any defect or omission or reconcile any inconsistencies in the Plan or in the Confirmation Order, in such manner that may be necessary to carry out the purposes and intent of the Plan.

13.6 Binding Effect. Upon occurrence of the Effective Date, the Plan shall be binding on, and inure to the benefit of, the Debtor, ~~the CRO,~~ the Claimants and Equity Interest Holders, and their respective successors, assigns, and agents, regardless of whether those parties voted to accept the Plan.

13.7 Governing Law. Except to the extent that the Bankruptcy Code or Bankruptcy Rules are applicable, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida, without giving effect to any conflicts of law principles.

13.8 No Admissions. Notwithstanding anything here and herein to the contrary, nothing contained in the Plan shall be deemed as an admission by any person with respect to any matter set forth herein.

13.9 No Injunctive Relief. Except as otherwise provided in the Plan or Confirmation Order, no Claim or Equity Interest shall under any circumstances be entitled to specific performance or other injunctive, equitable, or other prospective relief.

13.10 Post Confirmation Professionals of the Estate. All Professionals retained by the Debtor's Estate prior to confirmation to perform services on behalf of the Debtor, Committee or the Debtor's Estate shall be authorized to continue such employment subsequent to confirmation of the Plan up to and including the Effective Date, at which time the continued employments of such professionals is within the sole discretion of the Debtor or Trustee, as applicable. To the extent necessary, the Plan Proponent and the Committee may retain the services of professionals subsequent to confirmation of the Plan, but prior to the Effective Date, as provided for in Sections 327 and 328 of the Bankruptcy Code. Any duly authorized Professional that performs services on behalf of the Debtor, the Committee or the Debtor's Estate subsequent to confirmation of the Plan but prior to the Effective Date shall be entitled to seek compensation from the Debtor or Trustee, as applicable, who or which will handle same consistent with the terms of this Plan.

ARTICLE 14 **SUBSTANTIAL CONSUMMATION**

14.1 Substantial Consummation. The Plan shall be deemed substantially consummated immediately on the completion of all material actions required to be undertaken at the Effective Date.

14.2 Notice of Effective Date. On the Effective Date, or as soon thereafter as is reasonably practicable, the Debtor shall file with the Bankruptcy Court a "**Notice of Effective Date**" in a form reasonably acceptable to the Debtor in its sole discretion, which notice shall constitute appropriate and adequate notice that this Plan has become effective, provided, however, that the Debtor shall have no obligation to notify any Person other than the Trustee of such fact, and the failure to file such notice with the Bankruptcy Court shall not affect the effectiveness of the Plan or the rights or substances obligations of any entity hereunder.

14.3 Final Decree. ~~On substantial consummation or as soon thereafter as the Trustee determines it is appropriate~~ Upon liquidation of the Trust Property and distributions to Beneficiaries, the Trustee may move for a final decree closing the case and requesting such other orders as may be necessary and appropriate.

###

STAR COMPUTER GROUP, INC.

By: /s/ James S. Howard
James S. Howard, Debtor's CRO

Kozyak Tropin & Throckmorton, LLP
Counsel for the Chapter 11 Debtor
2525 Ponce de Leon, 9th Floor
Miami, FL 33134
Tel: (305) 372-1800
Fax: (305) 372-3508
E-Mails: clc@kttlaw.com
dlr@kttlaw.com

By: /s/ Corali Lopez-Castro
Coral Lopez-Castro
Florida Bar No. 863830
David L. Rosendorf
Florida Bar No. 996823

EXHIBIT A

Creditors Trust Agreement

Plan Exhibit A

CREDITORS TRUST AGREEMENT

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CREDITORS TRUST AGREEMENT

This Star Computer Group Creditors Trust Agreement (the "Trust Agreement"), dated as of [____], 2016 by and between Star Computer Group, Inc. ("Debtor") and Joseph J. ~~Luzinski~~Luzinski, as a liquidating trustee ("Trustee") for the Star Computer Group Creditors Trust ("Creditors Trust") created by this Trust Agreement, is made and executed in connection with the Debtor's Plan of Liquidation under Chapter 11 of Title 11 of the United States Code, 11 U.S.C.

§§101, et seq. (the "Bankruptcy Code"), dated March 21, 2016 (as may thereafter be amended, the "Plan"), in the United States Bankruptcy Court for the Southern District of Florida (Miami Division) (the "Bankruptcy Court"), which Plan was confirmed by Order of the Bankruptcy Court dated [____], 2016. The Plan provides for the establishment of the Creditors Trust evidenced hereby to liquidate the Unencumbered Property of the Debtor, in accordance with the terms and conditions of the Plan and to resolve and realize upon certain of the rights, claims and causes of action of the Debtor and the Debtor's bankruptcy estate through enforcement by the Trustee.

RECITALS

WHEREAS, on October 12, 2015 (the "Petition Date"), the Debtor filed its voluntary bankruptcy petition seeking relief under Chapter 11 of the Bankruptcy Code (the "Bankruptcy Case"); and

WHEREAS, on March 21, 2016, the Debtor filed a Plan¹ with the Bankruptcy Court; and

WHEREAS, on [____], 2016, the Bankruptcy Court entered an order confirming the Plan (the "Confirmation Order"); and

WHEREAS, the Plan provides for, among other things, periodic distributions of Cash from the Creditors Trust to the holders of Allowed General Unsecured Claims as specifically provided for herein and in the Plan, which holders comprise one hundred percent (100%) of the holders of beneficial interests of the trust created hereby; and

WHEREAS, the Plan provides for the creation of a liquidating creditors trust to hold the Trust Assets in trust for the benefit of all Beneficiaries pursuant to the terms of this Trust Agreement and the Plan; and

WHEREAS, this Trust Agreement is executed to establish the Creditors Trust (as defined in Section 2 hereof) and to facilitate implementation of the Plan; and

WHEREAS, the primary purpose of the Creditors Trust is to liquidate the Trust Assets for the benefit of the Beneficiaries in accordance with Treasury Regulation Section 301.7701-4(d) and the Creditors Trust will not be operated with the objective of continuing or engaging in the conduct

¹ All capitalized terms shall have the same meaning as defined in the Plan unless otherwise defined herein.

of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Creditors Trust; and

WHEREAS, the Creditors Trust is intended to qualify as a liquidating trust that is treated as a “grantor trust” for federal income tax purposes and the Trustee shall operate and maintain the Creditors 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; and

WHEREAS, the Beneficiaries desire to exchange their Allowed Claims or Interests under the Plan for Beneficial Interests in the Creditors Trust.

AGREEMENT

NOW THEREFORE, for and in consideration of the premises and the mutual promises and agreements contained herein and in the Plan, the receipt and sufficiency of which are hereby expressly acknowledged, the Debtor on the one hand, and the Trustee on the other hand, hereby agree as follows:

SECTION I. DEFINITIONS

1.1 Terms Defined in the Plan. Capitalized terms used in this Creditors Trust Agreement without definition shall have the meanings assigned to them in the Plan. Terms defined in the Bankruptcy Code and not otherwise specifically defined in the Plan or herein shall, when used herein, have the meanings attributed to them in the Bankruptcy Code.

