UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION
www.flmb.uscourts.gov

In re:

UNIVERSAL HEALTH CARE GROUP, INC.,	Chapter 11 Case No. 8:13-bk-01520-KRM
AMERICAN MANAGED CARE, LLC,	Jointly Administered with Case No. 8:13-bk-05952-KRM
Debtors. _____/	

DISCLOSURE STATEMENT FOR THE CHAPTER 11 TRUSTEE'S CHAPTER 11 PLAN OF LIQUIDATION FOR UNIVERSAL HEALTH CARE GROUP, INC.

Tampa, Florida
Dated December 8, 2014

TRENAM, KEMKER, SCHARF, BARKIN, FRYE, O'NEILL & MULLIS, P.A.
Roberta A. Colton
Florida Bar No. 0371289
rcolton@trenam.com
Stephanie C. Lieb
Florida Bar No. 0031806
slieb@trenam.com
Megan W. Murray
Florida Bar No. 0093922
mwmurray@trenam.com
101 E. Kennedy Blvd., Suite 2700
Tampa, Florida 33602
Telephone: 813-223-7474
Counsel for the Chapter 11 Trustee

THIS DISCLOSURE STATEMENT DATED DECEMBER 8, 2014, AS AMENDED FROM TIME TO TIME, MAY NOT BE RELIED ON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE TRUSTEE'S PLAN OF LIQUIDATION UNDER CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE. NOTHING CONTAINED HEREIN SHALL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTOR, THE LIQUIDATED DEBTOR, OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE ADVICE ON TAX LAWS OR OTHER LEGAL EFFECTS OF THE PLAN ON HOLDERS OF CLAIMS AGAINST OR EQUITY INTERESTS IN THE DEBTOR.

ALL CREDITORS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ AND CAREFULLY CONSIDER THE ENTIRE DISCLOSURE STATEMENT FURNISHED TO THEM AND THE MATTERS DESCRIBED IN THIS DISCLOSURE STATEMENT PRIOR TO SUBMITTING A BALLOT PURSUANT TO THIS SOLICITATION. THE DESCRIPTION OF THE PLAN CONTAINED IN THIS DISCLOSURE STATEMENT IS INTENDED AS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN ITSELF. EACH CREDITOR SHOULD READ, CONSIDER, AND CAREFULLY ANALYZE THE TERMS AND PROVISIONS OF THE PLAN.

THE TRUSTEE BELIEVES THAT THE PLAN IS IN THE BEST INTERESTS OF CREDITORS. ALL CREDITORS ARE URGED TO VOTE IN FAVOR OF THE PLAN. VOTING INSTRUCTIONS ARE CONTAINED IN THE PART OF THIS DISCLOSURE STATEMENT TITLED "VOTING INSTRUCTIONS." TO BE COUNTED, YOUR BALLOT MUST BE DULY COMPLETED, EXECUTED AND RECEIVED BY THE TRUSTEE BY NO LATER THAN **_____, 2015**.

THE PLAN PROPOSES EXCULPATION FROM LIABILITY AS TO THE DEBTOR, THE TRUSTEE, THE LIQUIDATING AGENT, AND CERTAIN PROFESSIONALS. ALL CREDITORS AND OTHER PARTIES IN INTEREST ARE URGED TO READ CAREFULLY THE PROVISIONS IN THE PLAN ON EXCULPATION FROM LIABILITY.

NO PERSON IS AUTHORIZED BY THE TRUSTEE IN CONNECTION WITH THE PLAN OR THE SOLICITATION OF ACCEPTANCES OF THE PLAN TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS ATTACHED HERETO OR INCORPORATED BY REFERENCE OR REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MAY NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE TRUSTEE. SUCH ADDITIONAL REPRESENTATIONS SHOULD BE REPORTED TO COUNSEL FOR THE TRUSTEE WHO, IN TURN, SHALL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR ACTION AS MAY BE DEEMED APPROPRIATE. THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCES IMPLY THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. THIS DISCLOSURE STATEMENT

IS DATED AS OF DECEMBER 8, 2014, AND CREDITORS ARE ENCOURAGED TO REVIEW THE BANKRUPTCY DOCKET FOR THIS CHAPTER 11 CASE TO APPRISE THEMSELVES OF EVENTS WHICH OCCUR BETWEEN THE DATE OF THIS DISCLOSURE STATEMENT AND THE DATE OF THE CONFIRMATION HEARING.

IN THE EVENT THAT ANY IMPAIRED CLASS OF CLAIMS VOTES TO REJECT THE PLAN, (1) THE TRUSTEE MAY ALSO SEEK TO SATISFY THE REQUIREMENTS FOR CONFIRMATION OF THE PLAN WITH RESPECT TO THAT CLASS UNDER THE BANKRUPTCY CODE'S "CRAMDOWN" PROVISIONS AND, IF REQUIRED, MAY AMEND THE PLAN TO CONFORM TO SUCH REQUIREMENTS, OR (2) THE PLAN MAY BE OTHERWISE MODIFIED OR WITHDRAWN.

THE REQUIREMENTS FOR CONFIRMATION, INCLUDING THE VOTE OF IMPAIRED CLASSES OF CLAIMS TO ACCEPT THE PLAN, AND CERTAIN OF THE STATUTORY FINDINGS THAT MUST BE MADE BY THE BANKRUPTCY COURT, ARE SET FORTH IN THE ARTICLE 11 OF THE PLAN.

DISCLOSURE STATEMENT
PURSUANT TO § 1125 OF THE BANKRUPTCY CODE

ARTICLE I:
INTRODUCTION

Soneet R. Kapila is the duly appointed Chapter 11 Trustee for the Debtor, Universal Health Care Group, Inc. The Debtor filed a voluntary Chapter 11 bankruptcy petition on February 6, 2013. The Trustee was appointed by the United States Bankruptcy Court for the Middle District of Florida on April 22, 2013, to serve as an independent fiduciary to administer the Debtor's Chapter 11 case and assets, as provided in 11 U.S.C § 1106.

In consultation with many of the key parties in interest, the Trustee has prepared a liquidating Chapter 11 Plan for the Debtor's estate. The Plan provides for the treatment, resolution, and satisfaction of all Claims and Interests in the Debtor. This Disclosure Statement is intended to provide creditors and parties in interest with information to evaluate the Trustee's proposed liquidation of the Debtor.

It is the Trustee's opinion that the proposed treatment of Claims and Interests under the Plan is fair and equitable to all parties in interest and contemplates a greater recovery than that which is likely to be achieved under any alternative liquidation of the Debtor, principally by avoiding another layer of administrative expenses that will only serve to deplete Recoveries by Creditors. Accordingly, the Trustee believes confirmation of the Plan is in the best interest of Creditors and urges that you vote to accept the Plan. Accompanying this Disclosure Statement are the following exhibits:

Exhibit A: The Trustee's Plan of Liquidation under Chapter 11.

Exhibit B: The Bank Settlement (the Trustee's settlement with BankUnited).

Exhibit C: The FDFS Settlement, a global settlement with the Florida Department of Financial Services, the Trustee and BankUnited.

Exhibit D: List of Potential Chapter 5 Recoveries and Causes of Action.

Exhibit E: Trustee's Liquidation Analysis.

Exhibit F: Medical Provider Claims, as filed.

Exhibit G: List of Unsubordinated Equity Interests

ARTICLE II:
DEFINED TERMS; RULES OF CONSTRUCTION

a. Scope of Definitions. For the purposes of this Disclosure Statement and associated Plan, except as expressly provided or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meanings ascribed to them in this Article II. Any capitalized term used in this Disclosure Statement that is not defined herein, but is defined in the Bankruptcy Code or Bankruptcy Rules, shall have the meaning ascribed to it in the Bankruptcy Code or Bankruptcy Rules, respectively. Whenever the context requires, capitalized terms shall include the plural as well as the singular number, the masculine gender shall include the feminine, and the feminine gender shall include the masculine.

b. Definitions. In addition to such other terms as are defined in other sections of this Disclosure Statement or in the Plan, the following terms (which appear as capitalized terms) shall have the meanings ascribed to them in this Article II of this Disclosure Statement.

i. "401(k) Plan" means the qualified retirement plan under 26 U.S.C. § 401(k) maintained by the Debtor for the benefit of all employees who worked for the Debtor and the Debtor's subsidiaries.

ii. "Additional Recoveries" mean those Recoveries that are not the product of any settlement approved or final judgment entered prior to the Effective Date. Additional Recoveries shall not include the cash distributed as a result of the FDFS Settlement, but shall include any Recoveries on any other litigation claims and claims contemplated by the FDFS Settlement.

iii. "Administrative Expense" means (a) any cost or expense of administration of the Liquidation Case that is allowed under § 503(b) or 507(a)(1) of the Bankruptcy Code, to the extent the party claiming any such Administrative Expense files an application, motion, request or other Bankruptcy Court-approved pleading seeking such expense in the Liquidation Case on or before the applicable Administrative Expense Claims Bar Date, including (i) any actual and necessary costs and expenses of preserving the Estate or liquidating the business of the Debtor (including wages, salaries, or commissions for services rendered) incurred on or after the Petition Date, (ii) any Post-Petition cost, indebtedness or contractual obligation duly and validly incurred

or assumed by the Debtor in Possession, (iii) any Claim granted administrative priority status by a Final Order of the Bankruptcy Court, (iv) any Claim by a Governmental Authority for taxes (and for interest and/or penalties related to such taxes) due for any Post-Petition tax year or period, and (v) compensation for reimbursement of expenses of Professionals awarded or allowed pursuant to an order of the Bankruptcy Court under § 330(a) or 331 of the Bankruptcy Code; (b) any Superpriority Claim; (c) all fees and charges assessed against the Estate under Chapter 123 of title 28, United States Code, 28 U.S.C. §§ 1911-1930; and (d) any and all other costs or expenses of administration of the Liquidation Case that are allowed by Final Order of the Bankruptcy Court; provided, however, that, when used in the Plan, the term "Administrative Expense" shall not include any Priority Tax Claim, any Disallowed Claim, or, unless otherwise expressly provided in the Plan, any of the Claims in Classes 1 through 6. In no event shall any Claim set out in a Proof of Claim be deemed to be an Administrative Expense (except for any Claim by a Governmental Authority for taxes (and for interest and/or penalties related to such taxes) due for any Post-Petition tax year or period).

iv. "Administrative Expense Claim" means any Claim for the payment of an Administrative Expense.

v. "Administrative Expense Claims Bar Date" means August 18, 2013, the date established by an order of the Bankruptcy Court as the deadline for the filing by any Creditor or other party in interest of an application, motion, request or other Bankruptcy Court-approved pleading for allowance of any Administrative Expense Claim, except for the Trustee and the Trustee's Professionals. Holders of Administrative Expense Claims (including Holders of any Claims for Post-Petition federal, state or local taxes) that do not file an application, motion, request or other Bankruptcy Court-approved pleading by the Administrative Expense Claims Bar Date shall be forever barred, estopped and enjoined from ever asserting such Administrative Expense Claims against the Debtor, or any of its Properties, or against the Estate, and such Holders shall not be entitled to participate in any distribution under the Plan on account of any such Administrative Expense Claims.

vi. "Affiliate" has the meaning ascribed to such term in § 101(2) of the Bankruptcy Code.

vii. "Allowed Amount" means the dollar amount in which a Claim is allowed by the Bankruptcy Court.

viii. "Allowed Administrative Expenses" means those Administrative Expenses deemed Allowed under § 503 of the Bankruptcy Code.

ix. "Allowed Claim" means a Claim or that portion of a Claim which is not a Disputed Claim or a Disallowed Claim and (a) as to which a Proof of Claim was filed with the Clerk's Office on or before the Bar Date, or, by order of the Bankruptcy Court, was not required to be filed, or (b) as to which no Proof of Claim was filed with the Clerk's Office on or before the Bar Date, but which has been or hereafter is listed by the Debtor in its Schedules as liquidated in amount and not disputed or contingent, and, in the case of subparagraph (a) or (b) above, as to

which either (i) no objection to the allowance thereof has been filed within the time allowed for the making of objections as fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, or (ii) any objection as to its allowance has been settled, withdrawn, or finally allowed such that no appeals have been filed or can still be filed under the applicable statute of limitations. "Allowed Claim" shall also include a Claim that is allowed by the Bankruptcy Court (a) in any contract, instrument or other agreement or document entered into in connection with the Plan; (b) in a Final Order; or (c) pursuant to the terms of the Plan. "Allowed," when used as an adjective herein (such as Allowed Administrative Expense Claim, Allowed Priority Tax Claim, Allowed Priority Claim, Allowed Secured Claim, and Allowed Unsecured Claim), has a corresponding meaning.

x. **"AMC"** means American Managed Care, LLC, the debtor in Case No. 8:13-bk-05952-KRM.

xi. **"AMC Net Auction Proceeds"** means $471,030.37, the amount of net sales proceeds from the Auction of AMC's tangible Assets.

xii. "**Assets**" means all Property of the Debtor of any nature whatsoever as of the Effective Date, including but not limited to all accounts receivable, Cash, Causes of Action, Claims in the bankruptcy estate of AMC, Claims in various State Court Receiverships, and settlement proceeds.

xiii. **"Auction"** means the auction which was conducted to sell AMC's tangible assets on September 24th and 25th of 2013.

xiv. **"Avoidance Action"** means those Causes of Action and rights to recover transfers avoidable or recoverable under §§ 502, 542, 543, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code.

xv. **"Ballot"** means the ballot(s) upon which Holders of Impaired Claims entitled to vote on the Plan shall indicate their acceptance or rejection of the Plan in accordance with the Voting Instructions.

xvi. **"Bank Settlement"** means that settlement between BankUnited and the Trustee as approved by the Bankruptcy Court by order dated October 24, 2013, and as modified by order of the Bankruptcy Court dated April 24, 2014. A copy of the Bank Settlement is attached as Exhibit B.

xvii. **"BankUnited"** means BankUnited, N.A., as issuing lender and administrative agent for the Lending Group.

xviii. **"Bankruptcy Code"** means Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as in effect on the Petition Date, together with all amendments and modifications thereto that were subsequently made applicable to the Liquidation Case.

xix. **"Bankruptcy Court"** means the United States Bankruptcy Court for the Middle District of Florida, Tampa Division, or, as the context requires, any other court of competent jurisdiction exercising jurisdiction over the Liquidation Case.

xx. **"Bankruptcy Rules"** means the Federal Rules of Bankruptcy Procedure and the Local Rules, as in effect on the Petition Date, together with all amendments and modifications thereto that were subsequently made applicable to the Liquidation Case.

xxi. **"Bar Date"** means April 22, 2013, or the bar date(s) as otherwise established by the Bankruptcy Court from time to time as the last day for filing Proofs of Claim against or proofs of Equity Interest in the Debtor, including with respect to executory contracts and unexpired leases that are rejected pursuant to the Plan, pursuant to a Final Order of the Bankruptcy Court or otherwise pursuant to § 365 of the Bankruptcy Code; provided however, that, when used in the Plan, the term "Bar Date" shall not include the Administrative Expense Claims Bar Date.

