

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:

COUNCIL OF UNIT OWNERS OF THE
100 HARBORVIEW DRIVE CONDOMINIUM

Debtor

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Case No: 16-13049-MMH
(Chapter 11)

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CREDITOR'S AMENDED PLAN OF REORGANIZATION PURSUANT
TO CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE

Howard Bank ("Plan Proponent"), secured creditor of Council of Unit Owners of the 100 Harborview Drive Condominium, debtor and debtor in possession (the "Debtor"), by counsel, proposes the following Creditor's Amended Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Creditor's Plan").

ARTICLE 1
INTRODUCTION

1.1 Howard Bank has modified the Creditor's Plan in two significant ways:

(1) Howard Bank has extended the period for repayment of its loan from 8 years to 9 years, and has returned the operating cash made available from doing so to the unit owners, by reducing projected special assessments, and (2) Howard Bank has reached a settlement with Penthouse 4C, LLC that resolves the Debtor's disputes with Penthouse 4C, LLC, and also reduces cash needs in the critical first year of the plan, without the requirement of a second lien on special assessments in favor of Penthouse 4C, LLC.

1.2 Established in 1993, the Debtor is organized under the condominium laws of the State of Maryland¹. Pursuant to its By-Laws, the Council of Unit Owners has acted through its Board of Directors, who are residents elected or appointed for the purpose of carrying out the responsibilities of the Council of Unit Owners. The Debtor commenced its Bankruptcy Case by filing a voluntary Chapter 11 petition on March 9, 2016 (the "Petition Date") under the United States Bankruptcy Code. According to the Debtor, on June 28, 2016, a vote was taken and

¹ Unless otherwise defined in this Creditor's Plan, the definitions of the capitalized terms contained in this Creditor's Plan are set forth in Article 2 herein.

the tally indicated 75.565% of the total votes of the Council of Unit Owners, by proxy or ballot, approved the filing of the Debtor's Chapter 11 bankruptcy case. Since the Petition Date, the Debtor has continued to operate its Condominium in the ordinary course as a debtor in possession.

1.3 Chapter 11 allows a debtor and under some circumstances, Creditors and other Parties in Interest, to propose a plan of reorganization. This document is Howard Bank's proposed plan and provides for the stabilization of the Debtor's Condominium, so that the litigation and dissention that has burdened the community for the last several years may be resolved, necessary maintenance and capital expenditures according to the Debtor's reserve study may occur and adequate reserves may be maintained for unexpected future expenses. The Creditor's Plan provides for the appointment of a Plan Trustee, for a period of time, to oversee the Debtor's operations and performance under the Creditor's Plan. The Creditor's Plan will pay all creditors of the Debtor in full.

1.4 Subject to certain restrictions and requirements as set forth in § 1127 of the Bankruptcy Code, Bankruptcy Rule 3019, and those restrictions on modifications to the Creditor's Plan, as set forth herein, the Howard Bank expressly reserves the right to alter, amend, modify, revoke or withdraw the Creditor's Plan, one or more times, prior to Confirmation.

1.5 IN THE OPINION OF HOWARD BANK, THE TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN CONTEMPLATES A GREATER, FASTER AND MORE CERTAIN RECOVERY THAN THAT WHICH IS LIKELY TO BE ACHIEVED UNDER OTHER ALTERNATIVES FOR THE REORGANIZATION OR LIQUIDATION OF THE DEBTOR. ACCORDINGLY, HOWARD BANK BELIEVES THAT CONFIRMATION OF THE CREDITOR'S PLAN IS IN THE BEST INTERESTS OF CREDITORS AND RECOMMENDS THAT CREDITORS VOTE TO ACCEPT THE CREDITOR'S PLAN.

1.6 NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, UNLESS OTHERWISE STATED, ALL STATEMENTS IN THE CREDITOR'S PLAN CONCERNING THE HISTORY OF THE DEBTOR'S CONDOMINIUM, THE PAST OR PRESENT FINANCIAL CONDITION OF THE DEBTOR, THE PROJECTIONS OF THE FUTURE OPERATIONS OF THE REORGANIZED DEBTOR AND TRANSACTIONS TO

WHICH THE DEBTOR WAS OR IS A PARTY, ARE ATTRIBUTABLE EXCLUSIVELY TO THE DEBTOR AND NOT TO THE PLAN PROPONENT.

1.7 AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER ACTIONS, OR ANY FUTURE ACTIONS, THE CREDITOR'S PLAN SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT, LIABILITY, STIPULATION, ESTOPPEL, OR WAIVER.