SECTION II. AUTHORITY OF AND CERTAIN DIRECTIONS TO TRUSTEE: DECLARATION OF TRUST

2.1 Creation of Creditors Trust. Pursuant to Section 6.1.1 of the Plan and the Confirmation Order, and effective as of the Effective Date of the Plan, the Debtor, Beneficiaries and the Trustee hereby create the Star Computer Group Creditors Trust, to be formally known as the “Creditors Trust,” for the benefit of the Beneficiaries. Pursuant to the terms of the Plan, the Debtor executes this Trust Agreement and irrevocably transfers, absolutely assigns, conveys, sets over, and delivers to the Creditors Trust, and its successors and assigns, all right, title and interest of the Debtor and the Debtor’s bankruptcy estate in and to the Unencumbered Property (as defined in the Plan), in trust, to and for the benefit of the Beneficiaries for the uses and purposes stated herein and in the Plan, except as may otherwise be specifically provided by the Plan. The Debtor and Trustee shall execute and deliver such other instruments of sale, transfer, conveyance, assignment and confirmation, and will cooperate and take such other actions as the Trustee may deem reasonably necessary or desirable in order to more effectively transfer, convey and assign all rights, title and interests in and to the Assets to the Creditors Trust.

2.2 Purpose of Creditors Trust. The Trust is being established for the purpose of (i) liquidating the Debtor’s Unencumbered Property including those Causes of Action which the

Trustee is authorized to prosecute in accordance with Article 7.10 of the Plan, and (ii) distributing the Proceeds thereof to the holders of Allowed General Unsecured Claims, as identified in and prescribed by the Plan. The Trust shall not continue or engage in any trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Trust.

In accordance with such express and limited purposes, as of the Effective Date, the Creditors Trust is hereby authorized and directed: (i) to take any and all steps necessary to maintain the Creditors Trust as a liquidating trust for federal income tax purposes in accordance with Treasury Regulation § 301.7701-4(d) and as a “grantor trust” subject to the provisions of Subchapter J, Subpart E of the IRC unless otherwise required; (ii) to take reasonable and necessary actions to conserve and protect the Creditors Trust; (iii) to administer, compromise, settle, and litigate the Causes of Action and any other claims or causes of action belonging to the Creditors Trust subject to the provisions of Section 4.4 hereof; (iv) to the extent necessary and appropriate, object to any Claims asserted against the Debtor’s Estate and the Creditors Trust; and (v) to maintain, operate or lease (for purposes of holding for sale), or sell or otherwise liquidate or dispose of the Trust Assets, in accordance with the terms of this Trust Agreement, the Plan and the Confirmation Order, and to distribute the net proceeds of such disposition to the Beneficiaries, in as prompt, efficient and orderly a fashion as possible in accordance with the provisions of Section 5 hereof.

2.3 Transfer of and Title to Trust Assets. Upon the transfer of the Unencumbered Property to the Creditors Trust pursuant to the Plan, the Trustee shall succeed to all of right, title and interest in the Unencumbered Property, and the Debtor will have no further interest in or with respect to the Unencumbered Property. Upon the satisfaction of any Secured Claim pursuant to the Plan, all Property which had been collateral for such Secured Claim, or the Proceeds thereof in excess of the amount necessary to satisfy the Secured Claim, shall become Unencumbered Property and shall be turned over by the Debtor to the Trust.

2.4 Tax Treatment of Transfer of the Assets to the Creditors Trust. For all federal income tax purposes, all parties (including, without limitation, the Debtor, the Trustee, and the Beneficiaries) shall treat the transfer of the Unencumbered Property to the Creditors Trust, as set forth in Sections 2.1 and 2.3 of this Trust Agreement and in accordance with the Plan, as a transfer of such assets to the Beneficiaries and a transfer by the Beneficiaries of such assets to the Creditors Trust. In all events, the Beneficiaries of the Creditors Trust shall be treated as the grantors and deemed owners of the Creditors Trust.

The Trustee shall not be permitted to receive or retain Cash or Cash equivalents in excess of a reasonable amount to meet distributions as provided herein and the Plan or to maintain the value of the Trust Assets during liquidation.

For the avoidance of any doubt, following the contribution of the Unencumbered Property to the Creditors Trust pursuant to Section 6.1.3 of the Plan and Sections 2.1 and 2.3 hereof, the Trustee shall have standing to pursue any Causes of Action that constitute Unencumbered Property on behalf of the Creditors Trust and shall be entitled to all remedies with respect thereto currently available to the Debtor, subject only to any limitations set forth in the Plan or this Trust Agreement.

2.5 Assignment and Assumption of Claims. In accordance with Section 1141 of the Bankruptcy Code and Section 2.1 hereof, the Debtor and the Debtor's bankruptcy estate hereby transfers and assigns the Unencumbered Property to the Creditors Trust free and clear of any Liens, Claims, Interests, encumbrances or any liability of any kind, and the Trustee on behalf of the Creditors Trust hereby assumes and agrees that all such Unencumbered Property will be transferred to the Creditors Trust free and clear of any Liens, Claims, Interests, encumbrances or any liability of any kind.

2.6 Property in the Trust. The Creditors Trust shall hold the legal title to all property at any time constituting a part of the Creditors Trust and shall hold such property in trust to be administered and disposed of by it pursuant to the terms of this Trust Agreement, the Plan, and the Confirmation Order for the benefit of the Beneficiaries. The Trustee is authorized to make disbursements and payments from the Creditors Trust in accordance with the provisions of Sections 5 and 6 of this Trust Agreement and pursuant to the Plan.

2.7 Valuation of Trust Assets. As soon as possible after the Effective Date, and within the time frame required by applicable Treasury Regulations, the Trustee, based upon his good faith determination after consultation with his counsel, shall inform the Beneficiaries in writing solely as to his estimate of the value of the Trust Assets transferred to the Creditors Trust. The valuation shall be used consistently by all parties (including, without limitation, the Debtor, the Trustee, and the Beneficiaries) for federal income tax purposes, provided, however, that such valuation shall not be binding on the Trustee or any other party for any other purposes, including without limitation in regard to the liquidation of the Trust Assets, whether by disposition, liquidation, litigation, settlement, or otherwise.

2.8 Continuation of the Automatic Stay. In furtherance of the implementation of the Plan, except as otherwise provided in the Plan, all injunctions or stays provided for in the Bankruptcy Case pursuant to Sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect and apply to all Creditors and Beneficiaries holding Claims against the Debtor, the Debtor's Estate, the Assets, the Trustee, the Creditors Trust and the Trust Assets until the Final Distribution Date.

SECTION III. BENEFICIAL INTERESTS.

3.1 Rights of Beneficiaries. Each Beneficiary shall be entitled to participate in the rights and benefits due to a Beneficiary hereunder. The interest of each Beneficiary in the Creditors Trust is hereby declared and shall be in all respects personal property of such Beneficiary and upon the death of an individual Beneficiary his or her interest shall pass to his or her legal representative and such death shall not terminate the Creditors Trust or otherwise affect the validity of this Trust Agreement. Each Beneficiary shall have the rights with respect to the Creditors Trust as are provided by this Trust Agreement, the Plan and the Settlement Agreement. No widower, widow, heir, or devisee of any person who may be a Beneficiary shall have any right of power, homestead, inheritance, or of partition, or any other right, statutory or otherwise, in any property whatever forming a part of the Trust Assets, but the whole title to all the Trust Assets shall be vested in the Trustee and the sole interest of the Beneficiaries shall be the rights and benefits given to such persons under the Plan, the Settlement Agreement and this Trust Agreement.