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

xxiii. **"Cash"** means cash, cash equivalents and other readily marketable direct obligations of the United States, as determined in accordance with generally accepted accounting principles, including bank deposits, certificates of deposit, checks and similar items. When used in the Plan with respect to a distribution under the Plan, the term "Cash" means lawful currency of the United States, a certified check, a cashier's check, a wire transfer of immediately available funds from any source, or a check drawn on a domestic bank.

xxiv. **"Causes of Action"** means any and all of the Trustee's or the Debtor's Estate's actions, claims, demands, rights, defenses, counterclaims, suits, and causes of action, whether known or unknown, in law, equity or otherwise, including:

1. All Avoidance Actions;
2. All of the Trustee's or Debtor's rights and interests in the Receivership Estates;
3. All of the Trustee's or Debtor's rights, interests, in the AMC Bankruptcy; and
4. Any and all other claims or rights of the Trustee, Liquidating Agent or Debtor of any value whatsoever, at law or in equity, against any Person.

xxv. **"Chapter 11 Case"** or **"Liquidation Case"** means the case commenced in the Bankruptcy Court by the Debtor on the Petition Date as Universal Health Care Group, Inc., Case No. 8:13-bk-01520-KRM.

xxvi. **"Claim"** has the meaning ascribed to such term in § 101(5) of the Bankruptcy Code. Notwithstanding anything to the contrary contained herein, when used in the Plan, the term "Claim" shall be given the broadest possible meaning permitted by applicable law and shall include all manner and type of claim, whenever and wherever such claim may arise, including

Priority Tax Claims, ad valorem tax claims, Tort Claims and claims based upon or arising under any federal or state securities laws.

xxvii. **"Class"** means a category of Claims or Equity Interests classified together as described in Article IV of the Plan.

xxviii. **"Clerk"** means the Clerk of the Bankruptcy Court.

xxix. **"Clerk's Office"** means the Office of the Clerk of the Bankruptcy Court located at the Sam M. Gibbons United States Courthouse, 801 North Florida Avenue, Suite 555, Tampa, Florida 33602.

xxx. **"Collateral"** means Property in which the Estate has an interest and that secures, in whole or part, whether by agreement, statute, or judicial decree, the payment of a Claim.

xxxi. **"Citrus"** means Citrus Universal Healthcare, Inc., the approved purchaser of the Debtor's stock in the Regulated Subsidiaries.

xxxii. **"CMS"** means Centers for Medicare and Medicaid Services.

xxxiii. **"Confirmation"** or **"Confirmation of the Plan"** means the approval of the Plan by the Bankruptcy Court at the Confirmation Hearing.

xxxiv. **"Confirmation Date"** means the date on which the Confirmation Order is entered on the Docket pursuant to Bankruptcy Rule 5003(a).

xxxv. **"Confirmation Hearing"** means the hearing which will be held before the Bankruptcy Court to consider Confirmation of the Plan and related matters pursuant to § 1128(a) of the Bankruptcy Code, as such hearing may be adjourned or continued from time to time.

xxxvi. **"Confirmation Order"** means the order of the Bankruptcy Court in the Liquidation Case confirming the Plan pursuant to § 1129 and other applicable sections of the Bankruptcy Code.

xxxvii. **"Contingent WARN Act Claims"** means those contingent claims allowed pursuant to the FDFS Settlement and filed in the UHC and UHCIC Receiverships on account of alleged WARN Act violations.

i. **"Credit Agreement"** means that loan and security agreement between BankUnited, the Lending Group, and UHCG.

xxxviii. **"Creditor"** means the Holder of a Claim, within the meaning of § 101(10) of the Bankruptcy Code, including but not limited to Creditors with Administrative Expense Claims, Priority Tax Claims, Priority Claims, Secured Claims, and Unsecured Claims.

xxxix. **"Debt"** has the meaning ascribed to such term in § 101(12) of the Bankruptcy Code.

xl. "**Debtor**" means UHCG or Universal Health Care Group, Inc.

xli. **"D&O Policies"** means that Directors' and Officers' Liability Policy with RSUI, the excess policy with Navigators Insurance Company, and any similar policies.

xlii. **"Disallowed Claim"** means any Claim which has been disallowed by an order of the Bankruptcy Court, which order has not been stayed pending appeal.

xliii. **"Disclosure Statement"** means this Disclosure Statement for the Trustee's Plan of Liquidation under Chapter 11 of the Bankruptcy Code dated December 8, 2014, including all exhibits, appendices, and Schedules attached hereto, as submitted and filed by the Trustee pursuant to § 1125 of the Bankruptcy Code in respect of the Liquidation Case, and as such Disclosure Statement may be amended, supplemented, modified or amended and restated from time to time.

xliv. **"Disclosure Statement Approval Order"** means the Order Approving the Trustee's Disclosure Statement and Fixing Time for Filing Acceptances or Rejections of the Trustee's Plan, Combined with Notice of Hearing on Confirmation of Plan to be entered in the Liquidation Case.

xlv. **"Disputed Claim"** means any Claim (other than a Disallowed Claim) that is not an Allowed Claim and (a) as to which a Proof of Claim has been filed with the Clerk's Office or is deemed filed under applicable law or order of the Bankruptcy Court, or (b) which has been scheduled in the Schedules, and, in the case of subparagraph (a) or (b) above, as to which an objection has been or may be timely filed or deemed filed under the Plan, the Bankruptcy Code, the Bankruptcy Rules or an order of the Bankruptcy Court and any such objection (i) has not been withdrawn, (ii) has not been overruled or denied by an order of the Bankruptcy Court, (iii) has not been sustained by an order of the Bankruptcy Court, or (iv) is not appealable in any court. To the extent an objection relates to the allowance of only a part of a Claim, such Claim shall be a Disputed Claim only to the extent of the objection.

xlvi. **"Distribution Date"** means the date, which is approximately every six months after the Effective Date of the Plan upon which the Liquidating Agent will assess the Liquidating Estate and determine whether the Liquidating Estate contains sufficient cash to make a meaningful interim distribution on account of Allowed General Unsecured Claims. The Liquidating Agent will have the discretion to make or not to make a distribution on the Distribution Date.

xlvii. **"Distribution Notice Date"** means the date the Liquidating Agent files a notice in that there are funds available for distribution to Holders of Allowed General Unsecured Claims and Allowed Medical Provider Claims.

xlviii. **"Docket"** means the docket in the Liquidation Case maintained by the Clerk.

xlix. **"Dr. Desai"** means Akshay M. Desai.

l. **"Effective Date"** means thirty (30) days after the Confirmation Date, or the first Business Day thereafter.

li. **"Entities Entitled to Notice"** means (a) the Trustee, Liquidating Agent and his counsel; (b) the United States Trustee; (c) and all parties set forth on the Master Service List.

lii. **"Entity"** has the meaning ascribed to such term in § 101(15) of the Bankruptcy Code.

liii. **"Equity Interests"** means any and all of the issued and outstanding equity interests in the Debtor.

liv. **"Escrowed Funds"** means $675,000.00 of BankUnited's share of funds released by FDFS pursuant to the FDFS Settlement. The Trustee is authorized to use the Escrowed Funds to confirm the liquidating plans of both AMC and the Debtor.

lv. **"Estate"** means the estate created for the Debtor by § 541 of the Bankruptcy Code upon the filing of the voluntary petition by the Debtor, which shall become the Liquidating Estate upon confirmation of this Plan.

lvi. **"Estimation Hearing"** means a hearing for the estimation of Claims under § 502(c) of the Bankruptcy Code.

lvii. **"Exhibit"** means an exhibit annexed to the Plan or to the Disclosure Statement, as the context requires.

lviii. **"FDFS"** means the Florida Department of Financial Services, the receiver appointed over UHCIC on March 22, 2013 in the UHCIC Receivership, and the receiver appointed over UHC on March 21, 2013 in the UHC Receivership.

lix. **"FDFS Litigation"** means that litigation under Adversary Proceeding No. 8:13-ap-00392-KRM.

lx. **"FDFS Settlement"** means the settlement between the Trustee, BankUnited and FDFS approved by the Bankruptcy Court. A copy of the FDFS Settlement is attached as Exhibit C.

ii. **"Fidelity Bond"** means the fidelity bond the Debtor purchased from Fidelity and Deposit Company of Maryland which provided indemnity for loss from certain dishonest or fraudulent acts, as set forth in the bond.

lxi. **"Final Decree Date"** means the date on which a Final Order, obtained after a hearing on notice to all Entities Entitled to Notice and such other entities as the Bankruptcy Court may direct, has been entered determining that the Liquidation Case should be closed.

lxii. **"Final Order"** means (a) an order, judgment, ruling or other decree (or any revision, modification or amendment thereto) issued and entered by the Bankruptcy Court or by any state or other federal court as may have jurisdiction over any proceeding in connection with the Liquidation Case for the purpose of such proceeding, which order, judgment, ruling or other decree has not been reversed, vacated, stayed, modified or amended and as to which (i) no appeal, petition for review, reargument, rehearing, reconsideration or certiorari has been taken and is pending and the time for the filing of such appeal, petition for review, reargument, rehearing, reconsideration or certiorari has expired, or (ii) such appeal or petition has been heard and dismissed or resolved and the time to further appeal or petition has expired with no further appeal or petition pending; or (b) a stipulation or other agreement entered into which has the effect of any such aforesaid order, judgment, ruling or other decree with like finality.

lxiii. **"Governmental Authority"** means any agency, board, bureau, executive, court, commission, department, legislature, tribunal, instrumentality or administration of the United States, a foreign country or any state, or any provincial, territorial, municipal, state, local or other governmental Entity in the United States or a foreign country.

lxiv. **"HMO"** means a health maintenance organization.

lxv. **"Holder"** means (a) as to any Claim, (i) the owner or holder of such Claim as such is reflected on the Proof of Claim filed with respect to such Claim, or (ii) if no Proof of Claim has been filed with respect to such Claim, the owner or holder of such Claim as shown on the Schedules or books and records of the Debtor or as otherwise determined by order of the Bankruptcy Court, or (iii) if the owner or holder of such Claim has transferred the Claim to a third party and advised the Trustee in writing of such transfer and provided sufficient written evidence of such transfer, the transferee; and (b) as to any Equity Interest, the record owner or holder of such Equity Interest as of the Petition Date as shown on the stock register that is maintained by the Debtor, or as otherwise determined by order of the Bankruptcy Court.

lxvi. **"Impaired"** refers to any Claim or Equity Interest that is impaired within the meaning of § 1124 of the Bankruptcy Code.

lxvii. **"Indemnification Rights"** means any obligations or rights of the Debtor to indemnify, reimburse, advance, or contribute to the losses, Liabilities or expenses of an Indemnitee pursuant to the Debtor's articles of incorporation, bylaws, policy of providing employee indemnification, applicable law, or specific agreement in respect of any claims, demands, suits, Causes of Action or proceedings against an Indemnitee based upon any act or omission related to an Indemnitee's service with, for, or on behalf of the Debtor.

lxviii. **"Indemnitee"** means all present and former directors, officers, employees, agents or representatives of the Debtor who are entitled to assert Indemnification Rights.

lxix. **"Initial Distribution Date"** means the first Distribution Date, as determined by the Liquidating Agent.

lxx. **"Insider"** has the meaning ascribed to it in § 101(31) of the Bankruptcy Code.

lxxi. **"IRS"** means the Internal Revenue Service of the United States Department of the Treasury.

lxxii. **"Lending Group"** means the lending group of BankUnited under the Credit Agreement, which includes BankUnited, Capital Bank Financial Corp., Mercantil Commercebank, N.A., Banco de Credito e Inversiones Miami Branch and Israel Discount Bank.

lxxiii. **"Liabilities"** means any and all liabilities, obligations, judgments, damages, charges, costs, Debts, and indebtedness of any and every kind and nature whatsoever, whether heretofore, now or hereafter owing, arising, due or payable, direct or indirect, absolute or contingent, liquidated or unliquidated, known or unknown, foreseen or unforeseen, in law, equity or otherwise, of or relating to the Debtor or any Affiliate, subsidiary, predecessor, successor or assign thereof, or otherwise based in whole or in part upon any act or omission, transaction, event or other occurrence taking place prior to the Effective Date in any way relating to the Debtor or any Affiliate, subsidiary, predecessor, successor or assign thereof, any assets of the Debtor, the business or operations of the Debtor, the Liquidation Case, or the Plan, including any and all liabilities, obligations, judgments, damages, charges, costs, Debts, and indebtedness based in whole or in part upon any Claim of or relating to successor liability, transferee liability, or other similar theory.

lxxiv. **"Lien"** means, with respect to any asset or Property, any mortgage, pledge, security interest, lien, right of first refusal, option or other right to acquire, assignment, charge, claim, easement, conditional sale agreement, title retention agreement, defect in title, or other encumbrance or hypothecation or restriction of any nature pertaining to or affecting such asset or Property, whether voluntary or involuntary and whether arising by law, contract or otherwise.

lxxv. **"Liquidating Agent"** means the agent appointed to serve in such capacity from and after the Effective Date. The Liquidating Agent shall be Soneet R. Kapila, and the term shall include any successor thereto appointed pursuant to the provisions of the Plan or an order of the Bankruptcy Court.

lxxvi. **"Liquidating Estate"** means the estate of the Debtor on and after the Effective Date.

lxxvii. **"Local Rules"** means the Local Rules of the United States Bankruptcy Court for the Middle District of Florida, as in effect on the Petition Date, together with all amendments and modifications thereto that were subsequently made applicable to the Liquidation Case.

lxxviii. **"Master Service List"** means the list of all those individuals and Entities Entitled to Notice in this Liquidation Case.

lxxix. **"Medical Provider Claims"** means those claims filed by medical providers and hospitals for services rendered on behalf of the UHCG Regulated Subsidiaries and listed on Exhibit F to this Disclosure Statement.

lxxx. **"Medical Provider Reserve"** means the reserve established by the Trustee and funded concurrently with the General Unsecured Claims for the payment of Medical Provider Claims.

lxxxi. **"Person"** means any person, individual, corporation, association, partnership, limited liability company, joint venture, trust, organization, business, government, governmental agency or political subdivision thereof, or any other entity or institution of any type whatsoever, including any "person" as such term is defined in § 101(41) of the Bankruptcy Code.

lxxxii. **"Petition Date"** means February 6, 2013, the date the Debtor filed its Chapter 11 petition.

lxxxiii. **"Plan"** means the Trustee's Plan of Liquidation under Chapter 11 of the Bankruptcy Code dated December 8, 2014, and all Exhibits to the Plan, as the same may be amended, supplemented, modified or amended and restated from time to time in accordance with the provisions of the Plan and the Bankruptcy Code.

lxxxiv. **"Plan Documents"** means all documents that aid in effectuating the Plan, including but not limited to the Plan, all Exhibits to the Plan, and the Disclosure Statement.

lxxxv. **"Post-Petition"** means arising or accruing on or after the Petition Date and before the Effective Date.

lxxxvi. **"Post-Confirmation Administrative Claims"** means those Administrative Expense Claims incurred Post-Confirmation for the continued administration of the Liquidating Estate.

lxxxvii. **"Pre-Petition"** means arising or accruing prior to the Petition Date.

lxxxviii. **"Priority Claim"** means a Claim that is entitled to a priority in payment pursuant to subparagraphs (3) through (7) of § 507(a) of the Bankruptcy Code and that is not an Administrative Expense Claim, a Priority Tax Claim, a Secured Claim or an Unsecured Claim.

lxxxix. **"Priority Tax Claim"** means a Claim of a governmental unit that is entitled to a priority in payment pursuant to § 507(a)(8) of the Bankruptcy Code and that is not an Administrative Expense Claim, a Priority Claim, a Secured Claim or an Unsecured Claim.

xc. **"Professional"** means the Trustee and any professional employed in the Liquidation Case with the approval of the Bankruptcy Court pursuant to § 327 or 1103 of the Bankruptcy Code.

xci. **"Proof of Claim"** means a proof of claim filed with the Bankruptcy Court with respect to the Debtor pursuant to Bankruptcy Rule 3001, 3002 or 3003.

xcii. **"Property"** means any property or asset of any kind of the Debtor, whether real, personal or mixed, tangible or intangible, whether now existing or hereafter acquired or arising, and wherever located, and any interest of any kind therein.

xciii. **"*Pro Rata*"** means, with respect to any distribution under the Plan to the Holder of an Allowed Claim in a particular Class or otherwise, a fraction, the numerator of which shall be the amount of such Holder's Allowed Claim and the denominator of which shall be the sum of all Allowed Claims and all Reserved Claims in such Class and, if applicable, other Classes, all determined as of the applicable Distribution Date.

xciv. **"Receivership Estates"** means the receivership estates of one or more the UHCG Regulated Subsidiaries.

xcv. **"Recoveries"** means any amounts recovered from any contingent or potential Causes of Action, including recoveries from the D&O Policies, WARN Act Recoveries, Citrus Litigation, and any other litigation.

xcvi. **"Reduced Medical Provider Claim"** means an Allowed Medical Provider Claim, as reduced by any amounts recovered from the Receivership Estates.