ARTICLE 2
DEFINITIONS AND RULES OF CONSTRUCTION

2.1 Definitions. Unless the context otherwise specifies or requires, the following terms shall have the meanings herein specified, such definitions to be applicable equally to the singular and plural forms of such terms and to all genders:

2.1.1 “Administrative Claim” means a Claim for costs and expenses of the administration of the Bankruptcy Case which is entitled to administrative priority status pursuant to §§ 503(b) and 507(a)(2) of the Bankruptcy Code, including, without limitation, a Claim of a Professional employed at the expense of the Estate and any fees or charges asserted against the Estate under 28 U.S.C. § 1930.

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

2.1.3 “Allowed Amount” means the dollar amount in which a Claim is allowed.

2.1.4 “Allowed” with respect to any Claim means: (i) a Claim against the Debtor which has been listed on the Debtor's Schedules, as such Schedules may be amended from time to time pursuant to Bankruptcy Rule 1009, as liquidated in amount and not disputed or contingent and for which no contrary Proof of Claim has been filed, (ii) any Claim for which a Proof of Claim was properly and timely filed in accordance with any order of the Bankruptcy Court, the Creditor's Plan, the Bankruptcy Code, and the Bankruptcy Rules, as to which no objection to allowance is made by the Debtor or a Party in Interest or as to which any objection has been determined by a Final Order to the extent such objection is determined in favor of the respective Holder or (iii) any Claim expressly allowed by a Final Order or pursuant to the Plan.

Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated or disputed, and for which no Proof of Claim has been timely filed, is not considered Allowed and shall be expunged on the Effective Date without further action by the Debtor and without any further notice to or action, order or approval of the Bankruptcy Court.

2.1.5 “Allowed Class [#] Claim” means an Allowed Claim in the particular Class identified.

2.1.6 “Ancel” shall mean James W. Ancel, the sole member of PH4C, LLC.

2.1.7 “Assessment” or “Annual Assessment” means the amounts charged to Unit Owners for the operation and maintenance of the condominium.

2.1.8 “Ballot” means the ballot, the form of which has been approved by the Bankruptcy Court, accompanying the Disclosure Statement provided to each Holder of a Claim entitled to vote to accept or reject this Creditor’s Plan.

2.1.9 “Bankruptcy Case” means the Chapter 11 bankruptcy case commenced by the Debtor on the Petition Date and pending before the Bankruptcy Court as Case No. 16-13049-MMH.

2.1.10 “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.

2.1.11 “Bankruptcy Counsel” means Yumkas, Vidmar, Sweeney & Mulrenin, LLC.

2.1.12 “Bankruptcy Court” means the United States Bankruptcy Court for the District of Maryland or, as the context requires, any other court of competent jurisdiction exercising jurisdiction over the Bankruptcy Case.

2.1.13 “Bankruptcy Rules” means (a) the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended and promulgated under § 2075 of Title 28 of the United States Code, (b) the Federal Rules of Civil Procedure, as amended and promulgated under § 2072 of title 28 of the United States Code, (c) the Local Rules of the Bankruptcy Court, and (d) any standing orders governing practice and procedure issued by the

Bankruptcy Court, each as in effect on the Petition Date, together with all amendments and modifications thereto to the extent applicable to the Bankruptcy Case or proceedings herein, as the case may be.

2.1.14 “Bar Date” means the last date for Creditors whose Claims or interests are not scheduled or are scheduled as disputed, contingent, or unliquidated in the Debtor’s Schedules to file Proofs of Claim. The Bar Date was (i) July 5, 2016 for Persons other than governmental entities and (ii) September 6, 2016 for governmental entities.

2.1.15 “Board of Directors” means the board of directors of the Debtor as established by the Condominium Documents.

2.1.16 “Business Day” means any day other than (a) a Saturday, (b) a Sunday, (c) a “legal holiday” (as “legal holiday” is defined in Bankruptcy Rule 9006(a)), or (d) a day on which commercial banks in Baltimore, Maryland are required or authorized to close by law.

2.1.17 “By-laws” means collectively the original By-laws of 100 Harborview Drive Condominium, dated November 9, 1993 as recorded in the Land Records of Baltimore City, Maryland (“Land Records”) in Liber 3957, at Folio 362 *et seq.* and all amendments thereto.

2.1.18 “Cash” means cash, cash equivalents and other readily marketable direct obligations of the United States, as determined in accordance with generally accepted accounting principles consistently applied, 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.

2.1.19 “Claim” has the meaning ascribed to such term in § 101(5) of the Bankruptcy Code.

2.1.20 “Class” means a category of Claims classified in Article 4 of this Plan pursuant to §§ 1122 and 1123 of the Bankruptcy Code.