3.2 Transfer of Interests of Beneficiaries. No interest of a Beneficiary may be transferred either by the Beneficiary or by a duly authorized agent or attorney, or by the properly appointed legal representatives of the Beneficiary, except as otherwise provided for by the Plan and in accordance with Bankruptcy Rule 3001. In the event of any such transfer, the transferee shall take and hold such interest subject to the terms and provisions of this Trust Agreement and shall give prompt written notice of such transfer to the Trustee. The Trustee shall not be liable to any transferee of an interest of a Beneficiary for any distributions provided for hereunder unless such transfer is valid under the terms of the Plan and in accordance with Bankruptcy Rule 3001 and until the Trustee receives written notice of such transfer together with appropriate assignment and transfer documents signed by the applicable Beneficiary.

Unless the Trustee receives actual written notice of a permitted Transfer from the duly authorized transferee not less than thirty (30) days prior to a Distribution made pursuant to the terms of this Trust Agreement, and subject to the applicable provisions of Bankruptcy Rule 3001(e), the Trustee shall have no duty or obligation to make or direct any distributions or payments to such transferee of a permitted Transfer. Any disputes which may arise in connection with proposed distributions and/or payments, which otherwise cannot be resolved by the applicable parties, shall be submitted to the Bankruptcy Court.

3.3 No Certification. Unless the Trustee determines otherwise, the Beneficial Interests will not be certificated and no security of any sort will be distributed to the Beneficiaries with respect to their interest in the Creditors Trust. In the event the Trustee does permit the certification of the Beneficial Interests, the Trustee, with the advice of counsel, shall establish procedures to govern such certification. Once such procedures have been established, if ever, the Trustee shall notify all Beneficiaries of such procedures.

3.4 Means of Payment. Cash payable to Beneficiaries pursuant to Section 5 hereto will be paid by checks drawn on a domestic bank account maintained by the Creditors Trust or by wire transfer from a domestic bank account maintained by the Creditors Trust at the option of the Trustee.

3.5 Amount of Payment. The amount of Cash payments and distributions to Beneficiaries shall be made and calculated in accordance with the Plan.

3.6 Acceptance of Conveyance. The Trustee is hereby directed to, and the Trustee agrees that he will: (a) accept delivery of the Assets on behalf of the Creditors Trust; (b) accept all bills of sale, deeds, assumptions and assignments, and all other instruments of conveyance required to be delivered by the Trustee with respect to the Assets transferred to the Trustee on behalf of the Creditors Trust pursuant to or in connection with the Plan, the Confirmation Order, or this Trust Agreement; and (c) take such other action as may be required of the Creditors Trust hereunder, including the receipt and acceptance as part of the Creditors Trust of any property or rights, including, without limitation, notes, other negotiable instruments, claims, Causes of Action, and other choses-in-action belonging to the Debtor or the Debtor's bankruptcy estate.

3.7 Title. On the Effective Date, legal title to all Unencumbered Property of the Debtor and the Debtor's bankruptcy estate shall be vested in the Creditors Trust in accordance with and pursuant to the terms of the Plan and this Trust Agreement.

Without limiting the foregoing, on the Effective Date, the Trustee, on behalf of the Creditors Trust, shall be: (i) authorized to act as representative of the Debtor's bankruptcy estate in respect of any and all Causes of Action that constitute Unencumbered Property; and (ii) substituted as successor to the Trustee (a) in all such Causes of Action and proceedings thereon pending or thereafter commenced in the Bankruptcy Court or elsewhere, (b) in all actions and proceedings pending or thereafter commenced in the Bankruptcy Court or elsewhere in connection with or regarding all General Unsecured Claims, and (c) in any agreement respecting the Trust Assets to which the Debtor or the Trustee is a party.

SECTION IV. ADMINISTRATION OF TRUST ESTATE.

4.1 Claims Reserves. The Trustee shall establish the Disputed Claims Reserve for the payment by the Trustee of all Disputed Claims. Each time a distribution is made to any Class of Claims, the Trustee shall deposit into the Disputed Claims Reserve an amount equal to the distribution each holder of a Disputed Claim in such Class would have received were the Face Amount (as defined in Section 8.5 of the Plan) of its Disputed Claim in such Class an Allowed Claim.

At the time a Person's Disputed Claim is allowed, in whole or in part, such Person shall receive from the Disputed Claims Reserve, a distribution equal to the distributions such Person would have received on account of its Allowed Claim had it been an Allowed Claim at the time of such prior distributions, with any surplus Cash held in the Disputed Claims Reserve on account of such Disputed Claim becoming generally available for use by the Trustee.

Such Person whose Disputed Claim is allowed shall also become a new Beneficiary of the Creditors Trust and such Person shall be deemed, at such time, to have received a distribution of assets of the Creditors Trust equal to the amount of the Allowed Claim immediately followed by a transfer by such Person to the Creditors Trust of such assets and said new Beneficiary shall be treated, at such time, as a new grantor and deemed owner and Beneficiary of the Creditors Trust to the extent of his Allowed Claim.

Any Disputed Claim shall be an "Allowed Claim" or "Disallowed Claim" when such Claim is subject to a Final Order or judgment of the Bankruptcy Court or other court of competent jurisdiction, as entered on its docket, that has not been reversed, stayed, modified or amended, and as to which (a) the time to appeal, petition for certiorari or move for reargument, rehearing or a new trial has expired and no appeal, petition for certiorari or motion for reargument, rehearing or a new trial, respectively, has been timely filed, or (b) any appeal, any petition for certiorari or any motion for reargument, rehearing or a new trial that has been or may be filed has been resolved by the highest court (or any other tribunal having final appellate jurisdiction over the order or judgment) to which the order or judgment was appealed or from which certiorari or reargument, rehearing or a new trial was sought, and the time to take any further appeal, petition for certiorari or move for reargument, rehearing or a new trial shall have expired without such actions having been taken (but

without regard to the possibility that a party may file a motion for reconsideration of an order or judgment pursuant to Rule 60(b) of the Federal Rules of Civil Procedure, Section 502(j) of the Bankruptcy Code, or Bankruptcy Rules 9023 or 9024 after the time periods set forth herein have expired). Notwithstanding the foregoing, if at the time the Trustee is prepared to make the Final Distribution, there is pending an appeal of a Final Order disallowing a Disputed Claim, and such Final Order has not been stayed, then the Trustee in his discretion may treat such Disputed Claim as a Disallowed Claim for purposes of the Final Distribution.