xcvii. **"Reserved Claims"** means all Disputed Claims as of the applicable determination date in the full amount listed in the Schedules, unless a Proof of Claim was timely filed with respect to such Claim, in which case in the face amount of such Proof of Claim, or unless such Claim has been estimated by the Bankruptcy Court for the purpose of allowance pursuant to § 502(c) of the Bankruptcy Code, in which case in such estimated amount. Unless any order of the Bankruptcy Court estimating a Claim provides otherwise, the amount so estimated shall apply both for voting purposes and for purposes of computing Reserved Claims. As used in the Plan, the term "Reserved Claims" shall not include any Disallowed Claims.

xcviii. **"RSUI"** means RSUI Indemnity Company.

xcix. **"Schedules"** means, collectively, the schedules of Assets and Liabilities and the statements of financial affairs filed by the Debtor in the Liquidation Case pursuant to Bankruptcy Rule 1007, as such schedules or statements have been or may be amended or supplemented from time to time.

c. **"Secured Claim"** means any Claim that is (a) secured in whole or in part, as of the Petition Date, by a Lien which is valid, perfected and enforceable under applicable law and is

not subject to avoidance under the Bankruptcy Code or applicable non-bankruptcy law, or (b) subject to setoff under § 553 of the Bankruptcy Code, but, with respect to both (a) and (b) above, only to the extent of the applicable Estate's interest in the value of the Collateral securing any such Claim or the amount subject to setoff, as the case may be. Except as otherwise provided in the Plan, if the value of a Creditor's interest in an Estate's interest in the Collateral securing such Claim or the amount subject to setoff is less than the amount of the Allowed Claim, then such deficiency shall constitute an Unsecured Claim.

ci. **"Secured Creditor"** means any Creditor holding a Secured Claim.

cii. **"State Court Receiverships"** means the UHC Receivership, the UHCIC Receivership, the UHCNV Receivership, and the UHMOTX Receivership.

ciii. **"Stock Purchase Agreement"** means that stock purchase agreement between the Debtor and Citrus executed on or about March 11, 2013.

civ. **"Subordinated Administrative Expense Claim"** means BankUnited's Claim for the Trustee's or Liquidating Agent's use of any portion of the Escrowed Funds.

cv. **"Subordinated Equity Interests"** means the Equity Interests of Dr. Desai, Deepak Desai and Darshana I. Desai, Jeff Ludy, Sandip Patel, and the Desai Family Partnership, which are subordinated to the Claims of Unsubordinated Equity Interests.

cvi. **"Superpriority Claim"** means any Claim created by a Final Order of the Bankruptcy Court providing for a priority senior to that provided in § 507(a)(1) of the Bankruptcy Code, including any such Claims granted under §s 364(c)(1) and 365 of the Bankruptcy Code.

cvii. **"Tort Claim"** means any Claim or demand now existing or hereafter arising, including all Claims or demands in the nature of or sounding in tort, contract, warranty, or under any other theory of law or equity, against the Debtor, their predecessors, successors or assigns, or Affiliates, or their present or former officers, directors or employees, for, relating to, or arising from any death, personal injury or damages or loss, whether physical, emotional, or otherwise, to any Person or Property, including any Claim or demand for compensatory damages, such as loss of consortium, wrongful death, unearned wages, survivorship, proximate, consequential, general, and special damages, and punitive damages, and any products liability claim, in each case for any act or event occurring on or prior to the Effective Date, whether or not such Claim or demand is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, or whether or not the facts of or legal basis for such Claim or demand are known or unknown, or whether or not the loss or damage giving rise to such Claim or demand was diagnosable, undiagnosable, detectable or undetectable before the Effective Date.

cviii. **"Trustee"** means Soneet R. Kapila, the duly appointed Chapter 11 Trustee of UHCG.

cix. **"UHC"** means Universal Health Care, Inc.

cx. **"UHC Receivership"** means the receivership over UHC ordered by the Circuit Court of the Second Judicial Circuit in and for Leon County, Florida in Case No. 2013-CA-00375.

cxi. **"UHCIC"** means Universal Health Care Insurance Company, Inc.

cxii. **"UHCIC Receivership"** means the receivership over UHCIC ordered by the Circuit Court of the Second Judicial Circuit in and for Leon County, Florida in Case No. 2013-CA-00358.

cxiii. **"UHCG"** means Universal Health Care Group, Inc.

cxiv. **"UHCG Bankruptcy"** means the bankruptcy estate of UHCG in Bankruptcy Case No. 8:13-bk-01520-KRM, commenced on February 6, 2013.

cxv. **"UHCG Regulated Subsidiaries"** or **"Regulated Subsidiaries"** means UHC, UHCIC, UHCNV, and UHMOTX.

cxvi. **"UHCGA"** means Universal Health Care of Georgia, Inc.

cxvii. **"UHCNV"** means Universal Health Care of Nevada, Inc.

cxviii. **"UHCNV Receivership"** means the receivership over UHCNV ordered by the Second Judicial District Court of the State of Nevada in and for the County of Washoe in Case No. CV.13-00962-B13.

cxix. **"UHMOTX"** means Universal HMO of Texas, Inc.

cxx. **"UHMOTX Receivership"** means the receivership over UHMOTX ordered by the Travis County District Court, Travis County, Texas, in Case No. D1-GV-13-000384.

cxxi. **"Unimpaired"** refers to a Claim that is not Impaired within the meaning of the Bankruptcy Code.

cxxii. **"United States"** means the United States of America.

cxxiii. **"United States Trustee"** means the Office of the United States Trustee for the Middle District of Florida, Region 21.

cxxiv. **"Unsecured Claim"** means any Claim which is not an Administrative Expense Claim, Priority Tax Claim, Priority Claim, or Secured Claim, including (a) any Claim arising

from the rejection of an executory contract or unexpired lease under § 365 of the Bankruptcy Code, (b) any portion of a Claim to the extent the value of the Creditor's interest in the applicable Estate's interest in the Collateral securing such Claim is less than the amount of the Allowed Claim, or to the extent that the amount of the Claim subject to setoff is less than the amount of the Allowed Claim, as determined pursuant to § 506(a) of the Bankruptcy Code, (c) any Claims arising from the provision of goods or services to the Debtor prior to the Petition Date, and (d) any Claim designated as an Unsecured Claim elsewhere in the Plan.

cxxv. **"Unsecured Creditor"** means any Creditor holding an Unsecured Claim.

cxxvi. **"Unsecured Distribution Amount"** means the following: (a) all Recoveries from the Causes of Action, net of collection costs and reasonable attorney's fees, (b) any cash remaining in the Debtor's bank accounts, after payment of all Allowed Administrative Expense Claims, Allowed Priority Claims, and appropriate reserve for Post-Confirmation Administrative Claims (c) any proceeds from the sales of the Debtor's Assets remaining after payment of the Allowed Secured Claims, and (d) any portion of any other settlements of Secured Claims allocated to Class 3 General Unsecured Claims by the Liquidating Agent. The Unsecured Distribution Amount shall be the sum of the then outstanding amounts listed in (a) – (d) as recovered by the Trustee, and Liquidating Agent Post-Confirmation, subject to depletion on each Distribution Date.

cxxvii. **"Unsubordinated Equity Interests"** means the Equity Interests of shareholders of the Debtor listed on Exhibit G.

cxxviii. **"Voting Deadline"** means the last day to file a Ballot accepting or rejecting the Plan as fixed by the Disclosure Statement Approval Order.

cxxix. **"Voting Instructions"** means the instructions for voting on the Plan contained in Article IV of the Disclosure Statement entitled "Voting Instructions."

cxxx. **"WARN Act"** means the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101, *et seq*.

cxxxi. **"WARN Act Litigation"** means that litigation pursuant to adversary proceeding 8:13-ap-00273-KRM, consolidated with adversary proceeding 8:13-ap-623-KRM on November 25, 2013 (Doc. No. 40 in 8:13-ap-00273-KRM), filed under the WARN Act.

cxxxii. **"WARN Act Claimant"** means an individual plaintiff under the WARN Act Litigation or, if Allowed, a claimant in the WARN Act Class Claim filed on behalf of WARN Act Claimants.

cxxxiii. **"WARN Act Class Claim"** means the contingent and unliquidated claim asserted in Claim No. 218-1 and in Adv. Pro. No. 13-ap-00273-KRM.

cxxxiv. "WARN Act Recoveries" mean any Recoveries to the Debtor on account of the Debtor's Contingent WARN Act Claims.

cxxxv. "WARN Act Reserve" means the reserve, as further described in Article VII(d)(i)(4)(b) of the Plan, that the Trustee will establish to pay for any WARN Act violations, if any, to the extent the proceeds from the Contingent WARN Act Claims are insufficient.

cxxxvi. "Waterfall Schedule" means the priority of Plan payments set forth in Article 1 of the Plan.

cxxxvii. "Wells Fargo Loan" means the loan dated February of 2011, between the Debtor and a syndicate of lenders led by Wells Fargo in the approximate amount of $37.5 million.

ARTICLE III:
PURPOSE OF THIS DISCLOSURE STATEMENT

The purpose of this Disclosure Statement is to provide the Holders of Claims with adequate information to make an informed judgment about the Plan. This information includes, among other things, (a) the procedures for voting on the Plan, (b) general information about the history and business of the Debtor, the events leading to the filing of the Chapter 11 Case, and what has occurred during this case, and (c) a summary of the Plan and an explanation of how the Plan will function, including the means of implementing and funding the Plan.

ARTICLE IV:
VOTING INSTRUCTIONS

a. Who May Vote.

Only the Holders of Claims which are deemed "Allowed" under the Bankruptcy Code and which are "Impaired" under the terms and provisions of the Plan are permitted to vote to accept or reject the Plan. Accordingly, a ballot for acceptance or rejection of the Plan is being provided only to members of the Voting Classes.

i. What is an Allowed Claim.

Generally, a Claim or Equity Interest is an Allowed Claim if either (1) the Debtor has scheduled the Claim on the Debtor's schedules, unless the Claim has been scheduled as disputed, contingent, or unliquidated, or (2) the Creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a Claim or Equity Interest is not Allowed, the Creditor or Equity Interest Holder holding the Claim or Equity Interest cannot vote unless the Bankruptcy Court, after notice and hearing, either overrules the objection or allows the Claim or Equity Interest for voting purposes pursuant to Rule 3018(a) of the Bankruptcy Rules. The Bankruptcy Court fixed April 22, 2013, as the Bar Date deadline for the filing of Proofs of Claim. In this case, a Claim to which the Trustee objects is not Allowed unless and until all appeals have been exhausted and the applicable time to file an appeal has passed.

ii. What is an Impaired Claim.

The holder of an Allowed Claim or Equity Interest has the right to vote only if it is in a class that is Impaired under the Plan. As provided in § 1124 of the Bankruptcy Code, a class is considered Impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

b. Who is Not Entitled to Vote.

The holders of the following types of claims and equity interests are not entitled to vote:

i. Holders of Claims and Equity Interests that have been disallowed by an order of the Bankruptcy Court;

ii. Holders of other Claims or Equity Interests that are not "Allowed Claims" or "Allowed Equity Interests" (as discussed above), unless they have been "Allowed" for voting purposes;

iii. Holders of Claims or Equity Interests that are not Impaired;

iv. Holders of Claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Bankruptcy Code;

v. Holders of Claims or Equity Interests in classes that do not receive or retain any value under the Plan; and

vi. Administrative Expense.

EVEN IF YOU ARE NOT ENTITLED TO VOTE ON THE PLAN, YOU HAVE A RIGHT TO OBJECT TO THE CONFIRMATION OF THE PLAN AND TO THE ADEQUACY OF THIS DISCLOSURE STATEMENT.

c. Who May Vote in More Than One Class.

A creditor whose Claim has been Allowed in part as a Secured Claim and in part as an Unsecured Claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject the Plan in each capacity, and should cast one ballot for each Claim.

d. How to Vote.

Each Holder of a Claim in a Voting Class should read the Disclosure Statement, together with the Plan and any exhibits, in their entirety. After carefully reviewing the Plan and this Disclosure Statement and its exhibits, please complete the enclosed Ballot, including your vote with respect to the Plan, and return it as provided below. If you have an Impaired Claim in more than one Voting Class, you should receive a separate Ballot for each such Claim. If you receive more than one Ballot you should assume that each Ballot is for a separate Impaired Claim and should complete and return all of them.

If you are a member of a Voting Class and did not receive a Ballot, if your Ballot is damaged or lost, or if you have any questions concerning voting procedures, please contact

Roberta Colton, 813-223-7474.

TRENAM, KEMKER, SCHARF, BARKIN,
FRYE, O'NEILL & MULLIS, PA
Roberta A. Colton, Esq.
101 E. Kennedy Blvd., Suite 2700
Tampa, Florida 33602

You should complete and sign each enclosed ballot and return it to the Clerk of the United States Bankruptcy Court, Sam M. Gibbons United States Courthouse, 801 N. Florida Avenue, Suite 555, Tampa Florida, 33602, with a copy to Trenam Kemker at the address provided above by regular mail, hand delivery or overnight delivery. To be counted, ballots must be duly completed, executed and received by the Clerk by no later than _____, 2015.

ARTICLE V:
THE DEBTOR'S BUSINESS AND EVENTS LEADING TO CHAPTER 11

a. Description of the Debtor's Pre-Petition Business.

The Debtor is a Delaware corporation that was headquartered in St. Petersburg, Florida. It is a holding company formed in 2006 to provide a number of health insurance and managed care products and services through the following wholly-owned, operating subsidiaries:

UHC: Incorporated under Florida law in 2002, UHC began generating revenue as an HMO in 2003. During 2006, the Debtor was formed pursuant to a merger whereby ownership of UHC was transferred from the existing stockholders to the Debtor in exchange for an ownership interest in the Debtor. Accordingly, the Debtor became the sole stockholder of UHC at that time. UHC had contracts with the Department of Health and Human Services and CMS to provide health care services to Medicare enrollees in various counties in Florida. UHC also had contracts with the Agency for Healthcare Administration and the Florida Department of Elder Affairs to provide health care services to Medicaid and Diversion program enrollees in various counties in Florida.

UHCIC: Incorporated under Florida law in 2006, UHCIC began generating revenue as a life and health insurance company in 2007. UHCIC operated Medicare private fee for service plans, and contracted with CMS to provide health care services to Medicare enrollees in twenty-three states and the District of Columbia.

UHMOTX: Incorporated in Texas in 2009, UHMOTX began generating revenue as an HMO in 2010. UHMOTX had a contract with CMS to provide health care services to Medicare enrollees in various counties in Texas.

UHCNV: Incorporated as an HMO in 2009, UHCNV had a contract with CMS to provide health care services to Medicare enrollees in various counties in Nevada.

AMC: Formed as a limited liability company in 2002, AMC was third-party administrator licensed to provide utilization management, provider service and credentialing, claims, enrollment and billing, customer service, accounting, and management information services to the UHCG Regulated Subsidiaries. AMC had written management agreements with the Regulated Subsidiaries and the Debtor, its only clients. The management agreements were generally approved by Office of Insurance Regulation. AMC separately contracted with Indus BPO Services Private Limited, a company incorporated under the laws of the Republic of India, to administer claims for the Regulated Subsidiaries.

UHCGA: Incorporated on April 19, 2011, UHCGA is a for-profit corporation organized under the laws of the State of Georgia. UHCGA was formed for the purpose of submitting an application for licensure as an HMO to provide health care services to Medicare enrollees in various counties in Georgia. However, as of the Petition Date, UHCGA had not commenced any operations.

The Debtor, AMC, and the Regulated Subsidiaries filed consolidated tax returns and operated pursuant to an Intercompany Tax Sharing Agreement dated July 27, 2010 to allocate certain tax attributes among the parties.

The Chief Operating officer and Chair of the Debtor's Board of Directors was Dr. Desai. Dr. Desai also served as an officer and director for each of the Regulated Subsidiaries. Dr. Desai's wife, Seema Desai, also served on the Debtor's Board of Directors. The Debtor had numerous shareholders, but the largest shareholders were Dr. Desai and the Desai Family Partnership.

b. Events Leading Up to the Bankruptcy.

In February of 2011, the Debtor entered into a loan agreement with a syndicate of lenders led by Wells Fargo in the approximate amount of $37.5 million. The Wells Fargo Loan was secured by all of the assets of the Debtor and all of the assets of AMC. Of the amount borrowed, $33.4 million was paid to redeem the preferred stock of the Debtor held by Warburg Pincus Private Equity Fund IX, LP and Allen Wise. The effect of the transaction was to substitute preferred stock with a loan that fully encumbered both the Debtor and AMC.