2.1.21 “Clark” shall mean, collectively, Paul W. Clark, Rebecca DeLorme and Paul W. Clark, Jr.

2.1.22 “Clerk” means the Clerk of the Bankruptcy Court.

2.1.23 “Clerk’s Office” means the Office of the Clerk of the Bankruptcy Court.

2.1.24 “Collateral” means all of the Debtor’s assets, including without limitation, accounts, general intangibles, chattel paper, assessments, fixtures, equipment and furniture, along with the proceeds of such assets in which the Estate has (or had) an interest and that secures (or secured), in whole or part, whether by agreement, statute, or judicial decree, the payment of a Claim.

2.1.25 “Condominium” means that condominium regime organized under Maryland condominium law in 1993 known as “100 Harborview Drive Condominium”.

2.1.26 “Condominium Documents” means collectively the Declaration and By-laws.

2.1.27 “Confirmation” or “Confirmation of the Creditor’s Plan” means the approval of the Creditor’s Plan by the Bankruptcy Court at the Confirmation Hearing.

2.1.28 “Confirmation Date” means the date on which the Confirmation Order is entered on the Docket by the Clerk pursuant to Bankruptcy Rule 5003(a).

2.1.29 “Confirmation Hearing” means the hearing which will be held before the Bankruptcy Court to consider Confirmation of the Creditor’s Plan and related matters pursuant to § 1128(a) of the Bankruptcy Code, as such hearing may be adjourned or continued from time to time. The date and time of commencement of the Confirmation Hearing is set forth in the Disclosure Statement Approval Order.

2.1.30 “Confirmation Order” means the order of the Bankruptcy Court in the Bankruptcy Case confirming the Plan pursuant to § 1129 and other applicable sections of the Bankruptcy Code.

2.1.31 “Council of Unit Owners” is the unincorporated legal entity, comprised of all the Unit Owners acting through its Board of Directors.

2.1.32 “Creditor” means the Holder of a Claim, within the meaning of § 101(10) of the Bankruptcy Code, including Secured Creditors, Unsecured Creditors, and Creditors with Administrative Claims, Priority Tax Claims, and Priority Claims.

2.1.33 “Creditor’s Plan” means this Creditor’s Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code, dated as of February 5, 2018, 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.

2.1.34 “Debt” has the meaning ascribed to such term in § 101(12) of the Bankruptcy Code.

2.1.35 “Debtor” means Council of Unit Owners of the 100 Harborview Drive Condominium, as debtor and debtor in possession under the Bankruptcy Case. For the purpose of this Plan, reference to “Debtor” shall include the Reorganized Debtor, as applicable.

2.1.36 “Debtor’s Plan” shall mean the Debtor’s Third Amended Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code, as the same may be further amended.

2.1.37 “Declaration” means collectively the Declaration Establishing a Horizontal Property Regime to be Known as a 100 Harborview Drive Condominium, dated November 17, 1993 and recorded among the Land Records of Baltimore City in Liber 3957, at Folio 339, *et seq.* and all amendments thereto.

2.1.38 “Disallowed Claim” means any Claim which has been disallowed by an order of the Bankruptcy Court, which order has not been stayed pending appeal.

2.1.39 “Disclosure Statement” means that certain Disclosure Statement for the Creditor’s Plan of Reorganization Under Chapter 11 of the United States Bankruptcy Code, including all Exhibits thereto, as submitted and filed by the Plan Proponent pursuant to § 1125 of the Bankruptcy Code and conditionally approved by the Bankruptcy Court in the Plan Procedures Order.

2.1.40 “Disputed Claim” means any Claim or portion thereof (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) and (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 has not been (i) withdrawn, (ii) overruled by an order of the Bankruptcy Court, or (iii) sustained by an order of the Bankruptcy 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 amount subject to objection.

2.1.41 “Disputed,” when used as an adjective herein (such as Disputed Administrative Claim, Disputed Priority Tax Claim, Disputed Priority Claim, Disputed Secured Claim, and Disputed Unsecured Claim), has a corresponding meaning.

2.1.42 “Disputed Claims Reserve” means Cash to be set aside by the Debtor in a separate, interest-bearing account, in an amount sufficient to pay Disputed Claims, but not Claims within Class 6, Class 7 or Class 8, in accordance with the provisions hereof, and as to be maintained as set forth more fully herein.

2.1.43 “Distribution” means the Cash that is required to be distributed under this Plan to the Holders of Allowed Claims.

2.1.44 “Distribution Date” means the date or dates under the Creditor’s Plan when a Distribution is required to be made in accordance with the Creditor’s Plan.