4.2 Administrative Powers of the Trustee. During the Trustee's administration of the Liquidating Trust, and subject to: (i) all the other provisions of this Trust Agreement (including, but not limited to, Sections 4.3, 4.4 and 4.5 and (ii) the Plan, the Trustee may exercise the power:

(a) To receive and hold legal title to any and all rights in or arising from all the assets of the Creditors Trust, including, but not limited to, the right to collect any and all money and other property belonging to the Creditors Trust (including any proceeds of the assets of the Creditors Trust), and to have exclusive possession and control thereof as permissible under applicable law;

(b) To manage, sell and convert all or any portion of the assets in the Creditors Trust to Cash and distribute the net distributable proceeds as specified in the Plan and this Trust Agreement;

(c) To enter into, perform and exercise rights under contracts binding upon the Creditors Trust (but not upon the Trustee in his respective individual or corporate capacity) which are reasonably incident to the administration of the Creditors Trust and which the Trustee, in the exercise of his best business judgment, reasonably believes to be in the best interests of the Creditors Trust;

(d) To delegate his authority under this Creditors Trust to other personas, provided that such delegation must be made pursuant to a written agreement that has been approved by the Bankruptcy Court ~~in conjunction with, or in furtherance of, Plan confirmation;~~

(e) To establish and maintain accounts at banks and other financial institutions, in a clearly specified fiduciary capacity, into which Cash and property of the Creditors Trust may be deposited, and draw checks or make withdrawals from such accounts, and to pay or distribute such amounts of the Creditors Trust as permitted or required under the Plan and this Trust Agreement;

(f) Subject to Bankruptcy Court approval, to employ attorneys, accountants, appraisers, expert witnesses, insurance adjusters or other persons whose services may be reasonably necessary or advisable in the judgment of the Trustee to advise or assist him in the discharge of his duties as Trustee, or otherwise in the exercise of any powers vested in the Trustee, and, subject to Bankruptcy Court approval, to pay reasonable compensation to such attorneys, accountants, appraisers, expert witnesses, insurance adjusters or other persons;

(g) Pursuant to Section 1123(a)(5)(D) of the Bankruptcy Code, to sell or otherwise dispose of, and liquidate or convert to Cash, any assets of the Creditors Trust, ~~either subject to or free of any Lien, or and~~ distribute all or any part of the property of the Creditors Trust among those having an interest in such property of the Creditors Trust;

(h) ~~Subject to Bankruptcy Court approval, to~~ To pay any and all reasonable and necessary expenses attributable or relating to the management, maintenance, operation, preservation or liquidation of the Creditors Trust, and with respect to expenses over \$10,000, to seek Bankruptcy Court approval;

(i) To investigate, file, compromise, settle, withdraw or litigate in the Bankruptcy Court or on appeal (or pursuant to a withdrawal of the reference of jurisdiction) objections to Claims filed against the Debtor's bankruptcy estate or the Creditors Trust;

(j) To investigate, analyze, compromise, adjust, arbitrate, mediate, sue on or defend, pursue, prosecute, abandon, dismiss, exercise rights, powers and privileges with respect to or otherwise deal with and settle, in accordance with the terms set forth in this Trust Agreement, all Causes of Action and claims in favor of or against the Liquidating Creditors Trust as the Trustee shall deem advisable;

(k) To avoid and recover transfers of the Debtor's property as may be permitted by the Bankruptcy Code or applicable law, including, without limitation, those transfers identified in the Disclosure Statement and/or Plan;

(l) To take all appropriate action with respect to the Creditors Trust, including, without limitation, the filing, prosecution, settlement or other resolution of Claims and Causes of Action that are Trust Assets, in accordance with the terms set forth in this Trust Agreement;

(m) ~~To sue or be sued in connection with any matter arising from or related to the Plan or this Trust Agreement that affects in any way the rights or obligations of the Creditors Trust, the Trustee or the Beneficiaries perform the duties, exercise the powers, and assert the rights of a trustee under sections 704 and 1106 of the Bankruptcy Code with respect to the Trust Assets, including the right to assert claims, defenses, offsets and privileges;~~

(n) To protect and enforce the rights of the Creditors Trust to the Trust Assets by any method deemed appropriate including, without limitation, by judicial proceedings or pursuant to any applicable bankruptcy, insolvency, moratorium or similar law and general principles of equity;

(o) To determine and satisfy any and all liabilities created or incurred by the Creditors Trust;

(p) To assert or waive any privilege or defense on behalf of the Creditors Trust to the extent permitted by applicable law;

(q) To expunge from ~~the~~ the Trust's claims register any claim that has been paid, satisfied, superseded and adjust on the Trust's claims register any claim that has been amended without having to file an objection to such claim and without any further notice to or action, order or approval of the Bankruptcy Court; provided, however, that beginning at the end of the first full calendar quarter that is at least one year after the Effective Date, Trustee shall file with the Bankruptcy Court each calendar quarter a list of all claims that have been paid, satisfied, superseded or amended during such prior calendar quarter;

(r) To bring turnover actions to get documents from professionals and third parties;

(s) To prepare, or have prepared, and file, if necessary, with the appropriate tax authority any and all tax returns, information returns, and other required documents with respect to the Creditors Trust (including, without limitation, U.S. federal, state, local or foreign tax or information returns required to be filed by the Creditors Trust) and the disputed claims reserve and pay taxes properly payable by the Creditors Trust and the disputed claims reserve, if any, and cause all taxes payable by the Creditors Trust and the disputed claims reserve, if any, to be paid exclusively out of the Trust Assets, provided, however, that any reports or returns on behalf of the Debtor post Effective Date;

(t) To request any appropriate tax determination with respect to the Creditors Trust and the disputed claims reserve, including, without limitation, a determination pursuant to section 505 of the Bankruptcy Code;

(u) To execute offsets, assert counterclaims against holders of claims and make distributions as provided for in the Plan and this Agreement;

(v) To seek the examination of any entity or person, subject to the provisions of Bankruptcy Rule 2004 or any other applicable law or rule;

(w) To ~~retain~~ pay reasonable compensation (subject to the restrictions in subsection (h) above) for services rendered and expenses incurred by an accounting firm or financial consulting firm and other advisory firms to perform such reviews and/or audits of the financial books and records of the Creditors Trust as may be appropriate in the Trustee's discretion and to prepare and file any tax returns or informational returns for the Creditors Trust as may be required;

(x) To take or refrain from taking any and all actions the Trustee reasonably deems necessary for the continuation, protection and maximization of the Trust Assets consistent with the purposes hereof;

(y) To take all steps and execute all instruments and documents as the Trustee reasonably deems necessary to effectuate the Creditors Trust;

(z) To take all actions as the Trustee reasonably deems necessary to comply with the Plan, the Confirmation Order and this Agreement (including all obligations thereunder);

(aa) To exercise such other powers as may be vested in the Trustee pursuant to the Plan, the Confirmation Order, this Agreement, any order of the Bankruptcy Court or otherwise determined by the Trustee to be necessary and proper to carry out the obligations of the Trustee and the Creditors Trust;

(~~ab~~b) To represent the common interests of the Beneficiaries with respect to any matters relating to the Plan, this Trust Agreement, or the Creditors Trust affecting the common rights of such Beneficiaries;

(~~ec~~c) If the Creditors Trust shall become subject to federal or state income tax, the Trustee shall have the power, exercisable at his reasonable discretion, to take any action reasonably necessary to minimize any adverse federal or state income tax consequences to the Beneficiaries resulting from any distribution made by the Creditors Trust to such Beneficiaries;

(pdd) In general, without in any manner limiting or expanding any of the foregoing or the following, to deal with the Trust Assets or any part or parts thereof in all other ways as would be lawful for any person owning the same to deal therewith; provided, however, that the investment powers of the Trustee, other than those reasonably necessary to maintain the value of the Trust Assets of the Creditors Trust and to further the liquidating purpose of the Creditors Trust, are limited by the terms herein;

(eee) To do any and all other things, not in violation of any other terms of the Plan, the Confirmation Order, and this Trust Agreement, which, in the reasonable business judgment of the Trustee, are necessary or appropriate for the proper liquidation, management, investment and distribution of the assets of the Creditors Trust in accordance with the provisions of this Trust Agreement and the Plan; and

(fff) At the appropriate time, and in accordance with the terms set forth in this Trust Agreement, to request that the Bankruptcy Court enter a final decree closing the Bankruptcy Case.