In the fall of 201l, the Debtor issued 41,160,419 shares of stock to Dr. Desai, as purported additional compensation. An additional 225,000 shares were issued to Deepak Desai. Neither Dr. Desai nor Deepak Desai paid income tax on the purported income. As a result, the IRS has asserted a claim against the Debtor for $8,545,710.87 for taxes associated with that transaction. The IRS tax claim is also based on excessive personal expenses incurred by Dr. Desai and charged to the Debtor and AMC.

On April 6, 2012, the Debtor and the Lending Group entered into a Credit Agreement, pursuant to which the Lending Group agreed to make loans and other financial accommodations to the Debtor in an aggregate amount of up to $60,000,000.00. Of the amount authorized under the Credit Agreement, the Lending Group only extended credit to the extent necessary to pay off the Wells Fargo Loan and to pay a distribution to Dr. Desai in the amount of approximately $2.9

million. The Debtor's stock in the Regulated Subsidiaries was pledged as collateral for the Credit Agreement. AMC guaranteed the Credit Agreement and pledged substantially all of its assets to secure the guaranty.

Beginning in October 2012 and continuing through December 2012, BankUnited, in its capacity as administrative agent for the Lending Group, sent the Debtor several notices of default and asserted that the Credit Agreement was procured with false financial information. After BankUnited sent its notice of default, UHCG received a tax refund of approximately $11.1 million. UHCG attributed the refund to AMC under the Tax Sharing Agreement and the funds were transferred to AMC in the fall of 2012. AMC thereafter transferred the funds to UHCIC and took back a subordinated note. The transfer presumably was intended to enhance the statutory surplus of UHCIC, which was under scrutiny by FDFS.

On February 1, 2013, BankUnited sent the Debtor a notice accelerating repayment of the loan and giving notice that BankUnited intended to sell the Debtor's stock in the Regulated Subsidiaries pursuant to a Uniform Commercial Code Article 9 sale on February 19, 2013.

Meanwhile, on February 4 and 5, 2013, the FDFS initiated enforcement proceedings against UHC and UHCIC in the Circuit Court for Leon County, Florida. FDFS alleged that both UHC and UHCIC were insolvent under the applicable provisions of the Florida Insurance Code and should be required to show cause why they should not be dissolved.

c. Events In Bankruptcy - Prior to the Trustee's Appointment.

The Debtor filed its voluntary Chapter 11 petition on February 6, 2013, just before BankUnited's Article 9 sale and just after the FDFS enforcement proceedings were filed. AMC paid retainers for the Debtor's attorneys. Katten Muchin Rosenman, LLP received a retainer of $250,000.00 and Stichter, Riedel, Blain & Prosser, P.A. received a retainer of $75,000.00. While the Debtor was in bankruptcy, and before the Trustee was appointed, AMC continued to make other substantial payments on behalf of the Debtor, often without any authorization or supervision of the Bankruptcy Court. Dr. Desai remained in charge of the Debtor. Alec Mahmood served as Chief Financial Officer of the Debtor.

Upon filing its Chapter 11 Petition, the Debtor immediately sought authority to sell its stock in the Regulated Subsidiaries at auction, pursuant to 11 U.S.C. § 363. Post-Petition, the Debtor also received a tax refund in the approximate amount of $5.8 million. BankUnited claimed a security interest in the refund, and pursuant to an order of the Bankruptcy Court the tax refund was placed in a separate account at BankUnited.

The Bankruptcy Court entered an order on February 22, 2013, establishing bidding and sale procedures for the auction sale of the stock in the Regulated Subsidiaries. Following a court-approved auction, Citrus, as the designated assignee of CarePoint Insurance Company, was ultimately selected as the prevailing bidder to purchase the stock of the Regulated Subsidiaries.

After approving Citrus' bid at the auction, the Bankruptcy Court authorized the sale of the stock of all of the Regulated Subsidiaries by order dated March 11, 2013. The Debtor and

Citrus executed a comprehensive Stock Purchase Agreement on or about March 11, 2013, and proceeded towards closing. Citrus posted a deposit in the amount of $3,325,000.

The Stock Purchase Agreement required Citrus to obtain certain regulatory approvals from applicable governmental authorities (as such term is defined in the Stock Purchase Agreement), including the Florida Office of Insurance Regulation, in order to become the owner of the stock in the Regulated Subsidiaries.

On March 18, 2013, the Leon County Circuit Court entered an order in the receivership proceedings giving Citrus until March 21, 2013, at 9:00 a.m. to meet all statutory capital and surplus requirements to the satisfaction of the Florida Office of Insurance Regulation.

Until sometime after the close of business on March 20, 2013, the Debtor believed that Citrus had every intention of closing on the sale of the stock of all of the Regulated Subsidiaries. However, after hours on March 20, 2013, the Debtor received notice that Citrus was terminating its purchase of the stock of the two Florida subsidiaries, UHC and UHCIC.

On March 21, 2013, the Leon County Circuit Court held a hearing and determined that the conditions set forth in its March 18th order had not been satisfied. Consequently, the state court entered orders dated March 21, 2013 and March 22, 2013, appointing the FDFS as Receiver for UHC and UHCIC. In connection with this appointment, the state court ordered the termination of all employees employed or utilized by UHC and UHCIC, and the FDFS took control of UHC and UHCIC immediately upon entry of the order for rehabilitation. The liquidation of UHC and UHCIC was set to commence on April 1, 2013.

The Debtor refunded $1,800,000 of Citrus' deposit back to Citrus upon termination of the Stock Purchase Agreement.

On March 28, 2013, federal agents instituted a surprise raid of the headquarters occupied by the Debtor, AMC and the Regulated Subsidiaries.

On April 8, 2013, Citrus gave formal notice that it was terminating its purchase of UHMOTX, UHCNV, and UHCGA under the Stock Purchase Agreement. Shortly thereafter, the State of Texas moved to place UHMOTX into receivership and the State of Nevada moved to place UHCNV into receivership.

After the raid by federal agents, lawsuits were filed in the United States District Court for the Middle District of Florida against AMC for alleged violations of the WARN Act. The WARN Act Litigation asserts that AMC failed to provide the required sixty days' notice to its employees of their terminations resulting from the receivership orders. Those actions were subsequently referred to the Bankruptcy Court and the Debtor was added as defendant.

The Trustee was appointed by the Bankruptcy Court by order dated April 22, 2013. The Trustee promptly terminated Dr. Desai's employment with the Debtor. The Trustee also took possession of the remaining amounts of the Citrus deposit (approximately $1.5 million) and the proceeds of a Post-Petition tax refund received by the Debtor (approximately $5.8 million).

BankUnited asserted a lien against both the deposit amount and the tax refund under the terms of the Credit Agreement.

Thereafter, on May 3, 2013, the Trustee, in his capacity as the Chapter 11 Trustee for the Debtor, filed AMC's bankruptcy petition. The Debtor is the sole managing member of AMC.

ARTICLE VI: SIGNIFICANT CHAPTER 11 ACTIVITY

a. Joint Administration.

On June 27, 2013, the Bankruptcy Court ordered the joint administration of the Debtor's Chapter 11 Case with AMC's bankruptcy case, providing that the Debtor's bankruptcy shall be the lead case, although each case shall maintain separate claims registers and file separate monthly reports. Although the cases are jointly administered to minimize administrative costs, the cases have not been substantively consolidated. Proofs of claim have been filed separately and separate liquidating plans have been filed by the Trustee.

b. Employment of Professionals.

i. Trenam, Kemker, Scharf, Barkin, Frye, O'Neill & Mullis, P.A.

On April 26, 2013, the Trustee filed its Application to Employ Trenam, Kemker, Scharf, Barkin, Frye, O'Neill & Mullis, P.A. ("Trenam Kenker") as Counsel to Trustee, *nunc pro tunc* to April 22, 2013. On May 22, 2013, the Bankruptcy Court approved the employment of Trenam Kemker *nunc pro tunc* to April 22, 2013 (Doc. No. 309).

ii. Kapila & Company/KapilaMukamal, LLP.

On April 26, 2013, the Trustee filed its Application to Employ Kapila & Company as Financial Advisors and Accountants to the Trustee *Nunc Pro Tunc* to April 22, 2013. On May 22, 2013, the Bankruptcy Court approved the employment of Kapila & Company *nunc pro tunc* to April 22, 2013. In May 2014, Kapila & Company formed a new company, KapilaMukamal, LLP, and Kapila & Company ceased providing services to the Trustee on April 30, 2014. On July 18, 2014, the Bankruptcy Court approved the Application to Employ and Retain KapilaMukamal, LLP as Financial Advisors and Accountants for the Trustee *Nunc Pro Tunc* to May 1, 2014 (Doc. No. 946).

iii. Special Litigation Counsel.

The Debtor and AMC have employed special litigation counsel to investigate potential Causes of Action, including Genovese Joblove & Battista, P.A., Jennis & Bowen, P.A. and Ver Ploeg & Lumpkin. Jennis & Bowen, P.A. also serves as conflicts counsel.

c. Bar Date.

The Bankruptcy Court fixed April 22, 2013, as the deadline for the filing of Proofs of

Claim. The Bankruptcy Court fixed August 18, 2013 as the deadline for the filing of Administrative Expense Claims.

d. Investigation of Pre-Petition Activity.

The Trustee conducted a comprehensive investigation of the Pre-Petition payments and activities of the Debtor. In the year prior to the Debtor's bankruptcy petition, the Debtor transferred (i) $45,833.37 to Dr. Desai; (ii) $6,250.00 to Seema Desai; and (iii) $3,548,100.00 to the Desai Limited Partnership, an entity owned and controlled by Dr. Desai and Seema Desai. In the year prior to the Debtor's bankruptcy petition, the Debtor also transferred (i) $22,714,665.00 to AMC; (ii) $16,529,729.00 to UHCIC and (iii) $56,231.00 to UHCNV.

In addition to the transfers referenced above, the Debtor made political and charitable contributions totaling $663,002.25 in the four years prior to filing bankruptcy. Of this amount, $37,000 was transferred one year prior to the date of the bankruptcy petition. The Trustee's investigations remain ongoing. The Debtor's principals have been unwilling to testify under oath to assist the Trustee in his investigation. Through counsel, Dr. Desai, Deepak Desai, Jeff Judy, Steven Schafer, and Sandip Patel have each asserted their rights under the Fifth Amendment of the United States Constitution.

e. The Bank Settlement.

On October 24, 2013, the Bankruptcy Court approved the Bank Settlement between BankUnited, AMC, and the Trustee. A copy of the Bank Settlement is attached as Exhibit B.

The Bank Settlement impacts the Debtor's bankruptcy estate to the extent it recognizes the validity of BankUnited's lien against the Debtor's tangible and intangible Assets and provides for certain carve outs for the benefit of the Debtor's estate and its Creditors.

The original Bank Settlement provided that the Trustee would receive a 15% carve out of any surplus attributable to the Debtor's ownership of each of the Regulated Subsidiaries. An amendment to the Bank Settlement increased the Debtor's carve out to 25% (Doc. No. 684). The Trustee also is to receive 5% of any Citrus deposit found due to the Estate and the Trustee will share equally with BankUnited on any net Recoveries obtained from Citrus as consequential or punitive damages from the failed sale of the stock of the Regulated Entities..

f. FDFS Settlement.

On or about September 19, 2014, the Bankruptcy Court approved the FDFS Settlement between the Trustee, BankUnited and the FDFS (Doc. No. 1028) resolving, among other things, the parties' competing interests in the sizeable tax refunds. The copy of the FDFS Settlement is attached as Exhibit C. The FDFS Settlement was the result of a 10-month mediation conducted by the Honorable Michael G. Williamson. The parties to the mediation included the Trustee (acting on behalf of the Debtor and AMC), FDFS (acting as receiver for UHC and UHCIC) and BankUnited.

The FDFS Settlement resolves the FDFS Litigation, among other things, and creates a vehicle for the parties to cooperate in the pursuit of joint Causes of Action that will benefit the Debtor's Estate. As to the Debtor's estate, the FDFS Settlement: (i) injects cash in the amount of approximately $1.4 million into the Estate; (ii) provides the Debtor with Contingent WARN Act Claims in the UHC and UHCIC Receiverships in the amount of $1.75 million each; and (iii) gives UHC and UHCIC each an unsecured $1.0 million claim in the Debtor's Estate.

To the extent the Trustee requires additional funds to confirm a liquidating plan, the FDFS Settlement authorizes the Trustee to use the Escrowed Funds, representing BankUnited's interest in tax refunds, towards the payment of Allowed Administrative Expense Claims and Post-Confirmation litigation costs. To the extent that the Trustee uses the Escrowed Funds, BankUnited shall be repaid such amounts (without interest) *pari passu* with any Post-Confirmation Administrative Claims from the first Recoveries to the Liquidating Estate, excluding any WARN Act Recoveries on account of the Debtor's Contingent WARN Act Claims against UHC and UHCIC.

g. Proceedings in TX and NV State Court Receiverships.

In an effort to consolidate and streamline proceedings, the Trustee, in cooperation with BankUnited, moved for authority to place UHMOTX and UHCNV into bankruptcy. The Trustee continues to own the stock of both entities, subject to the lien of BankUnited. Under the terms of the original Bank Settlement, the Trustee negotiated a 15% carve out of any surplus recovered as a result of the stock ownership. Pursuant to an amendment to the Bank Settlement, that carve out has been increased to 25%.

The Trustee's motion with respect to UHMOTX and UHCNV ultimately resulted in a settlement with the Texas and Nevada receivers to work cooperatively to maximize the recoveries in both of these receivership cases. Initial reports from these receiverships suggested that they were solvent. The UHMOTX surplus is currently estimated at $5,730,480. Recent reports suggest that UHCNV may no longer be solvent.

h. Citrus Litigation.

BankUnited asserts a security interest in certain deposits made by Citrus in connection with the failed § 363 sale of the stock of the Regulated Subsidiaries, including the $1.5 million deposit that is currently in possession of the Trustee and the $1.8 million refunded by the Debtor after the Citrus terminated its purchase of UHC and UHCIC. Pursuant to the Bank Settlement, the Trustee will receive 5% of any deposit recoveries from Citrus, and will share equally with BankUnited on any Citrus Recoveries obtained as a result of any consequential damages. BankUnited will take the lead in pursuing any Citrus Litigation, and if any such action is filed, the law firm of GrayRobinson, P.A. shall be engaged under 11 U.S.C. § 327(e) to act as special counsel to the Trustee.

i. 401(k).

The Debtor maintained a 401(k) Plan for the benefit of all employees who worked for the

Debtor and its subsidiaries. On May 28, 2013, the Bankruptcy Court authorized the Trustee to terminate the 401(k) Plan, employ special counsel to supervise the termination, and pay costs associated with the 401(k) Plan termination, including payment of professionals (Doc. No. 320). The Trustee has been working with ERISA counsel and the Department of Labor to achieve the termination, and anticipates making a final distribution to the 401(k) Plan participants before the end of 2014.

Pursuant to well established case law, the assets in a 401(k) plan are not assets of a debtor's estate. Because the Debtor's business is insolvent, most of the costs to terminate the 401(k) Plan have been paid from 401(k) Plan assets pursuant to Bankruptcy Court orders (Doc. Nos. 686, 995).

In light of objections raised by the Department of Labor, many of the professionals voluntarily reduced their fees to ensure a timely and effective winding down of the 401(k) Plan. The Trustee will seek the allowance of an Administrative Expense Claim in the Debtor's Estate for the voluntary discounts totaling $72,760.30 by third party Professionals whose services were necessary to terminate the 401(k) Plan. These discounts represent work performed by the Professionals administering the 401(k) Plan that the Department of Labor maintains should be expenses of the Debtor in maintaining the 401(k) Plan. The bulk of the expenses relate to accounting problems caused by the Debtor's prior management. The 401(k) Plan could not be terminated until those accounting issues were resolved. The Department of Labor takes the position that fees to correct those accounting errors must be borne by the Debtor's bankruptcy estate.

j. D&O Litigation and Fidelity Claims.