2.1.45 “Docket” or “Dkt” means the docket in the Bankruptcy Case maintained by the Clerk.

2.1.46 “Effective Date” means a date selected by the Reorganized Debtor, but in no event later than sixty (60) days after the Confirmation Date.

2.1.47 “Entity” has the meaning ascribed to such term in § 101(15) of the Bankruptcy Code.

2.1.48 “Estate” means the Debtor’s bankruptcy estate created pursuant to § 541 of the Bankruptcy Code in the Bankruptcy Case.

2.1.49 “Exculpated Parties” has the meaning ascribed to such term in Article 11.

2.1.50 “Exhibit” means an exhibit to the Disclosure Statement or this Creditor’s Plan, as applicable.

2.1.51 “Final Order” means an order or judgment of the Bankruptcy Court which has not been reversed, stayed, modified or amended and: (i) as to which the time to appeal or seek reconsideration or rehearing thereof or file a petition for certiorari has expired; (ii) in the event of a motion for reconsideration or rehearing or petition for certiorari is filed, such motion or petition shall have been denied by an order or judgment of the Bankruptcy Court or other applicable court; and (iii) in the event an appeal is filed and pending, a stay pending appeal has not been entered; provided, however that with respect to an order or judgment of the Bankruptcy Court allowing or disallowing a Claim, such order or judgment shall have become final and non-appealable; and provided further, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or analogous rule under the Bankruptcy Rules, may be filed with respect to such order or judgment shall not cause such order or judgment not to be a Final Order.

2.1.52 “Governmental Unit” has the meaning ascribed to such term in § 101(27) of the Bankruptcy Code.

2.1.53 “Holder” means 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, (ii) if no Proof of Claim has been filed with respect to such Claim, the owner or holder of such Claim as such is reflected on the Schedules or the books and records of the Debtor or as otherwise determined by order of the Bankruptcy Court, (iii) if the owner or holder of such Claim has assigned or transferred the Claim to a third party and the Debtor or Reorganized Debtor, as the case may be, has received sufficient written evidence of such assignment or transfer, the assignee or transferee; or (iv) any subrogee of a holder of a Secured Claim.

2.1.54 “Howard Bank” shall mean Howard Bank.

2.1.55 “Howard Bank Loan” shall mean the indebtedness evidenced by the Howard Bank Loan Documents.

2.1.56 “Howard Bank Loan Documents” shall mean each of the (i) Howard Bank Promissory Note, (ii) Assignment of Assessments, dated April 29, 2013 from

the Debtor to Howard Bank, recorded on or about May 14, 2013 among the Land Records of Baltimore City, Maryland at Liber 15210, Page 042 (as amended, the “Assignment of Assessments”), (iii) Pledge and Security Agreement, dated April 29, 2013 from the Debtor to Howard Bank (as amended, the “Pledge and Security Agreement”), (iv) Loan and Security Agreement, dated April 29, 2013 between the Debtor and Howard Bank (as amended, the “Loan and Security Agreement”), (v) the Renovation Loan Agreement dated as of April 29, 2013 between the Debtor and Howard Bank (the “Renovation Loan Agreement”) (vi) the orders authorizing the Debtor to use cash collateral entered by the Court; and (vii) all other documents executed and/or delivered by the Debtor in connection with the Howard Bank Loan, together with all amendments, modifications, renewals or extensions thereof.

2.1.57 “Howard Bank Promissory Note” means that certain Promissory Note dated on or about April 29, 2013 from the Debtor to Howard Bank payable by the Debtor to the order of Howard Bank in the original principal amount of Eight Million and No/100 Dollars (\$8,000,000.00), as amended and restated by that Amended and Restated Promissory Note dated December 29, 2014, as further amended and restated by that Second Amended and Restated Promissory Note dated June 3, 2015, and as further amended and restated by that Third Amended and Restated Promissory Note dated August 10, 2015 and Allonge dated January 25, 2016, each by and between the Debtor and Howard Bank, and as of the Effective Date, and, following the Effective Date, includes the amended and restated note executed and delivered pursuant to Section 5.1 hereof.

2.1.58 “Impaired” refers to any Claim that is impaired within the meaning of § 1124 of the Bankruptcy Code.

2.1.59 “Indemnification Rights” means any obligations or rights of the Debtor to indemnify, reimburse, advance, or contribute to the losses, liabilities or expenses of an Indemnatee pursuant to the Debtor’s Condominium Documents, or policy of providing indemnification, applicable law, or a specific agreement in respect of any claims, demands, suits, causes of action or proceedings against an Indemnatee based upon any act or omission related to an Indemnatee’s service with, for, or on behalf of the Debtor.