4.3 Limitations on Trustee; Investments.

(a) **No Trade or Business.** The Trustee shall carry out the purposes of the Creditors Trust and the directions contained herein and shall not at any time cause the Creditors Trust to enter into or engage in any business (except as may be consistent with the limited purposes of the Creditors Trust), including, without limitation, the purchase of any assets or property (other than such assets or property as are reasonably necessary to carry out the purposes of the Trust Agreement, on behalf of the Creditors Trust or the Beneficiaries). The Trustee is directed to take all reasonable and necessary actions to dispose of the Creditors Trust in as prompt, efficient and orderly a fashion as possible, to make timely distributions of the proceeds of the Creditors Trust, and otherwise not to unduly prolong the duration of the Creditors Trust.

(b) **Investments.** The Trustee shall invest any monies held at any time as part of this Creditors Trust, and every other reserve or escrow fund established pursuant to the terms of this Trust Agreement, only in interest-bearing deposits or certificates of deposit issued by any federally insured banking institutions approved by the Office of the United States Trustee or short-term investments, including short-term obligations of, or unconditionally guaranteed as to payment by, the United States of America and its agencies or instrumentalities, pending the need for the disbursement thereof in payment of costs, expenses, and Liabilities of the Creditors Trust or in making distributions pursuant to Section 5 of this Trust Agreement. The Trustee shall be restricted to the collection and holding of such monies and any income earned on such monies and to the payment and distribution thereof (at least semi-annually if such monies are not necessary to maintain the value of the Creditors Trust or to satisfy Claims against the Creditors Trust) for the purposes set forth in the Plan and this Trust Agreement, and to the conservation and protection of the Creditors Trust in accordance with the provisions hereof.

4.4 Limitations on Trustee — Approval of Compromise or Settlement.

From and after the Effective Date, the Trustee shall be authorized pursuant to Bankruptcy Rule 9019(b) and Section 105(a) of the Bankruptcy Code to compromise and settle any Cause of Action that is a Trust Asset or objection to Claim or Interest in accordance with the

following procedures, which shall constitute sufficient notice in accordance with the Bankruptcy Code and the Bankruptcy Rules for compromises and settlements:

(a) If the resulting settlement provides for settlement of a Cause of Action, Claim, or Interest originally asserted in an amount equal to or less than \$100,000, then the Trustee may settle the Cause of Action, Claim, or Interest and may execute necessary settlement documents, including a stipulation of settlement or release, in his sole discretion, without seeking Bankruptcy Court approval, and without other notice to any Person.

(b) If the resulting settlement provides for settlement of a Cause of Action, Claim, or Interest originally asserted in an amount exceeding \$100,000, then the Trustee may settle the Cause of Action, Claim, or Interest and may execute necessary settlement documents, including a stipulation of settlement or release, but subject to seeking and Bankruptcy Court approval of the settlement in accordance with Bankruptcy Rule 9019 and Section 105(a) of the Bankruptcy Code.

4.5 Trustee Fees; Retention and Compensation of Trustee Professionals

The Trustee is entitled to reasonable compensation for services performed pursuant to the terms of and in accordance with the terms of this Trust Agreement. The Trustee and professionals shall disclose hourly rates and be disinterested persons under the Bankruptcy Code.

The Trustee, subject to approval of the Bankruptcy Court, may employ attorneys, accountants, appraisers, expert witnesses, insurance adjusters or other persons whose services may be reasonably necessary or advisable in the judgment of the Trustee to advise or assist him in the discharge of his duties as Trustee, or otherwise in the exercise of any powers vested in the Trustee, and to pay reasonable compensation, subject to approval of the Bankruptcy Court, to such attorneys, accountants, appraisers, expert witnesses, insurance adjusters or other persons.

The Trustee shall be authorized to pay on a monthly basis the reasonable fees and expenses incurred by the Trustee and his professionals, but shall file post-confirmation quarterly fee applications with the Bankruptcy Court for final approval of same.

4.6 Transferee Liabilities; Payment of Expenses and Other Liabilities

(a) **Transferee Liabilities.** If any liability shall be asserted against the Creditors Trust as transferee of the Creditors Trust an account of any claimed liability of or through the Debtor or the Debtor's bankruptcy estate, then subject to Bankruptcy Court approval, the Trustee may use such part of the Trust Assets as may be necessary in contesting any such claimed liability and in payment, compromise, settlement and discharge thereof on terms reasonably satisfactory to the Trustee. In no event shall the Trustee be required or obligated to use his own property, funds or assets for any such purposes.

(b) **Payment of Claims, Expenses and Other Liabilities.** ~~The Trustee shall pay all reasonable expenses, charges, liabilities and obligations of the Creditors Trust, including without limiting the generality of the foregoing, such debts, liabilities, or obligations as may be payable from the Creditors Trust, interest, taxes, assessments, and public charges of every kind and nature, and the costs, charges and expenses in connection with or arising out of the execution or administration of the Creditors Trust, and such other payments and disbursements as are provided for in this Trust Agreement or which may be reasonably~~

~~determined by the Trustee to be proper charges against the Creditors Trust, and the Trustee, in his reasonable discretion and business judgment may determine to be necessary or advisable to meet or satisfy unascertained, unliquidated or contingent liabilities of the Creditors Trust. The Trustee shall make such payments subject to Bankruptcy Court approval. The Trustee shall pay from the Trust Assets all claims, expenses, charges, liabilities and obligations of the Trust Assets, whether civil or otherwise, and all liabilities and obligations which the Trust, on behalf of the Creditors Trust, has specifically assumed and agreed to pay, including any post-confirmation claims arising from the administration of the Creditors Trust, together with such transferee liabilities which the Creditors Trust may be obligated to pay as transferee of the Trust Assets, including among the foregoing, and without limiting the generality of the foregoing, interest, taxes, assessments, and public charges of every kind and nature and the costs, charges, and expenses connected with or growing out of the execution or administration of this Creditors Trust and such other payments and disbursements as are provided in this Agreement or which may be determined to be a proper charge against the Trust Assets by the Creditors Trust or by any court of competent jurisdiction. In addition, the Trustee may, pursuant to the terms of the Plan, make provision or reserve out of the Trust Assets to meet present or future claims, expenses and liabilities of the Creditors Trust, whether fixed or contingent, known or unknown, provided, however, Bank United N.A. shall pay and assume all expenses and liabilities of the post Effective Date Debtor.~~

4.7 Payment of U.S. Trustee's Fees. After the occurrence of the Effective Date, fees payable to the Office of the United States Trustee during the administration of the Plan and until the case is converted, dismissed or closed, shall be paid by the Trustee.

4.8 Administration of Trust and Fiduciary Duty of Trustee. In administering the Creditors Trust, the Trustee, subject to the express limitations contained in this Trust Agreement and the Plan, is authorized and directed to do and perform all such acts, to execute and deliver such deeds, bills of sale, instruments of conveyance, and other documents as he may deem reasonably necessary or advisable to carry out the purposes of the Creditors Trust.

4.9 Fiscal Year. The Creditors Trust's fiscal year shall end on December 31 of each year, unless the Trustee deems it advisable to establish some other date on which the fiscal year of the Creditors Trust shall end.