The Trustee has filed claims against RSUI, the insurance company providing insurance to the directors and officers of the Debtor. The amount of the wasting policy is $5.0 million. The Debtor also was an insured on an excess policy for an additional $5.0 million with Navigators Insurance Company. Additional insureds on the D&O Policies include the officer and directors of the Debtor, as well as the Regulated Subsidiaries and AMC.

RSUI has moved for, and was granted, stay relief by the Bankruptcy Court to file a declaratory judgment action against the Debtor and other insureds. The action is pending in the United States District Court for the Middle District of Florida. RSUI asserts that it is excused from providing coverage as a result of false financial information provided to it. The parties are scheduled to mediate claims under the D&O Policies in February 2015.

The Trustee also is pursuing claims on two financial institution bonds issued by Fidelity & Deposit Company of Maryland (Zurich Insurance Company). The insureds under the bonds are the Debtor and AMC. The Trustee has submitted claims to the insurer under the fidelity insuring agreements in the bonds. The claims arise out of the activities of Dr. Desai, the former president and CEO of the Debtor and AMC. Those activities include substantial disbursements of company funds to Dr. Desai. The Trustee is seeking coverage in an amount not less than $6 million, subject to the terms and conditions of the bonds. Discussions are ongoing with the bonding company and include issues concerning coverage, exclusions and the amount of

coverage available. Based on those discussions the Trustee has been advised that litigation with the bonding company is probable.

k. Assets and Liabilities of the Debtor.

i. Assets.

1. Surplus from AMC Bankruptcy Case.

Pursuant to the bankruptcy plan of AMC, all remaining assets of AMC not necessary to fund AMC's liquidating plan will be transferred to the Debtor's estate and used to fund the Debtor's liquidating Plan.

2. Proceeds of the FDFS Settlement and the Bank Settlement.

Pursuant to the FDFS Settlement, the Trustee is entitled to receive one half of the amount of any Recoveries obtained as a result of the litigation pursued under the FDFS Settlement. That amount includes cash already received in the amount of approximately $1.4 million. In addition, the Trustee will receive 50% of any joint Recoveries under the D&O Policies as further described in the FDFS Settlement, provided, however, that BankUnited is entitled to receive 15% of the Trustee's share of any Recoveries under the D&O Policies. After deducting BankUnited's 15% share, the Trustee and AMC will split 50/50 any remaining Recoveries obtained as a result of litigation under the D&O Policies.

Pursuant to the Bank Settlement, the Trustee and BankUnited agreed to jointly prosecute claims to recover tax refunds (now resolved by the FDFS Settlement) and claims against Citrus Litigation, and entered (or will enter) into a joint defense agreement for that purpose. BankUnited will take the lead in addressing claims against Citrus. Further, should an action be filed against Citrus for consequential damages as a result of the failed sale of the stock of the Regulated Subsidiaries, the law firm of GrayRobinson, P.A. shall be engaged through an application under 11 U.S.C. § 327(e) to act as special counsel to the Trustee. The Trustee and BankUnited will share equally in any such recoveries related to consequential damages, and will cooperate in actions to preserve and protect the surplus value and equity of the Regulated Subsidiaries. The Trustee will receive 5% of any Citrus deposits recovered from the failed sale of the stock of the Regulated Subsidiaries.

3. Receivership Estates Surplus.

The Trustee is entitled to receive 25% of the surplus of all of the Receivership Estates pursuant to the amended Bank Settlement (Doc. No. 684).

4. Causes of Action.

The following potential Causes of Action may exist in favor of the Trustee. This list is not exclusive, and the failure to include any specific action does not constitute a waiver of any such claim. The Trustee's investigation of the Debtor is ongoing.

A. Avoidance Actions.

The Trustee has made pre-suit demands for approximately 70+ Avoidance Actions under 11 U.S.C. § 544, 547 and 548 to avoid Pre-Petition transfers of the Debtor's interests in property, and will be making further demands in the near future. The Trustee reserves the right to identify and bring additional avoidance actions within ten (10) years of the Petition Date, pursuant to the expanded time limits permitted under 11 U.S.C. § 544(b) and 26 U.S.C. § 6502. The Trustee is in the process of resolving these claims. Those Avoidance Actions which remain outstanding on the Effective Date of the Plan will vest in the Liquidating Estate and will be subject to further litigation at the Liquidating Agent's discretion. These actions include claims for preferential transfers and fraudulent transfers. A list of the avoidable transferees identified by the Trustee is included on attached Exhibit D. As of the date of this Plan, the Trustee has recovered approximately $91,479.00.

B. Potential Claims and Insurance.

a) Auditors and Actuaries.

The Bankruptcy Court approved the Trustee's retention of the law firm Genovese Joblove & Battista, P.A. on a contingency fee basis to investigate and, if applicable, prosecute any and all potential claims and Causes of Action that may exist against the Debtor's and AMC's Pre-Petition auditors and actuaries. (Doc. No. 761). These auditors and actuaries include Ernst & Young LLP and Milliman, Inc. BankUnited will also be entitled to pursue its own claims against these entities and the Trustee has agreed not to seek a bar order precluding such claims.

b) Warburg Pincus.

In August, 2006, Allen Wise and a private equity fund organized and operated by Warburg Pincus, LLC, acquired Series A preferred stock in UHCG for approximately $30 million. In February, 2011, UHCG redeemed all of the preferred shares of Mr. Wise and the Warburg Pincus Private Equity Fund, IX, LP through the issuance of a new secured loan to the Debtor, financed by a bank syndicate led by Wells Fargo. The Trustee maintains that this transaction rendered the UHCG insolvent.

The Trustee has been investigating this transaction and has conducted 2004 exams of the corporate representatives and a former employee of Warburg Pincus, LLC. The investigation is ongoing. Possible Causes of Action against Warburg Pincus, LLC include constructive and fraudulent transfers, conflicts of interest, impairment of capital, illegal distributions, breach of fiduciary duty, good faith, and loyalty, and misrepresentation

c) Wells Fargo.

The Wells Fargo loan was approximately $37,500,000, the bulk of which was used to pay off the preferred shareholders. The Debtor essentially replaced its preferred stock with a secured loan that fully encumbered the Debtor and AMC.

The Wells Fargo Loan ultimately was refinanced by BankUnited under the Credit Facility. .

The Bankruptcy Court also approved the Trustee's retention of Jennis & Bowen, P.L. to investigate any claims arising as a result of the transactions with Wells Fargo. To date, no litigation has been filed.

(1) D&O Policies.

The Debtor and AMC, as well as the Regulated Subsidiaries, shared officers and directors who maintained approximately $10 million in directors' and officers' liability coverage under the D&O Policies. Under the FDFS Settlement, the FDFS and the Trustee have agreed to jointly prosecute claims under the D&O Policies and to split the proceeds 50/50, after payment of attorneys' fees and costs.

BankUnited is entitled to receive 15% of the Trustee's share of any Recoveries obtained under the D&O Policies. After deducting BankUnited's 15% share, AMC and the Debtor's Liquidating Estate will split any remaining Recoveries received by the Trustee under the D&O Policies. The FDFS Settlement provides that these claims will be handled by the law firm of Aaron Behar, P.A.

(2) Marshall & Stevens, Inc.

Marshall & Stevens, Inc. prepared an evaluation of UHCG in connection with the issuance of 41 million shares of stock to Dr. Desai. Marshall & Stevens, Inc. valued the shares of the Debtor at $0.34 per share at a time when the Debtor was likely insolvent. As a result of that valuation, Dr. Desai received additional compensation for which withholding tax was not paid. Accordingly, the Liquidating Estate faces a potential tax claim of $8,545,710.87. The Trustee is still investigating a potential claim against Marshall & Stevens, Inc., but also is attempting to mitigate the Debtor's damages by amending the applicable tax returns to reflect the fact that the stock was worthless.

(3) WARN Act Liability.

The Trustee does not believe that the Debtor or AMC have any WARN Act liability. It is the Trustee's position that the employee terminations were a result of the receivership orders entered by the Leon County Circuit Court. If, however, such liability is determined, the Trustee may have a cause of action against certain professionals advising the Debtor in March of 2013, for failure to properly advise the Debtor and AMC on WARN Act matters. Damages for any such potential WARN Act liability also have been mitigated by the Trustee to the extent of the Contingent WARN Act Claims negotiated by the Trustee as part of the FDFS Settlement.

d) Claims in the Receivership Estates.

(1) Contingent WARN Act Claims.

Pursuant to the FDFS Settlement, the Debtor has an allowed $1,750,000 contingent claim in each of the UHC and UHCIC Receiverships. Of this amount, up to $2,000 per employee terminated as a result orders from the UHC and UHCIC Receivership will receive Class 5 priority status pursuant to *Fla. Stat.* § 631.271(1)(e). These Contingent WARN Act Claims are contingent on a finding of WARN Act liability, and will be withdrawn if the Debtor is found not to have any such liability. The remaining claims filed by the Trustee in the Receivership Estates of UHC and UHCIC will be allowed as Class 11 equity interest in those receiverships, pursuant to *Fla. Stat.* 626.

(2) Medical Provider Claims.

Nearly three hundred medical providers have filed claims in the Debtor's bankruptcy case, which are listed in Exhibit F. The Trustee believes that these claims are the responsibility of the Regulated Subsidiaries and that the Medical Provider Claims are duplicate claims to those filed in the State Court Receiverships, and he has filed contingent claims in each of the Receivership Estates to the extent that the Debtor has to pay any Medical Provider Claim.

ii. Significant and Potential Liabilities.

The Trustee has identified the following significant liabilities of the Debtor as of the Petition Date. This is a non-exclusive list as the Trustee's investigation is ongoing.

1. WARN Act Litigation.

The WARN Act Litigation asserts a claim for an unspecified amount for alleged violations of the WARN Act. The Trustee has disputed that claim and cross-motions for summary judgment on issues of liability are currently pending before the Bankruptcy Court.

2. BankUnited Secured Claim.

BankUnited, on behalf of the Lending Group, filed a secured Proof of Claim in the amount of $37,205,710.58. BankUnited has already received $300,772.77 from the AMC Net Auction Proceeds towards satisfaction of its Allowed Secured Claim. Additionally, pursuant to the FDFS Settlement, BankUnited has received $8,800,000 towards satisfaction of its Allowed Secured Claim.

3. IRS Claim.

The IRS filed a Proof of Claim in the amount of $8,454,710.87, of which, $5,602,996.33 is asserted to be a Priority Claim (Claim No. 2-3). The tax was assessed April 14, 2014. In the third quarter of 2011, Dr. Desai received 41,160,419 million common shares of UHCG as additional compensation. Deepak Desai received 225,000 shares. The Trustee has uncovered no

consideration for the stock. In addition, the stock was improperly valued at $0.34 per share by Marshall & Stevens, Inc. at time when UHCG was insolvent. Withholding taxes were not paid on the purported compensation. It is the Trustee's position that the stock transfers to Dr. Desai and Deepak Desai were void and for no value. The Trustee is in the process of filing an amended tax return to reflect this fact. In addition, the Trustee will reverse the improper personal expenses paid to Dr. Desai. After filing the amended tax return, the Trustee will object to the IRS's claim to the extent that it is inconsistent with the amended tax return.

4. General Unsecured Claims.

If the Medical Provider Claims are excluded, the total filed and scheduled unsecured claims are estimated at roughly $53 million. This amount does not include any deficiency claim for the Lending Group.

ARTICLE VII:
THE PLAN OF REORGANIZATION

a. Overview; Purpose of Liquidating Plan.

Chapter 11 is the principal business reorganization and liquidation chapter of the Bankruptcy Code. Under Chapter 11, a debtor is authorized to reorganize and/or liquidate its business for the benefit of itself and its creditors and stockholders. In general, a Chapter 11 plan (i) divides claims and equity interests into separate classes, (ii) specifies the property that each class is to receive under such plan, and (iii) contains other provisions necessary to the reorganization and/or liquidation of the debtor. Chapter 11 does not require each holder of a claim or equity interest to vote in favor of the plan in order for the Bankruptcy Court to confirm the plan. However, a plan must be accepted by the holders of at least one impaired class of claims without considering the votes of "insiders" as defined in the Bankruptcy Code.

This Plan is a liquidating plan that calls for the liquidation of all of the Assets of the Debtor, as the Debtor's business operations have ceased. The summary of the Plan contained herein addresses only certain provisions of the Plan. As a summary, it is qualified in its entirety by reference to the Plan itself. The Plan shall control and, upon Confirmation and the Effective Date, bind the Debtor, all of the Debtor's Creditors and Holders of Equity Interests and other parties in interest, except as expressly set forth in the Plan. TO THE EXTENT THAT THE TERMS OF THIS DISCLOSURE STATEMENT VARY OR CONFLICT WITH THE TERMS OF THE PLAN, THE TERMS OF THE PLAN SHALL CONTROL.

b. Classification of Claims and Equity Interests.

Section 101(5) of the Bankruptcy Code defines "claim" as a "right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured," or a "right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, disputed, undisputed, secured or unsecured." Section 1123 of the Bankruptcy Code

provides that a plan of liquidation shall classify the claims of a debtor's creditors and the interests of a debtor's equity holders. The Plan divides the Claims and Equity Interests into six (6) Classes.

The Trustee is required under § 1122 of the Bankruptcy Code to classify the Claims and Equity Interests into separate Classes which contain Claims and Equity Interests that are substantially similar to the other Claims and Equity Interests within such Class. The Trustee believes that it has classified all Claims and Equity Interests in compliance with the provisions of § 1122 of the Bankruptcy Code. However, it is possible that a Holder of a Claim or another interested party may challenge the classification of Claims and Equity Interests contained in the Plan and that the Bankruptcy Court may find that a different classification is required for the Plan to be confirmed. In such event, it is the present intent of the Trustee, to the extent permitted by the Bankruptcy Court, to make such reasonable modifications of the classifications under the Plan to provide for whatever classification might be required by the Bankruptcy Court for Confirmation and to use the Plan acceptances received in this solicitation for the purpose of obtaining the approval of the Class or Classes of which the accepting Holder is ultimately deemed to be a member. Any such reclassification could adversely affect the Class in which such Holder was initially a member, or any other Class under the Plan, by changing the composition of such Class and the vote required of that Class for approval of the Plan. A reclassification of Claims after approval of the Disclosure Statement might necessitate a re-solicitation of acceptances or rejections of the Plan.

c. Summary of Plan Distributions.

The Plan contemplates that the Trustee will serve as Liquidating Agent who will be responsible for overseeing the Liquidating Estate, which will be funded with all of the Debtor's Assets as of the Confirmation Date. Pre-Confirmation the Debtor has settled many Pre-Confirmation disputes. Upon Confirmation, the Trustee, as Liquidating Agent, will quickly and efficiently marshal the remainder of the Debtor's Assets, resolve all remaining litigation, determine the amount of Claims that will be Allowed, and make distributions pursuant to the following **Waterfall Schedule**:

(1) *Pro Rata* to the holders of Allowed Administrative Expense Claims until paid in full;
(2) *Pro Rata* to the holder of BankUnited's Subordinated Administrative Expense Claim and Post-Confirmation Administrative Expense Claims until paid in full;
(3) *Pro Rata* to the holders of Allowed Priority Claims until paid in full; and
(4) *Pro Rata* to the holders of Allowed Unsecured Claims and Allowed Medical Provider Claims until paid in full.
(5) *Pro Rata* Post-Petition interest to Allowed Unsecured Claims and Allowed Medical Provider Claims.

To the extent that there are funds remaining after the payment of all Allowed Claims, such funds will be distributed to the Holders of the Unsubordinated Equity Interests. The Plan does not anticipate any distributions to the Subordinated Equity Interests.

It is impossible to predict the total amount of distributions that will be made since such distribution will largely depend upon the results of further litigation or settlements.

i. Unclassified Claims.

Certain types of claims are automatically entitled to specific treatment under the Bankruptcy Code and are not considered Impaired. As such, the following Claims are not classified:

1. Administrative Expense Claims.

Except as otherwise provided below, each Holder of an Allowed Administrative Expense Claim shall be paid a *Pro Rata* distribution from the Liquidating Estate, pursuant to the Waterfall Schedule, until paid in full.