2.1.60 “Indemnitee” means all present and former directors, officers, members, managers, partners, employees, agents or representatives of the Debtor who are entitled to assert Indemnification Rights.

2.1.61 “Joint Disclosure Statement” means that Joint Disclosure Statement for Debtor’s Third Amended Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code and Creditor’s Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code.

2.1.62 “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 predecessor 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 predecessor thereof, any Property of the Debtor, the businesses or operations of the Debtor, the Bankruptcy Case, or the Creditor’s 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; provided, however, that, when used in the Creditor’s Plan, the term “Liabilities” shall not include any obligations of the Reorganized Debtor expressly set forth in the Plan or the Plan Documents.

2.1.63 “Lien” means, with respect to any Property, any mortgage, pledge, security interest, lien, right of first refusal, option or other right to acquire, assignment, charge, judgment, 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 Property, whether voluntary or involuntary and whether arising by law, contract or otherwise.

2.1.64 “Official Bankruptcy Forms” means forms promulgated and required by the Bankruptcy Court.

2.1.65 “Operating Reserve Fund” is a fund of Cash to be held and maintained by the Debtor, under the supervision and control of the Plan Trustee.

2.1.66 “Other Priority Claim” means a Claim that is entitled to priority in payment pursuant to § 507(a) of the Bankruptcy Code that is not an Administrative Claim or a Priority Tax Claim or specified in § 1123(a)(1).

2.1.67 “Paid in Full” means the Debtor’s payment obligation to a particular Creditor or Class of Creditors under this Creditor’s Plan has been fully satisfied.

2.1.68 “Party in Interest” means the Debtor, the Reorganized Debtor, any Creditor of any of them, and any party to an executory contract or unexpired lease with the Debtor.

2.1.69 “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 Entity or other institution of any type whatsoever, including any “person” as such term is defined in § 101(41) of the Bankruptcy Code.

2.1.70 “Petition Date” means March 9, 2016, the date on which the Debtor commenced the Bankruptcy Case by filing its voluntary petition under Chapter 11 of the Bankruptcy Code.

2.1.71 “PH4C” means collectively Penthouse 4C, LLC. PH4C is the owner of Penthouse Unit 4C unit located within the Condominium.

2.1.72 “Plan Documents” means all documents that aid in effectuating the Plan.

2.1.73 “Plan Payment Fee” means any additional fees or charges implemented by the Debtor as authorized by its Condominium Documents to properly fund and carry out the terms of this Plan.

2.1.74 “Plan Procedures Order” shall mean that Order entered by the Bankruptcy Court conditionally approving the Disclosure Statement and establishing dates and deadlines in connection with the hearing to consider confirmation of the Debtor’s Third Amended Plan and the Creditor’s Plan

2.1.75 “Plan Proponent” shall mean Howard Bank.

2.1.76 “Plan Trust” shall mean that irrevocable trust to be formed following the Effective Date for the purpose of taking title to the Penthouse Unit PH4C.

2.1.77 “Plan Trustee” shall mean Monique Almy, Esquire, the trustee appointed pursuant to the terms of this Creditor’s Plan.

2.1.78 “Post-Confirmation Expenses” means the fees and expenses incurred by the Plan Trustee following the Confirmation Date (including the fees and costs of Professionals) for the purpose of (i) performing her duties as Plan Trustee and administering the Creditor’s Plan, (ii) objecting to and resolving Disputed Claims, Disputed Liens, and pursuing litigation rights of the Debtor; (iii) effectuating Distributions under the Creditor’s Plan; or (iv) otherwise consummating the Creditor’s Plan and closing the Debtor’s Bankruptcy Case.

2.1.79 “Prepetition” means arising or accruing prior to the Petition Date.

2.1.80 “Priority Claim” means a Claim, other than an Administrative Claim or Priority Tax Claim, entitled to priority in payment pursuant to § 507 of the Bankruptcy Code.

2.1.81 “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.

2.1.82 “Professional” means any Person employed in the Bankruptcy Case pursuant to a Final Order of the Bankruptcy Court in accordance with §§ 327 or 1103 of the Bankruptcy Code.

2.1.83 “Proof of Claim” means a proof of claim filed by a Creditor with the Bankruptcy Court in which the Creditor sets forth the amount of its Claim in accordance with Bankruptcy Rule(s) 3001, 3002 or 3003.

2.1.84 “Property” means any property or asset of any kind, 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.

2.1.85 “Reorganized Debtor” means the Debtor, as reorganized under the terms of this Creditor’s Plan, on and after the Effective Date.