4.10 Reports. The Trustee shall:

(a) Prepare and file unaudited interim financial reports as may be required by regulatory authorities, applicable laws, rules or regulations or as the Trustee deems advisable during the fiscal year;

(b) Prepare, file and mail, within the time required by applicable law or regulation, necessary income tax information, tax returns or reports to the Beneficiaries and applicable taxing authorities, including, without limitation, on an annual basis, an annual information return (IRS Form 1041) filed with the Internal Revenue Service together with a schedule to all Beneficiaries showing all items of income, gain, loss, deductions, and credits and the allocation of such items to each beneficiary. In this connection, the Trustee shall file returns for the Creditors Trust as a grantor trust pursuant to Treasury Regulation Section 1.671-4(a); and

(c) Within thirty (30) days after the end of each quarter, the Trustee shall file

with the Court, and provide copies to the United States Trustee and any Beneficiary who requests copies of such quarterly report after the Confirmation Date, an unaudited written report and account showing:

- (i) the assets and liabilities of the Creditors Trust;
- (ii) any distributions made and expenses paid pursuant to the Plan and the Trust Agreement during that calendar quarter;
- (iii) any changes in the Trust Assets that have not been previously reported; and,
- (iv) any material action taken by the Trustee in the performance of his or her duties under the Trust Agreement that has not been previously reported.

SECTION V. PAYMENTS AND DISTRIBUTIONS.

5.1 Delivery of Distributions. Delivery of distributions to Beneficiaries, as holder ; of Allowed Claims and Interests, shall be as follows:

- (a) at the addresses set forth in proofs of Claim Filed by such holders;
- (b) at the addresses set forth in any written notices of address change filed with the Bankruptcy Court or delivered to the Trustee after the date on which any related proof of Claim was filed, so long as such written notice is filed or served on the Trustee at least fourteen (14) days prior to such distribution date; or
- (c) at the addresses reflected in the Schedules relating to the applicable Allowed Claim or Interest if no proof of Claim has been Filed and no written notice of a change of address has been filed with the Bankruptcy Court or served on the Trustee.

5.2 Distributions to Beneficiaries

(a) To the extent there is Available Cash in the Creditors Trust in an amount sufficient to render feasible a distribution of Cash to the Beneficiaries, the Trustee, shall transfer and pay, or cause to be transferred and paid, to the Beneficiaries (subject to the other provisions of this Trust Agreement) such aggregate amount of Available Cash, if any, as shall then be held in the Creditors Trust, excluding reasonable amounts of Cash needed to pay the expenses, debts, charges, liabilities and obligations of the Creditors Trust (the "Distribution Amount").

(b) The aggregate amounts required to be distributed to the Beneficiaries shall be determined by the Trustee pursuant to and in accordance with the terms of the Plan and this Trust Agreement. The Distribution Amount(s) shall be paid to the Beneficiaries at least semi-annually so long as there are sufficient funds to make distributions and shall be determined by the Trustee in his reasonable discretion (including relying upon the advice and opinion of independent public accountants or of counsel to the Trustee), and the determination of the Trustee shall be final and conclusive on all Persons, and shall not be reviewed by the Bankruptcy Court in the absence of gross negligence or willful misconduct on the part of the Trustee.

5.3 Establishment of the Claims Accounts. The Trustee will establish on the Creditors Trust's books and records an account representing each Allowed or Disputed Claim as set forth on the official claims register maintained by the Clerk of the Bankruptcy Court (each, a "Claim Account"). It is expressly understood that the establishment of the Claim Accounts by the Trustee or his agents is solely for administrative convenience, and that amounts allocable to such Claim Accounts need not be segregated and may be commingled for investment purposes as specified herein. The Trustee may rely on the official claims register as correct.

5.4 Distributions from Trust. Distributions will be made to the Beneficiaries in accordance with the terms of the Plan and the Claim Accounts will be adjusted by the Trustee to reflect such distributions.

5.5 Limitation on Distribution Rights. If a claimant holds more than one Claim in any one Class, all Claims of the claimant in that Class may be aggregated into one Claim and one distribution may be made with respect to the aggregated Claim.

5.6 Fractional Distributions. No distribution in fractions of cents shall be issued. If the Distribution Amount allocated to an Allowed Claim or Interest at the time of a distribution hereunder would include fractions of cents, the amount to be distributed shall be rounded down to the highest integral number of cents in the applicable Claim Account, but such rounding down shall not affect such allocation. The aggregate amount of the retained fractional distributions from the Distribution Amount shall be retained in the Creditors Trust by the Trustee and shall remain part of the Creditors Trust. The Trustee shall make no distribution under \$100; all such distributions shall be paid pursuant to section 7.6 of the Plan.

5.7 Final Distribution. Upon the final collection or liquidation of all of the assets, rights and interests comprising the Trust Estate, and in any event prior to the Termination Date (as defined in Section 5.8 hereof), the Trustee shall prepare a final accounting of any and all monies remaining in any accounts maintained by the Trustee on behalf of the Creditors Trust (the "Final Cash"). Once the amount of the Final Cash has been determined, the Trustee shall make the Final Distribution, in accordance with the Plan and this Trust Agreement.

5.8 Termination Date. The Creditors Trust shall terminate on such date that: (a) a final decree has been entered closing the Bankruptcy and (b) all assets in the Trust Estate have been distributed and (c) all Causes of Action have been finally resolved or abandoned pursuant to, and in accordance with, the Plan and this Trust Agreement (the "Termination Date").

However, the term of the Creditors Trust shall not exceed five (5) years from the Effective Date, provided that, upon a finding that an extension is necessary to the liquidating purpose of the Creditors Trust and upon approval by the Bankruptcy Court, the term may be extended for a finite term based on the particular facts and circumstances. Each such extension must be approved by the Bankruptcy Court within six (6) months of the beginning of the extended term. The Trustee shall be released of all liabilities and discharged from his or her obligations under the Plan and this Trust Agreement once the Liquidating Trust has terminated.

SECTION VI. OTHER DUTIES OF THE TRUSTEE.

6.1 Management of the Trust.

(a) **Insurance.** With respect to the assets of the Trust Estate, with Bankruptcy Court approval the Trustee may purchase and maintain in existence such insurance as required by the guidelines of the Office of the United States Trustee and that the Trustee deems reasonable and necessary or appropriate from time to time to protect the Creditors Trust, the Trust Assets, the Trustee, and the Beneficiaries' interests in the assets of the Trust Estate or from any potential claims or liabilities relating thereto or the distribution thereof.

(b) **Bond.** As a condition to serving as Trustee hereunder, the Trustee and any successor trustee is required to and shall post a bond in favor of the Creditors Trust in an amount not less than the amount of Cash held by the Creditors Trust, which bond shall be in substantially the form as that required by the United States Trustee's Office for trustees serving in bankruptcy cases within the Southern District of Florida. For the avoidance of any doubt, the Creditors Trust shall post and be responsible for all costs associated with the posting of the bond contemplated under this section including costs associated with such bond.

6.2 Tax and Related Matters. Pursuant to and in accordance with the Plan, the Trustee shall be responsible for all tax matters of the Trust Estate, including, but not limited to, the filing of all tax returns and other filings with governmental authorities on behalf of the Trust Estate for time periods ending on or before the Final Tax Day, including the filing of tax returns for the Creditors Trust as a grantor trust pursuant to § 1.671-4(a) of the United States Income Tax Regulations, the filing of determination requests under Section 505(b) of the Bankruptcy Code, and responding to any tax audits of the Trust Estate. The Trustee shall provide such information to the Beneficiaries as will enable them to properly file their separate tax returns and withhold and pay over any amounts required by tax law.