All fees and charges assessed against the Estate under Title 28 of the United States Code, 28 U.S.C. §§ 1911-1930, through the Effective Date shall be paid to the United States Trustee by no later than thirty (30) days following the Effective Date. At the time of such payment, the Liquidating Agent shall also provide to the United States Trustee an appropriate report or affidavit indicating the disbursements for the relevant periods. Following the Effective Date, the Liquidating Agent shall be responsible for any such fees required pursuant to 28 U.S.C. §1930(a)(6) for disbursements made by the Liquidating Estate. All such payments to the United States Trustee shall be in the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) based upon the applicable disbursements for the relevant Post-Confirmation periods and shall be made within the time period set forth in 28 U.S.C. §1930(a)(6), until the earlier of (i) the closing of the Liquidation Case by the issuance of a Final Order by the Bankruptcy Court or the Final Decree Date, or (ii) the entry of an order by the Bankruptcy Court dismissing the Liquidation Case or converting the Liquidation Case to another chapter under the Bankruptcy Code.

2. BankUnited's Subordinated Administrative Expense Claim.

BankUnited shall have an Allowed Subordinated Administrative Expense Claim for its contribution of any Escrowed Funds towards the Trustee's Plan Confirmation. The maximum amount of this claim is $675,000.00 and the Allowed Amount of this Claim will be finally determined after the payment of Allowed Administrative Expense Claims. The Claim, as agreed in the FDFS Settlement will be paid *pari passu* with Post-Confirmation Administrative Claims of the Liquidating Estate, from the proceeds of any Additional Recoveries, excluding WARN Act Recoveries. Payment will be pursuant to the Waterfall Schedule until paid in full.

3. Post-Confirmation Administrative Claims.

All Post-Confirmation Administrative Claims shall be paid *pari passu* with the Subordinated Administrative Expense Claim, pursuant to the Waterfall Schedule. At his discretion, and without further order of the Bankruptcy Court, the Liquidating Agent may make payments on Allowed Priority and Unsecured Claims, after estimating and properly reserving for payments of Post-Confirmation Administrative Claims.

4. Priority Claims.

Allowed priority claims will be paid pursuant to the Waterfall Scheduled. Allowed Unsecured Claims and Allowed Medical Provider Claims will not be paid until Allowed Priority Claims are paid in full.

A. IRS Claim.

The IRS filed a Priority Tax Claim in the amount of $5,602,996.33. The Trustee is in the process of filing amended tax returns. Thereafter, the Trustee will object to the IRS's Claim to the extent it is inconsistent with the amended returns. To the extent that the IRS's Claim is Allowed as a Priority Tax Claim, the IRS will be paid *Pro Rata* with other Allowed Priority Claims pursuant to the Waterfall Schedule, until paid in full.

B. Priority WARN Act Claim.

The Trustee has objected to the unliquidated priority claim filed by certain former employees as a "class" proof of claim for alleged violations of the WARN Act. It is the Trustee's position that the Debtor did not violate the WARN Act in any respect, and this issue is under advisement with the Bankruptcy Court (Adv. Pro. No. 13-ap-00273-KRM).

To the extent that the Debtor is found liable for any WARN Act violations, and a WARN Act Class Claim is Allowed, the Trustee will assign the Debtor's rights to: (i) Allowed Contingent WARN Act Claim against UHC and UHCIC and (ii) WARN Act contingent claims filed in the UHMOTX Receivership and UHCNV Receivership. Payments received on account of these claims will be paid to the Holders of WARN Act Claims promptly upon receipt by the Liquidating Agent.

In addition, as distributions are made on any other Allowed Priority Claims, the Trustee will reserve a *Pro Rata* amount for Allowed WARN Act Claims (the WARN Act Reserve). If the proceeds of the Contingent WARN Act Claims are insufficient to pay any Allowed WARN Act Priority Claims Allowed by Final Order, the Liquidating Agent will satisfy the Allowed WARN Act Priority Claim from the WARN Act Reserve. The Liquidating Agent will make a final accounting upon Confirmation that no further distributions will be made on the Contingent WARN Act Claims in the receiverships listed in (i) and (ii) above. Any amounts remaining in the WARN Act Reserve after payment of the any Allowed WARN Act Priority Claims in full will be transferred to the Liquidating Agent's general account and be available to pay Post-Confirmation Administrative Claims and Allowed Claims pursuant to the Waterfall Schedule.

ii. Classified Claims.

Pursuant to § 1122 of the Bankruptcy Code, set forth below is a designation of Classes of Claims and Equity Interests. A Claim or Equity Interest (a) is classified in a particular Class only

to the extent the Claim or Equity Interest qualifies within the description of that Class; and (b) is classified in a different Class to the extent the Claim or Equity Interest qualifies within the description of that different Class. For purposes of the Plan, the Claims and Equity Interests are classified as follows:

1. Class 1. Secured Claim of BankUnited.

Class 1 consists of the Secured Claim of BankUnited, as agent for the Lending Group. The Lending Group's Allowed Secured Claim shall be treated as follows:

(a) The Lending Group shall retain its security interests and its other interests in both the Debtors' and the Debtors' Estate's interests in property, including its interests in the proceeds of that property ("**Lending Group's Collateral**").

The Lending Group's Collateral includes the following compromised interests:

(i) 95% of any deposits recovered from the Citrus failed purchase and 50% of any net recovery of other damages from the Citrus, pursuant to the Bank Settlement;

(ii) 75% of any other recovery made upon the UHCG Regulated Entities, pursuant to the Bank Settlement, as modified by court order entered on April 24, 2014, 2014;

(iii) 75% of the net proceeds of any sale of the tangible assets owned by AMC after the payment of all cost of sale and taxes pursuant to the Bank Settlement;

(iv) 15% of the net recovery the Trustee may make upon his claims against present and former officers and directors of the debtors and their "D&O" insurers pursuant to the FDFS Settlement;

(v) $8.8 million from the FDFS Settlement, of which $675,000 has been loaned interest-free to the estate in the form of the Escrowed Funds;

as well as all other collateral described in the loan documents as to which the Lending Group's security interest was perfected Pre-Petition. Recoveries the Lending Group makes from its independent action against E&Y and Milliman, LLC are not part of the Lending Group's Collateral.

(b) The Lending Group will credit against its Allowed Claim (i) any recoveries it has made or does make in the future from the assets described in subsection (a) and (ii) any dividends paid to the Lending Group on account of its Allowed Claim against AMC.

(c) The Lending Group will further credit against its Allowed Claim recoveries it makes from its independent Causes of Action against E&Y and/or Milliman LLC, less fees and

costs associated with making those recoveries and excluding punitive damages specifically awarded to the Lending Group by a court or jury ("**Lending Group's Collateral Recovery**") as follows: The credit against the Lending Group's Allowed Claim will not include the first $3 million of the Lending Group's Collateral Recovery, but shall be the amount of the Lending Group's Collateral Recovery above $3 million up to the amount necessary to assure that all Allowed Unsecured Claims will be paid in full without Post-Petition interest. The credit will in no event exceed $4 million. In the event the Lending Group receives full payment of its Pre- and Post-Petition damages, the Lending Group will pay over to the Liquidating Estate any excess above those damages.

(d) BankUnited shall be responsible for timely filing amended proofs of claim to reflect the credits set forth in (b) and (c) above.

Class 1 is Impaired under the Plan and is entitled to vote to accept or reject the Plan.

2. Class 2. All Other Secured Claims.

Class 2 consists of all Other Secured Claims. Each Holder of an Allowed Secured Claim in this Class shall receive one of the following at the Liquidating Agent's sole option: (a) the Liquidating Estate shall surrender all Collateral securing such Claim to the Holder thereof, in full satisfaction of such Holder's Allowed Class 2 Claim, without representation or warranty by, or recourse against, the Debtor or the Liquidating Estate, or (b) such Holder shall receive the proceeds from the sale of such Holder's Collateral. Class 2 is Unimpaired, and the Trustee is not aware of any other Secured Claims that have not already been satisfied by a return of Collateral.

3. Class 3. General Unsecured Claims.

Class 3 consists of all Allowed General Unsecured Claims. Each Holder of an Allowed General Unsecured Claim shall receive a *Pro Rata* share of distributions from the Liquidating Estate, at the discretion of the Liquidating Agent, pursuant to the Waterfall Schedule. Every six months after the Effective Date of the Plan, the Liquidating Agent will assess the Liquidating Estate and determine whether the Liquidating Estate contains sufficient cash to make a meaningful interim distribution on account of Allowed General Unsecured Claims. Part of the Liquidating Agent's analysis will include an appropriate reserve for Post-Confirmation Administrative Claims and costs of the Liquidating Estate. If insufficient funds are available for distribution, the Liquidating Agent will note that fact on the quarterly reports that he will be filing with the Bankruptcy Court.

If, after Allowed General Unsecured Claims are paid in full, additional funds remain in the Liquidating Estate, the Liquidating Agent will pay post-petition interest on a *Pro Rata* basis. Such interest will be calculated from the Petition Date until the date the Allowed General Unsecured Claim was paid in full. The rate of post-petition interest will be the federal statutory rate on the Effective Date of the Plan.

Class 3 is Impaired under the Plan and is entitled to vote to accept or reject the Plan.

4. Class 4. Medical Provider Claims.

Class 4 consists of the Allowed Medical Provider Claims. These Claims arose from the claims filed by numerous medical providers in the Debtor's bankruptcy case which are the responsibility of UHC, UHCIC, UHMOTX, and UHCNV, in the first instance.

The Liquidating Agent will treat the Allowed Medical Provider Claims in the same manner as Allowed General Unsecured Claims; however, the Liquidating Agent will deposit the *Pro Rata* distributions due to any Holder of an Allowed Medical Provider Claim into the Medical Provider Reserve. Any portion of an Allowed Medical Provider Claim which is not paid in full from the Receivership Estates shall be paid *Pro Rata* from the Medical Provider Reserve, upon proof under oath satisfactory to the Liquidating Agent that (i) the Claim has been properly filed in the appropriate receivership and (ii) that the Claim or any portion of the Claim remains unpaid at the conclusion of the receivership proceeding. For example, if an Allowed Medical Provider Claim is $50,000, and a 10% dividend is paid on Allowed General Unsecured Claims, the Liquidating Agent will place $5,000 into the Medical Provider Reserve on account of the claim. If the claimant thereafter receives $30,000 from a Receivership Estate on account of the claim, the Allowed Medical Provider Claim against the Liquidating Estate will be reduced to the Reduced Medical Provider Claim of $20,000 and the Liquidating Agent will pay $2,000 (or 10% of the Claim) to the Holder of the Claim.

Funds in the Medical Provider Reserve that are not required to pay Medical Provider Claims may be used by the Liquidating Agent to pay Post-Confirmation Administrative Claims, if necessary, and then to be redistributed *Pro Rata* to General Unsecured Claims and the Reduced Medical Provider Claims as an additional dividend. If there are no unpaid General Unsecured Claims or Reduced Medical Provider Claims, the funds will be distributed to the Class 5 Equity Interests, as applicable.

If, after Allowed Medical Provider Claims are paid in full, additional funds remain in the Liquidating estate, the Liquidating Agent will pay Post-Petition Interest on a *Pro Rata* basis. Such interest will be calculated from the Petition Date until the date the Allowed Medical Provider Claim was paid or reserved for in full. The rate of Post-Petition interest will be the federal statutory rate on the Effective Date of the Plan.

Class 4 is Impaired under the Plan and is entitled to vote to accept or reject the Plan.

5. Class 5: Unsubordinated Equity Interests in the Debtor.

Class 5 consists of all Unsubordinated Equity Interests in the Debtor. The Holders of Unsubordinated Equity Interests will retain their Equity Interest in the Debtor. To the extent that there is any surplus remaining in the Liquidating Estate after the payment of all Allowed Claims in full, as provided in the Waterfall Schedule that surplus shall be paid to the Class 5 Unsubordinated Equity Interest Holders listed on Exhibit G to the Disclosure Statement in proportion to their percentage ownership in the Debtor, after excluding the Subordinated Class 6 Equity Interests.

Class 5 is not Impaired under the Plan and is, therefore, not entitled to vote to accept or reject the Plan.

6. Class 6: Subordinated Equity Interests in the Debtor.

Class 6 consists of all Subordinated Equity Interests in the Debtor, which include the Equity Interests of Dr. Desai, Deepak Desai and Darshana I. Desai, Jeff Ludy, Sandip Patel, and the Desai Family Partnership. The Trustee has determined that the Subordinated Equity Interests are tainted with serious breaches of fiduciary duty and fraud that has seriously damaged the Debtor and all Parties in Interest.

The Subordinated Equity Interests will be canceled and the Holders of such Interests shall receive nothing under the Plan. The Subordinated Equity Interests are Impaired and shall receive no distributions under the Plan.

Holders of Class 6 Subordinated Equity Interests are deemed to have rejected the Plan and are not entitled to vote to accept or reject the Plan.

d. Treatment of Executory Contracts and Unexpired Leases.

i. Rejection of Executory Contracts and Unexpired Leases.

Some executory contracts and unexpired leases have been rejected Pre-Confirmation. Pursuant to §§ 365 and 1123(b)(2) of the Bankruptcy Code, all executory contracts and unexpired leases between the Debtor and another Person or Entity that have not previously been rejected shall be deemed rejected by the Debtor as of the Confirmation Date. In the exercise of his business judgment, the Trustee has determined that rejection of all the executory contracts and unexpired leases is in the best interests of the Debtor's estate because the services subject to the executory contracts are no longer necessary, as the Debtor is no longer operating and rejection of the executory contracts will eliminate unnecessary costs to the Debtor's estate.

Entry of the Confirmation Order shall, subject to and upon the occurrence of the Effective Date, constitute the approval, pursuant to §§ 365(a) and 1123(b)(2) of the Bankruptcy Code, of the rejection of the remaining executory contracts and unexpired leases. For any rejected executory contract or unexpired lease, all personal property shall be returned as of the Effective Date. Notwithstanding the foregoing, any rejection of an executory contract or unexpired lease as described herein shall not constitute a waiver of any claim, cause of action, or legal right against any lessor or party to an executory contract.

ii. Insurance Policies.

Nothing contained in the Plan or this Disclosure Statement shall constitute or be deemed a waiver of any Cause of Action that the Debtor may hold against any Entity, including, without limitation, any insurer under any of the Debtor's insurance policies or under any directors' and officers' insurance policies, and nothing contained in the Plan shall be deemed to constitute a

rejection of any of the Debtor's Insurance Policies, including specifically the D&O Policies and the Fidelity Bond. All rights with respect to all Insurance Policies are expressly reserved.

iii. Claims under Rejected Executory Contracts and Unexpired Leases.

Unless otherwise provided for by an order by the Bankruptcy Court previously rejecting an executory contract or unexpired lease, any Claim for damages arising by reason of the rejection of any Executory Contract or Unexpired Lease must be filed with the Bankruptcy Court on or before thirty (30) days after the Confirmation Date, or such Claim shall be forever barred and unenforceable against the Debtor and/or the Liquidating Agent. Such Claims, once fixed and liquidated by the Bankruptcy Court and determined to be Allowed Claims, shall be Class 3 Allowed Claims. Any such Claims that become Disputed Claims shall be Class 3 Disputed Claims for purposes of administration of distributions under the Plan to Holders of Class 3 Allowed Claims. The Plan and any other order of the Bankruptcy Court providing for the rejection of an executory contract or unexpired lease shall constitute adequate and sufficient notice to Persons or Entities which may assert a Claim for damages from the rejection of an executory contract or unexpired lease of the date for filing a Claim in connection therewith.

ARTICLE VIII: MEANS OF PLAN IMPLEMENTATION

The Plan is a liquidating plan that calls for the liquidation of the Assets of the Debtor. On the Effective Date of the Plan, the Liquidating Agent shall be appointed to implement the terms of the Plan over the Plan Term. The Trustee has accumulated approximately $1.7 million during the Chapter 11 case and he will have access to the Escrowed Funds of $675,000.00 for purposes of funding Allowed Administrative Expenses and/or Post-Confirmation litigation costs, at his discretion.

a. Liquidating Agent.

i. Appointment of the Liquidating Agent.