2.1.86 “Repair and Replacement Reserve Fund” is a fund of Cash to be held and maintained by the Reorganized Debtor, under the control and supervision of the Plan

Trustee, in order to accumulate funds for capital repairs of the Condominium and replacement of the commonly owned assets of the Condominium.

2.1.87 “Reserve Accounts” means collectively the Operating Reserve Fund and the Repair and Replacement Reserve Fund which shall be amounts of Cash separately accounted for by Plan Trustee for the satisfaction of Debtor’s obligations, whether arising under this Creditor’s Plan or otherwise.

2.1.88 “Schedules” means the schedules of assets and liabilities and the statement of financial affairs filed by Debtor pursuant to Bankruptcy Code § 521, Bankruptcy Rule 1007, and the Official Bankruptcy Forms of the Bankruptcy Rules as such schedules and statements have been or may be supplemented or amended from time to time through the Confirmation Date.

2.1.89 “Secured Claim” means any Claim of a Creditor that is (a) secured in whole or in part, as of the Petition Date, by a Lien (i) on Collateral and (ii) 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 value of such Creditor’s interest in the Estate’s interest in such Collateral 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 the Estate’s interest in such Collateral, or the amount subject to setoff is less than the amount of the Allowed Claim, then such deficiency shall constitute an Unsecured Claim.

2.1.90 “Secured Creditor” means any Creditor holding a Secured Claim.

2.1.91 “Tax” means any tax, charge, fee, levy, or other assessment by any federal, state, local or foreign taxing authority, including, without limitation, income, excise, property, sales, transfer, employment, payroll, franchise, profits, license, use, ad valorem, estimated, severance, stamp, occupation and withholding tax. “Tax” shall include any interest or additions attributable to, or imposed on or with respect to, such assessments.

2.1.92 “Tax Claims” means any Claim, pre-petition or post-petition, relating to a Tax.

2.1.93 “Unimpaired” refers to a Claim that is not Impaired.

2.1.94 “Unit” means a residential condominium unit in the Condominium.

2.1.95 “Unit Owner” means any person, firm, corporation, trust or other legal entity, or any combination thereof, holding legal title to Unit. However, no mortgagee, as such, shall be deemed a Unit Owner.

2.1.96 “Unsecured Claim” means any Claim which is not an Administrative Claim, Priority Tax Claim, Priority Claim, or a Secured Claim, including (a) any Claim arising from the rejection of an executory contract or unexpired lease under § 365 of the Bankruptcy Code, (b) except as otherwise provided in the Plan, any portion of a Claim to the extent the value of the Creditor’s interest in the 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 Claim 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.

2.1.97 “Unsecured Creditor” means any Creditor holding an Unsecured Claim.

2.1.98 “U.S. Trustee” or “United States Trustee” means the office of the United States Trustee.

2.2 Rules of Construction. In the event a capitalized term is not defined herein, then it shall have the meaning given in the Bankruptcy Code or the Bankruptcy Rules. In the event a capitalized term is not defined in any of the Plan, the Bankruptcy Code, or the Bankruptcy Rules, then it shall have the meaning such term has in ordinary usage and if one or more meanings for such term exists in ordinary usage, then it shall have the meaning which is most consistent with the purposes of this Creditor’s Plan and the Bankruptcy Code. The terms of this Creditor’s Plan shall not be construed against any Person but shall be given a reasonable construction, consistent with the purposes hereof and of the Bankruptcy Code.

2.3 The words “herein,” “hereof,” “hereto,” “hereunder,” and others of similar import refer to this Creditor’s Plan as a whole and not to any particular section, subsection, or clause contained in this Creditor’s Plan.

ARTICLE 3
TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS,
PRIORITY CLAIMS, AND PRIORITY TAX CLAIMS

In accordance with the provisions of § 1123(a)(1) of the Bankruptcy Code, Administrative Claims, certain Priority Claims, and Priority Tax Claims are deemed “unclassified.” These Claims are not considered Impaired pursuant to § 1129(a)(9)(A) or (C) of the Bankruptcy Code, and Holders of these Claims do not vote on the Creditor’s Plan because they are automatically entitled to specified treatment under the Bankruptcy Code. As such, the Plan Proponent has not placed these Claims in a Class. All Distributions made pursuant to this Article shall be in Cash as described below. Notwithstanding anything to the contrary contained herein, in no event shall the aggregate amount of Distributions with respect to any unclassified Claim exceed the Allowed Amount of such Claim. The treatment of and the consideration to be received by the Holders of these unclassified Claims shall be in full and final satisfaction, settlement, release, extinguishment and discharge of their respective Claims (of any nature whatsoever).