The Trustee is authorized to act as agent for the Trust Estate in withholding or paying over any amounts required by law (including tax law) to be withheld or paid with respect to the Trust Estate. Except as otherwise set forth in this Trust Agreement or the Plan, any items of income, deduction, credit, or loss of the Creditors Trust not allocable to the Disputed Claims Reserve shall be allocated for federal income tax purposes among the Class 1 through 6 Claims Pro Rata. The Creditors Trust shall file all income tax returns with respect to any income attributable to the Disputed Claims Reserve and shall cause the Creditors Trust to pay the federal, state and local income taxes attributable to the Disputed Claims Reserve, based on the items of income, deduction, credit or loss allocable thereto. The Creditors Trust may, as determined by the Trustee, file an election to treat the Disputed Claim Reserve as a "disputed ownership fund" within the meaning of Treasury Regulation Section 1.468B-9. The Trustee shall be entitled to deduct any federal or state withholding taxes from any payments made with respect to Allowed Claims, as appropriate, and shall otherwise comply with Section 346 of the Bankruptcy Code.

6.3 No Implied Duties. The Trustee shall not manage, control, use, sell, dispose, collect or otherwise deal with the Trust Estate or otherwise take any action hereunder except as expressly provided herein, and no implied duties or obligations whatsoever of the Trustee shall be read into this Trust Agreement. Trustee shall not be required to obtain insurance other than as provided herein.

SECTION VII. CONCERNING THE TRUSTEE

7.1 Acceptance by Trustee. The Trustee accepts the Creditors Trust hereby created for the benefit of the Beneficiaries and agrees to act as Trustee of the Creditors Trust pursuant to the terms of this Trust Agreement and the Plan. The Trustee shall have and exercise the rights and powers herein granted and shall be charged solely with the

performance of the duties herein declared on the part of Trustee. The Trustee also agrees to receive and disburse all monies actually received by him constituting part of the Creditors Trust pursuant to the terms of this Trust Agreement and the Plan.

7.2 Discretionary Submission of Questions. In addition to the other provisions of the Plan and Trust Agreement requiring the Trustee to seek Bankruptcy Court approval prior to taking certain actions on behalf of the Creditors Trust, including, but not limited to, employing and/or compensating professionals, settling Causes of Action and Objections to Claims, and paying other expenses and obligations of the Creditors Trust, the Trustee, in his sole discretion and reasonable business judgment, may, but shall not be required to, submit to the Bankruptcy Court, from time to time, any question with respect to which the Trustee may desire to have explicit approval of the Bankruptcy Court for the taking of any specific action proposed to be taken by the Trustee with respect to the Trust Estate, or any part thereof, and the administration and distribution of the Trust Estate. The written authorization of the Bankruptcy Court set forth in a Final Order shall constitute approval by the Bankruptcy Court of the proposed action to be taken by the Trustee. All costs and expenses incurred by the Creditors Trust in the exercise of any right, power, authority conferred by this Section 7.2 shall be costs and reasonable expenses of the Trust Estate.

7.3 Liability of the Trustee and Reliance by Trustee.

(a) Liability. Subject to the limitations and restrictions expressed and imposed by this Trust Agreement, including without limiting the requirement to obtain the approval of the Bankruptcy Court for certain actions as set forth in this Trust Agreement, no provision of this Trust Agreement shall be construed to impart any personal liability upon the Trustee to the Beneficiaries, unless it shall be proven that the Trustee's actions or omissions constituted gross negligence, willful misconduct or actual fraud in the exercise of or failure to exercise any right or power vested in the Trustee under this Trust Agreement. ~~Debtor shall be responsible for all acts and conduct post Effective Date, and n~~No liability shall be imposed upon the Trustee or the Creditors Trust for any act, conduct or liability of the Debtor that occurs or arises after the Effective Date.

(b) Reliance. Except as otherwise provided herein,

(i) The Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document believed by him to be genuine and to have been signed or presented by the proper party or parties;

(ii) The Trustee may consult with and retain legal counsel and other professionals to be selected by him, and the Trustee shall not be liable for any actions taken or suffered by him in accordance with the advice of such counsel, and may also consult with former counsel, former accountants and former consultants or advisors of the Debtor, the Creditors Committee, or present and former officers, directors and consultants of the Debtor or the Creditors Committee.

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7.4 Indemnification of the Trustee and Agents. The Trustee hereby agrees that the Creditors Trust will seek to indemnify, to the full extent of the Trust Estate, any person or entity who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that such person or entity is or was a Trustee or an employee, attorney or agent of the Creditors Trust or Trustee, from and against any and all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and

reasonably incurred by such person or entity in connection with such action, suit or proceeding, including appeals thereof, if such person or entity acted without gross negligence, willful misconduct and actual fraud in the exercise and performance of any power or duties of such person or entity in accordance with this Trust Agreement. The Trustee shall seek Bankruptcy Court approval prior to paying such fees and expenses for matters implicated by this Section 7.4 of the Trust Agreement. The Trustee shall not indemnify post Effective Date Debtor or its agents or professionals.

The Trustee, the Trustee's employees, officers, directors, professionals, agents and other representatives, as the case may be, shall be held harmless and shall not be liable for actions taken or omitted in their capacity as, or on behalf of, the Trustee, except those actions that are determined by final order to have arisen out of their own intentional fraud, willful misconduct or gross negligence, and each shall be entitled to be indemnified, held harmless, and reimbursed for fees and expenses including, without limitation, reasonable attorneys' fees, which such persons and entities may incur or may become subject to or in connection with any actions, suit, proceeding or investigation that is brought or threatened against such persons or entities in respect of that person's or entity's or the Trustee's actions or inactions regarding the implementation or administration of this Plan, the Creditors Trust Agreement or the Creditors Trust, or the discharge of their duties hereunder or thereunder, except for any actions or inactions that are determined by final order to have arise from intentional fraud, willful misconduct or gross negligence. Any claim of the Trustee and the other parties entitled to indemnification under this section, to be indemnified, held harmless, or reimbursed shall be satisfied solely from the Creditor Trust Assets or any applicable insurance coverage. The Trustee shall be entitled to rely, in good faith, on the advice of his retained professionals regardless of whether such advice is provided in writing or verbally. Notwithstanding the foregoing, the Trustee shall not be under any obligation to consult with his retained professionals, and his determination not to do so shall not result in the imposition of liability on the Trustee unless such determination is based on willful misconduct, gross negligence or intentional fraud.

7.5 Resignation and Removal of the Trustee.

(a) **Resignation.** The Trustee may resign and be discharged from any future obligations and liabilities under the Trust Agreement by filing a notice thereof with the Bankruptcy Court at least thirty (30) days prior to the effective date of such resignation. Such resignation shall become effective on the date specified in such notice.

(b) **Removal.** The Trustee may be removed at any time by order of the Bankruptcy Court upon motion by any party in interest pursuant to the standard under applicable law for removal of a Chapter 7 trustee. Venue for any actions concerning removal of the Trustee shall be proper in the Bankruptcy Court. Upon any such removal, such removed Trustee shall not be entitled to any reimbursement and indemnification as set forth in the Trust Agreement which remain due and owing to such Trustee at the time of such removal, however, the Trustee may request such reimbursement and indemnification, or a portion thereof, from the Bankruptcy Court upon notice and hearing to parties in interest.