The initial Liquidating Agent shall be the Trustee, Soneet R. Kapila, and his appointment shall be effective as of the Effective Date. The Liquidating Agent shall have and perform all of the duties, responsibilities, rights and obligations set forth in Article 9 of the Plan and in the Confirmation Order. Mr. Kapila has extensive experience in serving as a Liquidating Agent, and in his capacity as the Trustee, he already has a tremendous amount of knowledge of the Liquidating Case and its Assets.

ii. Effective Date Transactions; Vesting Assets in the Liquidating Estate.

On or as of the Effective Date the Liquidating Estate shall be automatically substituted for the Debtor and/or the Trustee as a party to all contested matters, adversary proceedings, claims, administrative proceedings and lawsuits, both within and outside of the Bankruptcy Court, involving the Assets, Claims against the Debtor, the Causes of Action, and the resolution of Disputed Claims, without the need to file any paper to accomplish same. All of the Assets

shall vest in the Liquidating Estate, and all privileges with respect to the Assets, including the attorney/client privilege, to which the Debtor is or would be entitled, shall automatically vest in, and may be asserted by or waived on behalf of, the Liquidating Estate.

iii. Continued Corporate Existence; Dissolution.

The Debtor will continue to exist after the Effective Date, and will be managed solely by and through the Liquidating Agent for the purposes of winding down the Debtor.

The Liquidating Agent shall not engage the Debtor in any business or other transactions outside the scope of this Plan without the approval of the Bankruptcy Court. Notwithstanding anything to the contrary set forth herein or elsewhere in the Plan, the management and administration of the Liquidating Estate (and the Assets) shall be the sole responsibility of the Liquidating Agent, subject to Bankruptcy Court approval.

iv. Pursuit of Causes of Action.

On the Effective Date, all remaining Causes of Action which have not been settled or otherwise resolved shall vest in the Liquidating Estate; except to the extent that a Creditor or other third party has been specifically released from any Cause of Action by the terms of the Plan or by Bankruptcy Court Order. The Trustee is not currently in a position to express an opinion on the merits of any of the Causes of Action or on the recoverability of any amounts as a result of any such Causes of Action. For purposes of providing notice, the Trustee states that any party in interest that engaged in business or other transactions with the Debtor Pre-Petition or that received payments from the Debtor Pre-Petition may be subject to litigation to the extent that applicable bankruptcy or non-bankruptcy law supports such litigation.

No Creditor or other party should vote in favor of the Plan or otherwise rely on the Confirmation of the Plan or the entry of the Confirmation Order in order to obtain, or on the belief that it will obtain, any defense to any Causes of Action. No Creditor or other party should act or refrain from acting on the belief that it will obtain any defense to any Cause of Action. ADDITIONALLY, THE PLAN DOES NOT, AND IS NOT INTENDED TO, RELEASE ANY CAUSES OF ACTION OR OBJECTIONS TO CLAIMS, AND ALL SUCH RIGHTS ARE SPECIFICALLY PRESERVED IN FAVOR OF THE LIQUIDATING AGENT AND THE LIQUIDATING ESTATE.

Creditors are advised that legal rights, claims, and rights of action the Debtor or the Trustee may have against them, if they exist, are retained under the Plan for prosecution unless a specific order of the Bankruptcy Court authorizes the release of such claims. As such, Creditors are cautioned not to rely on (i) the absence of the listing of any legal right, claim or right of action against a particular Creditor in the Disclosure Statement, the Plan, or the Schedules or (ii) the absence of litigation or demand prior to the Effective Date of the Plan as any indication that the Trustee or the Liquidating Agent do not possess or do not intend to prosecute a particular claim or cause of action if a particular Creditor votes to accept the Plan. It is the expressed intention of the Plan to preserve rights, claims, and rights of action of the Debtor, Trustee, or Liquidating Agent, whether now known or unknown, for the benefit of the Liquidating Estate

and the Debtor's Creditors. A Cause of Action shall not, under any circumstances, be waived as a result of the failure of the Trustee to describe such Cause of Action with specificity in the Plan or the Disclosure Statement.

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

v. Claims Resolution Process and Determination of Claims.

Unless otherwise ordered by the Bankruptcy Court, and except as to any late filed Claims and Claims resulting from the rejection of Executory Contracts or Unexpired Leases, if any, all objections to Claims shall be filed with the Bankruptcy Court by no later than six (6) months following the first Distribution Notice Date (unless such period is extended by the Bankruptcy Court upon motion of the Liquidating Agent), and the Confirmation Order shall contain appropriate language to that effect. Holders of Unsecured Claims that have not filed Claims on or before the Bar Date shall serve notice of any request to the Bankruptcy Court for allowance to file late Unsecured Claims on the Debtor and such other parties as the Bankruptcy Court may direct. If the Bankruptcy Court grants the request to file a late Unsecured Claim, such Unsecured Claim shall be treated in all respects as a Class 3 Unsecured Claim.

Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder of the Claim if the Trustee or the Liquidating Agent effectuates service in any of the following manners: (a) in accordance with Rule 4 of the Federal Rules of Civil Procedure, as modified and made applicable by Bankruptcy Rule 7004, (b) to the extent counsel for the Holder of a Claim is unknown, by first class mail, postage prepaid, on the signatory on the Proof of Claim or other representative identified on the Proof of Claim or any attachment thereto, or (c) by first class mail, postage prepaid, on any counsel that has filed a notice of appearance in the Liquidation Case on behalf of the Holder of a Claim.

Disputed Claims shall be fixed or liquidated in the Bankruptcy Court as core proceedings within the meaning of 28 U.S.C. § 157(b)(2)(B) unless the Bankruptcy Court orders otherwise. If the fixing or liquidation of a contingent or unliquidated Claim would cause undue delay in the administration of the Liquidation Case, such Claim shall be estimated by the Bankruptcy Court for purposes of allowance and distribution. Upon receipt of a timely-filed Proof of Claim, the Trustee, the Liquidating Agent or other party in interest may file a request for estimation along with its objection to the Claim set forth therein. The determination of Claims in Estimation Hearings shall be binding for purposes of establishing the maximum amount of the Claim for

purposes of allowance and distribution. Procedures for any specific Estimation Hearing, including provisions for discovery, shall be set by the Bankruptcy Court giving due consideration to applicable Bankruptcy Rules and the need for prompt determination of the Disputed Claim.

vi. Distributions under the Plan.

1. Distribution of Claims.

The Liquidating Agent shall make distributions to Claim Holders in his discretion, as the Liquidating Estate receives funds on Recoveries from Causes of Action. The Distributions shall be in conformity with the Trustee's Plan and the Waterfall Schedule.

2. *De Minimis* Distributions.

To avoid the disproportionate expense and inconvenience associated with making *de minimis* distributions to the Holder of an Allowed Unsecured Claim, the Liquidating Agent shall not be required to make, and shall be excused from making, any initial or interim distribution to such Holder which is in the amount of less than $25.00. At the time of any final distribution to the Holders of Allowed Unsecured Claims, all such excused distributions to such Holder shall be aggregated and, if such aggregated amount is $25.00 or more, the Liquidating Agent shall make a final distribution to such Holder equal to such aggregated amount.

3. Unclaimed Distributions.

If the Holder of an Allowed Claim fails to negotiate a check issued to such Holder within ninety (90) days of the date such check was issued, then the Liquidating Agent shall provide written notice to such Holder stating that unless such Holder negotiates such check within ninety (90) days of the date of such notice, the amount of Cash attributable to such check shall be deemed to be unclaimed, such Holder shall be deemed to have no further Claim in respect of such check, such Holder's Allowed Claim shall no longer be deemed to be Allowed, and such Holder shall not be entitled to participate in any further distributions under the Plan in respect of such Claim.

If a Cash distribution made pursuant to the Plan to any Holder of an Allowed Claim is returned to the Liquidating Agent due to an incorrect or incomplete address for the Holder of such Allowed Claim, and no claim is made in writing to the Liquidating Agent as to such distribution within ninety (90) days of the date such distribution was made, then the amount of Cash attributable to such distribution shall be deemed to be unclaimed, such Holder shall be deemed to have no further Claim in respect of such distribution, such Holder's Allowed Claim shall no longer be deemed to be Allowed, and such Holder shall not be entitled to participate in any further distributions under the Plan in respect of such Claim. Any unclaimed Cash distribution as described above shall be contributed by the Liquidating Agent on behalf of the Liquidating Estate to the Bankruptcy Law Educational Series Foundation, Inc., a 501(c)(3) organization, or to any other organization promoting bankruptcy legal education, pro bono work, or any similar charitable or educational purpose, at the sole discretion of the Liquidating Agent.

4. Transfer of Claims.

In the event that the Holder of any Claim shall transfer such Claim on and after the Effective Date, such Holder shall immediately advise the Liquidating Agent in writing of such transfer and provide sufficient written evidence of such transfer by filing a Proof of Claim or an amended Proof of Claim in the claims docket. The Liquidating Agent shall be entitled to assume that no transfer of any Claim has been made by any Holder unless and until the Proof of Claim has been filed on the claims docket and the Liquidating Agent shall have received written notice to the contrary. Each transferee of any Claim shall take such Claim subject to the provisions of the Plan and to any request made, waiver or consent given or other action taken hereunder and, except as otherwise expressly provided in such notice, the Liquidating Agent shall be entitled to assume conclusively that the transferee named in such notice shall thereafter be vested with all rights and powers of the transferor under the Plan.

5. One Distribution Per Holder.

Any Claimant having a duplicate claim in the AMC Chapter 11 case, or in the receiverships of UHC, UHCIC UHMOTX or UHCNV, shall reduce their Claim against the Debtor by any amounts received on account of a duplicate claim. To the extent practical, the Liquidating Agent will attempt to monitor duplicate distributions, but it shall be the responsibility of a Claimant to file an amended Proof of Claim reflecting such payments.

6. Effect of Pre-Confirmation Distributions.

Nothing in the Plan shall be deemed to entitle the Holder of a Claim that received, prior to the Effective Date, full or partial payment of such Holder's Claim, by way of settlement or otherwise, pursuant to an order of the Bankruptcy Court, provision of the Bankruptcy Code, or other means, to receive a duplicate payment in full or in part pursuant to the Plan; and all such full or partial payments shall be deemed to be payments made under the Plan for purposes of satisfying the obligations of the Debtor or the Liquidating Agent to such Holder hereunder.

A. No Interest on Claims or Equity Interests.

Except as expressly stated in the Plan or otherwise Allowed by a Final Order of the Bankruptcy Court, no Holder of an Allowed Claim shall be entitled to the accrual of Post-Petition interest or the payment of Post-Petition interest, penalties, or late charges on account of such Allowed Claim for any purpose. Additionally, and without limiting the foregoing, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a final distribution is made when and if such Disputed Claim becomes an Allowed Claim.

B. Compliance with Tax Requirements.

In connection with the Plan, the Liquidating Agent shall comply with income tax reporting and all tax withholding and reporting requirements imposed by federal, state, local and

foreign taxing authorities, and all distributions hereunder shall be subject to such withholding and reporting requirements. Accordingly, all Holders of Allowed Claims will be required to provide the Liquidating Agent with a Form W-9 or Form W-4 (or Form W-8 BEN relating to foreign claimants, if applicable).

b. Conditions Precedent to Confirmation.

The following conditions precedent to Confirmation of the Plan must each be satisfied or waived before the Plan can be confirmed. These conditions to Confirmation are as follows:

i. Entry of Confirmation Order.

The Confirmation Order shall have been entered by the Bankruptcy Court and the Confirmation Order and any order of the District Court shall be in form and substance acceptable to the Trustee, and the Confirmation Order (and any affirming order of the District Court) shall have become a Final Order.

ii. Execution of Plan Documents.

The Plan Documents necessary or appropriate to implement the Plan shall have been executed and delivered; all conditions precedent to the effectiveness of each of such Plan Documents shall have been satisfied or waived by the respective parties thereto; and the Plan Documents shall be in full force and effect. The Plan Documents shall be acceptable to the Trustee.

iii. Waiver of Conditions Precedent.

The conditions precedent set forth herein and in Article 11 of the Plan may be waived, in whole or in part, by the Trustee, without any notice to the Bankruptcy Court and without a hearing.

c. Injunction, Exculpation from Liability, and Releases.

Article 12 of the Plan contains detailed exculpation and injunction provisions for the benefit of the Trustee, the Liquidating Estate and other parties. Set forth below is a summary of these provisions.

iv. Exculpation from Liability.

THE TRUSTEE, LIQUIDATING AGENT, AND THE TRUSTEE'S PROFESSIONALS (ACTING IN SUCH CAPACITY), SHALL NEITHER HAVE NOR INCUR ANY LIABILITY WHATSOEVER TO ANY PERSON OR ENTITY FOR ANY ACT TAKEN OR OMITTED TO BE TAKEN IN GOOD FAITH IN CONNECTION WITH OR RELATED TO THE FORMULATION, PREPARATION, DISSEMINATION, IMPLEMENTATION, CONFIRMATION, OR CONSUMMATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN DOCUMENT, OR ANY CONTRACT,

INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO, OR ANY OTHER ACT TAKEN OR OMITTED TO BE TAKEN, IN CONNECTION WITH THE PLAN OR THE LIQUIDATION CASE; PROVIDED, HOWEVER, THAT THIS EXCULPATION FROM LIABILITY PROVISION SHALL NOT BE APPLICABLE TO ANY LIABILITY FOUND BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED FROM GROSS MISMANAGEMENT, BREACH OF FIDUCIARY DUTY, FRAUD OR THE WILLFUL MISCONDUCT OF ANY SUCH PARTY. THE RIGHTS GRANTED UNDER ARTICLE 11 OF THE PLAN ARE CUMULATIVE WITH (AND NOT RESTRICTIVE OF) ANY AND ALL RIGHTS, REMEDIES, AND BENEFITS THAT THE TRUSTEE AND ITS PROFESSIONALS HAVE OR OBTAIN PURSUANT TO ANY PROVISION OF THE BANKRUPTCY CODE OR OTHER APPLICABLE LAW. THIS EXCULPATION FROM LIABILITY PROVISION IS AN INTEGRAL PART OF THE PLAN AND IS ESSENTIAL TO ITS IMPLEMENTATION. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE PROVISIONS OF ARTICLE 12.2 OF THE PLAN SHALL NOT RELEASE OR BE DEEMED A RELEASE OF ANY OF THE CAUSES OF ACTION OWNED BY THE ESTATE, NOR SHALL THIS RELEASE EXTEND TO ANY FORMER OFFICER, DIRECTOR OR EMPLOYEE OF THE DEBTOR.

v. <u>General Injunction</u>.