3.1 Allowed Administrative Claims. Each Holder of an Allowed Administrative Claim shall be Paid in Full, in Cash, in accordance with the priority of distribution set forth in § 507(a)(2) of the Bankruptcy Code, on the latest of (a) the Effective Date, (b) the tenth (10th) Business Day after the date upon which such Claim becomes an Allowed Claim, (c) the date upon which such Allowed Claim becomes due according to its terms, or (d) as otherwise ordered by a Final Order of the Bankruptcy Court. Any Holder of an Allowed Administrative Claim may agree to a different, but not better, treatment of its Claim, in which event the Reorganized Debtor shall pay such Claim in accordance with such agreement. In the case of a Professional with an Allowed Administrative Claim, that Professional shall be paid first from any retainer held by such Professional, and as to a balance, if any, after application of the retainer, shall be paid from Cash. All Holders of Allowed Administrative Claims shall file applications for allowance and payment of Administrative Claims within ninety (90) days after the Effective Date.

3.2 Allowed Priority Claims. Each Holder of an Allowed Priority Claim shall be Paid in Full, in Cash, in accordance with the priority of distribution set forth in § 507(a)(2),

(a)(3), or (a)(8) of the Bankruptcy Code, on the latest of (a) the Effective Date, (b) the tenth (10th) Business Day after the date upon which such Claim becomes an Allowed Claim, (c) the date upon which such Allowed Claim becomes due according to its terms, or (d) as otherwise ordered by a Final Order of the Bankruptcy Court. Any Holder of an Allowed Priority Claim may agree to a different, but not better, treatment of its Claim, in which event the Reorganized Debtor shall pay such Claim in accordance with such agreement.

3.3 Priority Tax Claims. Each Holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive Cash (i) in an amount equal to the amount of such Allowed Priority Tax Claim on the Effective Date or (ii) as soon as reasonably practicable after the date of a Final Order allowing such Priority Tax Claim in accordance with §507(a)(8) as specified in §1129(a)(9)(C) of the Bankruptcy Code. Any Holder of an Allowed Priority Tax Claim may agree to a different, but not better, treatment of its Claim, in which event the Reorganized Debtor shall pay such Claim in accordance with such agreement.

ARTICLE 4 CLASSIFICATION OF CLAIMS

4.1 General Overview. As required by §§ 1122 and 1123 of the Bankruptcy Code, this Plan places Claims into various Classes according to their right to priority and other relative rights. A Claim is in a particular Class for purposes of voting on, and of receiving Distributions pursuant to the Plan only to the extent such Claim has not been paid, released or otherwise settled prior to the Effective Date. The table in Section 4.2 below identifies each Class of Claims under the Plan and whether such Class is Impaired or Unimpaired.

4.2 Designation of Classes. This Plan provides for the establishment of the following Classes of Claims as provided in § 502 of the Bankruptcy Code:

Class	Designation	Impairment	Entitled to Vote
1	Allowed Secured Claim of Howard Bank	Impaired	Yes
2	Allowed Claims Secured by Units		
	Class 2A—Allowed Claim Secured by Unit 907	Impaired	Yes
	Class 2B—Allowed Claim Secured by Unit 1310	Impaired	Yes
3	Allowed Claims for Cure of Assumed Contracts and Unexpired Leases	Impaired	Yes

Class	Designation	Impairment	Entitled to Vote
4	Allowed PH4C Judgments and Monetary Claims	Impaired	Yes
5	Allowed Non-Insider General Unsecured Claims	Impaired	Yes
6	Allowed Harborview Marina & Yacht Club Community Association Claim	Impaired	Yes
7	Allowed Unsecured Claims of Clark, Delorme and Clark, Jr.	Impaired	Yes
8	Allowed Unsecured Unit Owner Claims	Impaired	Yes
9	Allowed Interests	Impaired	Yes

ARTICLE 5
TREATMENT OF CLASSIFIED CLAIMS

Allowed Claims shall be treated under this Creditor's Plan in the manner set forth in this Article 5. Unless otherwise specified, all Distributions made pursuant to this Article shall be in Cash. Notwithstanding anything to the contrary contained herein, in no event shall the aggregate amount of Distributions with respect to any classified Claim exceed the Allowed Amount of such Claim. The treatment of, and the consideration to be received by, Holders of Allowed Claims hereunder shall be in full and final satisfaction, settlement, release, extinguishment and discharge of their respective Allowed Claims (of any nature whatsoever), including any Liens securing such Allowed Claims. Any Holder of an Allowed Claim under this Article 5 may agree to a different, but not better, treatment of its Claim, in which event the Reorganized Debtor shall pay such Claim in accordance with such agreement.