(c) **Appointment of Successor Trustee.** If, at any time, the Trustee shall give notice of his intent to resign pursuant to the Trust Agreement, or be removed or shall become incapable of acting, counsel to the Trustee shall provide notice thereof to the Bankruptcy Court. The U.S. Trustee's Office ~~A committee comprised of three members of the former Official Creditors Committee,~~ with the approval of the Bankruptcy Court, and upon notice and hearing to parties in interest, shall designate a successor liquidating trustee for the Creditors Trust.

(d) **Acceptance of Appointment by Successor Trustee.** Any successor Trustee appointed hereunder shall execute an instrument accepting such appointment hereunder and shall file counterparts thereof with the Bankruptcy Court. Thereupon, such successor Trustee shall, without any further act, become vested with all of the estates, properties, rights, powers, trusts and duties of his predecessor in the Creditors Trust hereunder with like effect as if originally named herein.

(e) **Trust Continuance.** The death, resignation, incompetency or removal of the Trustee shall operate neither to terminate the Creditors Trust created by this Trust Agreement nor to revoke any existing agency created pursuant to the terms of this Trust Agreement or invalidate in any action theretofore taken by such Trustee. In the event of the resignation or removal of the Trustee, such Trustee shall (i) promptly execute and deliver any such documents, instruments, and other writing as maybe necessary to effect the termination of such Trustee's capacity under this Trust Agreement and the conveyance of the Trust Estate then held by such Trustee to the temporary or successor trustee; (ii) deliver to the temporary or successor trustee all documents, instruments, records, and other writings relating to the Creditors Trust or Trust Estate as may be in the possession of such Trustee; and (iii) otherwise assist and cooperate in effecting the transfer and assumption of his obligations and functions by the temporary or successor trustee.

SECTION VIII. SUPPLEMENTS AND AMENDMENTS TO THE TRUST AGREEMENT.

8.1 Supplements and Amendments. Subject to Bankruptcy Court approval, the Trustee may make and execute such declarations supplementing or amending this Trust Agreement for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Trust Agreement or amendments hereto; provided, however, that no such supplement or amendment shall permit the Trustee to act in any manner which is inconsistent with the Plan or the Settlement Agreement, or engage in any activity prohibited by this Trust Agreement or affect the Beneficiaries' rights to receive their share of any distributions under this Trust Agreement or the Plan.

8.2 Notice and Effect of Executed Supplement/Amendment. Promptly after the execution by the Trustee of any declaration of supplement or amendment permitted by and pursuant to Section 8.1 hereof, the Trustee shall give notice of the substance of such amendment to (i) all parties who requested copies of pleadings in the Bankruptcy Case, and (ii) all Beneficiaries. Upon the execution of any such declaration of supplement or amendment by the Trustee, this Trust Agreement shall be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities of the Trustee and the Beneficiaries under this Trust Agreement shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of this Trust Agreement for any and all purposes.

SECTION IX. MISCELLANEOUS.

9.1 Title to Trust Estate. No Beneficiary or any other party other than the Creditors Trust shall have title to any part of the Trust Estate.

9.2 Sales of Assets of the Trust. Any sale or other conveyance of any assets of the Creditors Trust, or part thereof, by the Trustee made in accordance with the terms

of this Trust Agreement shall bind the Beneficiaries and shall be effective to transfer or convey all right, title and interest of the Trustee and the Beneficiaries in and to such asset of the Creditors Trust.

9.3 Notices. Unless otherwise expressly specified or permitted by the terms of the Plan or this Trust Agreement, all notices shall be in writing and delivered by registered or certified mail, return receipt requested, or by a hand or facsimile transmission (and confirmed by mail), in any such case addressed as follows:

If to the Trustee: **Trustee Joseph J. Luzinski on behalf of the Trust**

Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.
 Patricia A. Redmond, Esq.
 Museum Tower, Suite 2200
 150 West Flagler Street
 Miami, FL 33130
 Tel: (305) 789-3200
 Fax: (305) 789-3395
 Email: predmond@stearnsweaver.com

and if to any Beneficiary, addressed to its latest mailing address as set forth in Section 5.1 ("Delivery of Distributions") of this Trust Agreement.

9.4 Severability. Any provision of this Trust Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.5 Counterparts. This Trust Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same instrument.

9.6 Binding Agreement. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the Trustee and his respective successors and assigns and any successor Trustee provided for herein, his respective successors and assigns, and the Beneficiaries, and their respective personal representatives, successors and assigns. Any request, notice, direction, consent, waiver or other instrument or action by any party hereto or any Beneficiary shall bind their respective heirs, personal representatives, successors and assigns.

9.7 No Personal Liability of Beneficiaries. The Beneficiaries will not incur any personal liability through their ownership or possession of their Beneficial Interests, except for taxes imposed on the Beneficiaries pursuant to applicable provisions of federal, state or local law with respect to the receipt of such Beneficial Interests or distributions from or transactions of the Creditors Trust and other charges specified herein. Liabilities of the Creditors Trust are to be satisfied in all events (including the exhaustion of the Trust Estate) exclusively from the Trust Estate, and such liabilities are not to attach to or be paid from any amounts distributed to the Beneficiaries, regardless of the time at which such distribution took place, or from the assets of the Beneficiaries.

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

9.9 Construction. Except where the context otherwise requires, words importing the masculine gender shall include the feminine and the neuter, if appropriate; words importing the singular number shall include the plural number and vice versa; and words importing persons shall include partnerships, associations, and corporations.

9.10 Governing Law. This Trust Agreement, including all matters of construction, validity and performance hereof, shall in all respects be governed by, and construed and interpreted in accordance with, the internal laws of the State of Florida.

9.11 Subject to Bankruptcy Court's Jurisdiction. The Bankruptcy Court shall retain jurisdiction over this Creditors Trust, the Trust Estate, the Trustee, the Debtor, and the Debtor's bankruptcy estate, as applicable, to issue any and all orders and to take other actions necessary to the implementation of this Trust Agreement, such jurisdiction to include, without limitation, the jurisdiction contemplated by Section 1142 of the Bankruptcy Code.

9.12 Intention of the Parties. The Debtor, the Beneficiaries and the Trustee hereby express their intent to create and maintain the Creditors Trust as a liquidating trust for Federal income tax purposes in accordance with Treasury Regulation §341.7701-4(d) and as a "grantor trust" subject to the provisions of Subchapter J, Subpart E of the IRC, and the Trustee further represents that the Creditors Trust shall not: (a) receive transfers of listed stocks or securities, any readily-marketable assets (other than those constituting the Trust Estate), or any assets of a going business; or (b) receive and will not retain Cash in excess of a reasonable amount to meet claims and contingent liabilities, determined in the reasonable discretion of the Trustee in accordance with the provisions of this Trust Agreement.

[SIGNATURES TO
FOLLOW]

IN WITNESS WHEREOF, the parties have executed and have hereunto caused this Trust Agreement to be duly executed, as of the day and year first written above.

Debtor, Star Computer Group, Inc.

By: James S. Howard,

Signature: _____

Title As and only as,
Debtor's CRO

Trustee of the Star Computer Group Creditors Trust

By: Joseph J. Luzinski,

Signature: _____

Title As and only as,
Trustee of the Creditors Trust