PURSUANT TO 11 U.S.C. §§ 105, 1123, 1129 AND 1141 OF THE BANKRUPTCY CODE, IN ORDER TO PRESERVE AND IMPLEMENT THE VARIOUS TRANSACTIONS CONTEMPLATED BY AND PROVIDED FOR IN THE PLAN, AS OF THE EFFECTIVE DATE, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN OR IN THE CONFIRMATION ORDER, ALL PERSONS OR ENTITIES THAT HAVE HELD, CURRENTLY HOLD OR MAY HOLD A CLAIM, DEBT, OR LIABILITY THAT IS TREATED PURSUANT TO THE TERMS OF THE PLAN ARE AND SHALL BE PERMANENTLY ENJOINED AND FOREVER BARRED TO THE FULLEST EXTENT PERMITTED BY LAW FROM TAKING ANY OF THE FOLLOWING ACTIONS ON ACCOUNT OF ANY SUCH CLAIMS, DEBTS, OR LIABILITIES, OTHER THAN ACTIONS BROUGHT TO ENFORCE ANY RIGHTS OR OBLIGATIONS UNDER THE PLAN OR THE PLAN DOCUMENTS: (A) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING AGAINST THE DEBTOR OR THE LIQUIDATING ESTATE OR THEIR RESPECTIVE PROPERTIES; (B) ENFORCING, ATTACHING, COLLECTING OR RECOVERING IN ANY MANNER ANY JUDGMENT, AWARD, DECREE OR ORDER AGAINST THE DEBTOR OR THE LIQUIDATING ESTATE OR THEIR RESPECTIVE PROPERTIES; (C) CREATING, PERFECTING OR ENFORCING ANY LIEN OR ENCUMBRANCE AGAINST THE DEBTOR OR THE LIQUIDATING ESTATE OR THEIR RESPECTIVE PROPERTIES; (D) ASSERTING A SETOFF, RIGHT OF SUBROGATION OR RECOUPMENT OF ANY KIND AGAINST ANY DEBT, LIABILITY OR OBLIGATION DUE TO THE DEBTOR OR THE LIQUIDATING ESTATE; (E) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY PLACE, ANY ACTION THAT DOES NOT COMPLY WITH OR IS INCONSISTENT WITH THE PROVISIONS OF THE PLAN OR THE

CONFIRMATION ORDER; OR (F) INTERFERING WITH OR IN ANY MANNER WHATSOEVER DISTURBING THE RIGHTS AND REMEDIES OF THE DEBTOR OR THE LIQUIDATING ESTATE UNDER THE PLAN AND THE PLAN DOCUMENTS AND THE OTHER DOCUMENTS EXECUTED IN CONNECTION THEREWITH. THE TRUSTEE, LIQUIDATING AGENT AND THE LIQUIDATING ESTATE SHALL HAVE THE RIGHT TO INDEPENDENTLY SEEK ENFORCEMENT OF THIS GENERAL INJUNCTION PROVISION. THIS GENERAL INJUNCTION PROVISION IS AN INTEGRAL PART OF THE PLAN AND IS ESSENTIAL TO ITS IMPLEMENTATION. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE PROVISIONS OF THIS ARTICLE SHALL NOT RELEASE, OR BE DEEMED A RELEASE OF, ANY CAUSE OF ACTION OWNED BY THE ESTATE AND SHALL NOT AFFECT OR IMPAIR ANY RIGHTS UNDER THE D&O POLICIES, THE FIDELITY BOND, OR ANY OTHER INSURANCE POLICY.

vi. Term of Injunctions and Automatic Stay.

All injunctions or automatic stays provided for in the Liquidation Case pursuant to §§ 105, 362 or other applicable provisions of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect as provided in § 362 of the Bankruptcy Code (as well as any preliminary or permanent injunction entered by the Bankruptcy Court) following the Confirmation Date and until the Final Decree Date, unless otherwise ordered by the Bankruptcy Court.

With respect to all lawsuits pending in courts in any jurisdiction (other than the Bankruptcy Court) that seek to establish the Debtor's liability on Pre-Petition Claims asserted therein and that are stayed pursuant to § 362 of the Bankruptcy Code, such lawsuits shall be deemed dismissed only with respect to the Debtor as of the Effective Date, unless the Liquidating Agent with respect to Claims to be satisfied by it elects to have the Debtor's liability established by such other courts, and any pending motions seeking relief from the automatic stay for purposes of continuing any such lawsuits in such other courts shall be deemed denied as of the Effective Date, and the automatic stay shall continue in effect, unless the Liquidating Agent elects to have the automatic stay lifted and to have the Debtor's liability established by such other courts; and the Pre-Petition Claims at issue in such lawsuits shall be determined and either Allowed or disallowed in whole or part by the Bankruptcy Court pursuant to the applicable provisions of the Plan, unless otherwise elected by the Debtor as provided herein.

Any preliminary or permanent injunction entered by the Bankruptcy Court shall continue in full force and effect following the Confirmation Date and the Final Decree Date, unless otherwise ordered by the Bankruptcy Court.

vii. No Liability for Tax Claims.

Unless a taxing Governmental Authority has asserted a Claim against the Debtor before the Bar Date or Administrative Expense Claims Bar Date established therefore, no Claim of such Governmental Authority shall be Allowed against the Debtor for taxes, penalties, interest,

additions to tax or other charges arising out of (i) the failure, if any, of the Debtor, any of its Affiliates, or any other Person or Entity to have paid any tax due or to have filed any tax return (including any income, sales or franchise tax return) in or for any tax period ending on or prior to the Effective Date or (ii) an audit of any tax return of the Debtor for a tax period ending on or prior to the Effective Date.

viii. Regulatory Enforcement Actions.

Nothing in the Plan shall restrict any federal governmental or regulatory agency from pursuing any police or regulatory enforcement action against any party, but only to the extent not prohibited by the automatic stay of § 362 of the Bankruptcy Code or discharged or enjoined pursuant to § 1141(d) of the Bankruptcy Code.

ix. Indemnification Obligations.

All indemnification rights of the Debtor shall be released and deemed cancelled on and as of the Effective Date, except as otherwise expressly provided in the Plan or in any Plan Document. Notwithstanding anything to the contrary, neither the Plan nor the Disclosure Statement shall be construed to release or to be deemed a release of any current or future Cause of Action. ADDITIONALLY, THE PLAN DOES NOT, AND IS NOT INTENDED TO, RELEASE ANY CAUSES OF ACTION OR OBJECTIONS TO CLAIMS, AND ALL SUCH RIGHTS ARE SPECIFICALLY RESERVED IN FAVOR OF THE LIQUIDATING AGENT AND THE LIQUIDATING ESTATE.

x. Retention of Jurisdiction.

The Plan provides for the retention of jurisdiction by the Bankruptcy Court following the Effective Date to, among other things, determine all disputes relating to Claims, Equity Interests, and other issues presented by or arising under the Plan. The Bankruptcy Court will also retain jurisdiction under the Plan for any actions brought in connection with the implementation and consummation of the Plan and the transactions contemplated thereby. See Article 13 of the Plan for a more detailed description.

xi. Tax Consequences.

HOLDERS OF CLAIMS AND EQUITY INTERESTS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING STATE, LOCAL, AND/OR FOREIGN TAX CONSEQUENCES. THE TRUSTEE'S GENERAL BANKRUPTCY COUNSEL HAS NO TAX EXPERTISE AND HAS NOT RESEARCHED OR ANALYZED TAX CONSEQUENCES RESULTING FROM THE PLAN THAT ARE NECESSARILY DEPENDANT UPON A CLAIM HOLDER'S OR EQUITY INTEREST'S HISTORICAL TAX ATTRIBUTES AND TREATMENT. NOTHING CONTAINED HEREIN SHALL BE DEEMED CONCLUSIVE ADVICE ON THE TAX LAWS OR OTHER LEGAL EFFECTS OF THE PLAN ON HOLDERS OF CLAIMS AGAINST OR EQUITY INTERESTS IN THE

DEBTOR.

xii. Risk Factors.

The principal risk associated with the Plan is the risk that the Liquidating Agent will not generate significant funds through settlement and/or litigation of claims. It is impossible to predict the total amount of distributions that will be made to Unsecured Creditors.

ARTICLE IX: VOTING AND PLAN CONFIRMATION

The Bankruptcy Court will schedule a Confirmation Hearing to consider Confirmation of the Plan at the United States Bankruptcy Court, Middle District of Florida, Tampa Division, United States Courthouse, 801 N. Florida Avenue, Courtroom 9B, Tampa, Florida, which Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing. Any objection to Confirmation of the Plan must be filed and served in accordance with the Disclosure Statement Approval Order.

a. Acceptance of Plan and Vote Required for Class Acceptance.

If you are a Holder of an Allowed Claim in the Voting Classes, your vote on the Plan is extremely important. In order for the Plan to be accepted and thereafter confirmed by the Bankruptcy Court without resorting to the "cram-down" provisions of the Bankruptcy Code as to other Classes of Allowed Claims, votes representing at least two-thirds in dollar amount and more than one-half in number of Allowed Claims of each Impaired Class of Claims that are voted, must be cast for the acceptance of the Plan. The Trustee is soliciting acceptances only from Holders of Claims in Classes 1, 3 and 4 (Impaired Classes), which are the only Classes entitled to vote on the Plan. You may be contacted by the Trustee or its agent with regard to your vote on the Plan.

b. Confirmation Hearing and Objections to Confirmation.

At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan if all of the requirements of Bankruptcy Code § 1129 are met. Among the requirements for confirmation of a Plan are that the Plan be accepted by all impaired classes of claims and equity interests, and satisfaction of the matters described below.

c. Feasibility.

Generally a plan of reorganization may be confirmed only if it is not likely to be followed by the liquidation or the need for further financial reorganization of a debtor. This case is a liquidating Chapter 11, therefore feasibility and analysis of future performance is not necessary. The Plan basically provides for the liquidation of Assets and prosecution or settlement of Causes of Action to provide payment to Holders of Allowed Claims, including contingent, unliquidated, and Disputed Claims, to the extent they become Allowed Claims, in the

order of their priority. The only exception to this rule of priority is that the proceeds of the Debtor's Contingent WARN Act Claims in the Receivership Estates are earmarked for any WARN Act liability. The Plan further authorizes and directs the Liquidating Agent to take all actions to implement the Plan. Accordingly, the Plan is *per se* feasible.

The obligations under the Plan to Holders of contingent, unliquidated, and Disputed Claims cannot be ascertained without the determination of the validity and amount of those Claims by the Bankruptcy Court. Until the Claim determination process is complete, the exact amount to be received by Unsecured Creditors cannot be ascertained.

d. Best Interest Standard.

The Bankruptcy Code requires that a plan meet the "best interest" test, which requires that members of a Class must receive or retain under the Plan, property having a value not less than the amount which the Class members would have received or retained if the Debtor was liquidated under Chapter 7 on the same date. The Plan is a liquidating Chapter 11 plan, and because of the costs of administration of a Chapter 7 liquidation, the Trustee believes that distributions to all Impaired Classes of Claims in accordance with the terms of the Plan would exceed the net distribution that would otherwise take place in Chapter 7.

e. Confirmation Without Acceptance of All Impaired Classes.

Even if one or more Impaired Classes reject the Plan, the Bankruptcy Court may nonetheless confirm the Plan if the nonaccepting classes are treated in the manner prescribed by § 1129(b) of the Bankruptcy Code. A plan that binds nonaccepting classes is commonly referred to as a "cramdown" plan. The Bankruptcy Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of the Bankruptcy Code, does not discriminate unfairly, and is "fair and equitable" toward each impaired class that has not voted to accept the Plan.

To meet the requirement for confirmation of the Plan under the "cramdown" provisions of the Bankruptcy Code with respect to any Impaired Class of Claims which votes to reject or is deemed to vote to reject the Plan, the Trustee would have to show that all Classes junior to the Class rejecting the Plan will not receive or retain any property under the Plan unless all Holders of Claims in the rejecting Class receive or retain under the Plan property having a value equal to the full amount of their Allowed Claims. You should consult your attorney if a cramdown confirmation will affect your claim, as the variations on this general rule are numerous and complex.

f. Discriminate Unfairly.

The Bankruptcy Code requirement that a Plan not "discriminate unfairly" means that a dissenting class must be treated equally with respect to other classes of equal rank. The Trustee believes that the Plan does not "discriminate unfairly" with respect to any Class of Claims or Equity Interests because no class is afforded treatment which is disproportionate to the treatment afforded other Classes of equal rank.

g. Fair and Equitable Standard.

The "fair and equitable" standard, also known as the "absolute priority rule," requires that a dissenting class receive full compensation for its allowed claims or interests before any junior class receives any distribution. The Trustee believes the Plan is fair and equitable to all Classes pursuant to this standard. With respect to the Impaired Classes of Unsecured Claims, Bankruptcy Code § 1129(b)(2)(B) provides that a Plan is "fair and equitable" if it provides that (i) each holder of a claim of such a class receives or retains on account of such claim, property of a value as of the effective date of the Plan equal to the Allowed Amount of such claim; or (ii) the Holder of any claim or interest that is junior to the claims of such class will not receive or retain any property under the Plan on account of such junior claim or interest. The Trustee believes that the Plan meets these standards.

With respect to Impaired Classes of Equity Interests, Bankruptcy Code § 1129(b)(2)(C) provides that a Plan is "fair and equitable" if it provides that (i) each stockholder receives or retains on account of its stockholder interest, property of a value equal to the greatest of the Allowed Amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest, or (ii) the holder of any interest that is junior to the interests of such class will not receive or retain any property under the Plan. The Trustee believes that the Plan meets these standards as no Holder of an Equity Interest will retain its interests on the Effective Date. Accordingly, if necessary, the Trustee believes that the Plan meets the requirements for Confirmation by the Bankruptcy Court, notwithstanding the non-acceptance by an Impaired Class of Claims or Holders of Equity Interests. The Trustee intends to evaluate the results of the balloting to determine whether to seek Confirmation of the Plan in the event that less than all the Impaired Classes of Claims do not vote to accept the Plan. The determination as to whether to seek Confirmation under such circumstances will be announced before or at the Confirmation Hearing.

h. Liquidation Analysis.

To confirm the Plan, the Bankruptcy Court must find that, pursuant to 11 U.S.C. § 1129(a)(7), all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a Chapter 7 liquidation.

In a Chapter 7 case, a Chapter 7 trustee would be elected or appointed to liquidate the Assets of the Debtor. Converting the case to a Chapter 7 case would simply add an additional layer of administrative expenses to the Estate which would substantially reduce and possibly eliminate any funds available for distribution to Unsecured Creditors. The proceeds of the liquidation would be distributed to the Creditors and Holders of Equity Interests of the Debtor in accordance with the priorities established by the Bankruptcy Code.

In general, as illustrated by the Liquidation Analysis attached hereto as Exhibit E, the Trustee believes that liquidation under Chapter 7 would result in diminution of the value of the interests of the Creditors because of (a) additional administrative expenses involved in the

appointment of a trustee and attorneys, accountants, and other professionals to assist such trustee; (b) additional expenses and claims, some of which might be entitled to priority, which would arise by reason of the liquidation; (c) failure to realize the full value of the Debtor's Assets; (d) the inability to utilize the work product and knowledge of the Trustee's Professionals; (e) the substantial delay which would elapse before Creditors would receive any distribution in respect to their Claims; and (f) the loss to Unsecured Creditors.

i. Alternatives to Plan.

If the Plan is not confirmed, the Trustee or any other party in interest in the Chapter 11 Case could attempt to formulate and propose a different Plan. The Trustee believes that the Plan as proposed will enable Creditors to be paid the maximum amount possible for their Allowed Claims. The Liquidation Case could also be converted to a Chapter 7 liquidation case, as described above.

ARTICLE X: EFFECT OF CONFIRMATION

a. Discharge.

Pursuant to § 1141(d)(3), the Debtor is not entitled to a discharge because the Plan provides for the liquidation of all of the Debtor's Assets.

b. Modification of the Plan.

The Trustee may modify the Plan at any time before Confirmation of the Plan. However, the Bankruptcy Court may require a new disclosure statement and/or re-voting on the Plan. The Trustee is also entitled to seek to modify the Plan at any time after Confirmation only if (1) the Plan has not been substantially consummated, and (2) the Bankruptcy Court authorizes the proposed modifications after notice and a hearing.

c. Final Decree.

Once the Liquidating Estate has been fully administered, as provided in Rule 3022 of the Bankruptcy Rules, the Liquidating Agent, or such other party as the Bankruptcy Court shall designate in the Confirmation Order, shall file a motion with the Bankruptcy Court to obtain a Final Decree to close the case. Alternatively, the Bankruptcy Court may enter such a Final Decree on its own motion.

ARTICLE XI:
SUMMARY AND RECOMMENDATION

The Plan is fair, equitable, does not discriminate unfairly, provides creditors more than they would receive in a Chapter 7 liquidation, and should be confirmed. The Plan provides for an orderly and prompt distribution to Holders of Allowed Claims against the Debtor. The Trustee firmly believes that believes that its effort to maximize the return for Creditors has been full and complete and that the Plan is in the best interests of all Creditors and should be accepted.

Dated: December 8, 2014.

/s/ Roberta A. Colton
Roberta A. Colton
Florida Bar No. 0371289
rcolton@trenam.com
Stephanie C. Lieb
Florida Bar No. 0031806
slieb@trenam.com
Megan W. Murray
Florida Bar No. 0093922
mwmurray@trenam.com
TRENAM, KEMKER, SCHARF, BARKIN,
FRYE, O'NEILL & MULLIS, P.A.
101 E Kennedy Blvd., Suite 2700
Tampa, Florida 33602
Telephone: 813/223-7474
Counsel for the Trustee