5.1 Class 1: The Allowed Secured Claim of Howard Bank.

A. Description: Class 1 consists of the Secured Claim of Howard Bank as of the Petition Date, plus any Allowed post-petition attorneys' fees, interest, fees, and/or other charges. As of the Petition Date, the outstanding principal balance owed to Howard Bank on its secured claim was approximately Seven Million Eight Hundred Twenty-One Thousand Eight Hundred Twenty-Three and 73/100 Dollars (\$7,821,823.73). As of February 2, 2018, the unpaid principal balance of the Howard Bank Loan was \$7,451,823.73, and the Debtor is also obligated to Howard Bank for additional costs, fees and expenses under the Howard Bank Loan Documents, including but not limited to Howard Bank's attorneys' fees, consultant fees and litigation expenses, unpaid amounts of which are projected to be approximately \$180,000.

B. Treatment: The Reorganized Debtor shall execute and deliver to Howard Bank a Fourth Amended and Restated Promissory Note in a form acceptable to Howard Bank and contains the following terms: The Reorganized Debtor shall be obligated to pay even monthly payments of principal in the amount of \$68,998.37, plus monthly payment of interest at a rate of 5% on the outstanding balance. Such monthly payments shall commence on the first day of the first full month following the Effective Date and continue consecutively, payable on the first of each month until the earlier of (i) the last day of the ninth (9th) full year following the Effective Date, or (ii) the Class 1 Claim is Paid in Full. On the last day of each calendar quarter beginning on March 30, 2023, the Debtor shall bring current any costs and expenses accrued under the Loan Documents, including but not limited to Howard Bank's attorneys' fees. All amounts due and owing under the Howard Bank Loan Documents shall be paid in full on or before February 28, 2027.

The Howard Bank Loan Documents as modified by the Fourth Amended and Restated Promissory Note shall remain in full force effect as modified. Howard Bank and the Reorganized Debtor may further modify the terms of the Howard Bank Loan Documents without the necessity of further notice or approval of the Court, and any such amendments shall be included in the defined term of "Howard Bank Loan Documents" as set forth herein.

The Holder of the Class 1 Claim shall retain its perfected first priority security interest in the Reorganized Debtor's Collateral, including but not limited to all current and future assessments and all funds on deposit in the Debtor's account, including but not limited to the Reserve Accounts.

C. Impairment: Class 1 is Impaired and therefore the Holder of the Class 1 Claim is entitled to vote to accept or reject the Creditor's Plan.

5.2 Class 2: Allowed Claims Secured by Units 907 and 1310

5.2.1 Description: Class 2 is divided into two categories: the Class 2A Claim and the Class 2B Claim (each as hereinafter defined, and collectively referred to as "Allowed Claims Secured by Units 907 and 1310" or "Class 2").

5.3 Class 2: Allowed Claims Secured by Units 907 and 1310

5.3.1 Description: Class 2 is divided into two categories: the Class 2A Claim and the Class 2B Claim (each as hereinafter defined, and collectively referred to as “Allowed Claims Secured by Units 907 and 1310” or “Class 2”).

5.3.2 Class 2A – Allowed Claims Secured by Unit 907.

A. Description: Class 2A consists of the Allowed Secured Claim secured by Unit 907, which Unit is owned by the Debtor in fee simple, subject to the various Liens incurred by the prior owner of the Unit. The Lien Holder appears to be The Bank of New York Mellon fka The Bank of New York, as Trustee for the Certificate holders of CWALT, Inc., Alternative Loan Trust 2005-58, Mortgage Pass-Through Certificates Series 2005-58 (“CWALT”). The mailing address is 101 Barclay Street – 4W, New York, NY 10286.

B. Treatment: In full and complete satisfaction, discharge and release of the Class 2A Claim, the Reorganized Debtor will pay the fair market value for Unit 907, valued by the Bankruptcy Court at Confirmation in the amount of \$320,000 (the “Fair Market Value of Unit 907”), as an Allowed Class 2A Secured Claim. Commencing on the Effective Date, the Allowed Class 2A Secured Claim shall receive equal monthly payments on the market value amortized over a thirty-year period at a 4% rate of interest on an amount equal to the Fair Market Value of Unit 907 beginning on the first day of the month following confirmation of the Plan, until the earlier of a sale of Unit 907 or October 1, 2035 (the original maturity date of the loan extended to the prior unit owner). Any transfer will be in furtherance of the Plan shall be entitled to the full benefits of 11 U.S.C. § 1146. Upon the sooner to occur of a sale of Unit 907 or on October 1, 2035, the Debtor shall pay the remaining balance owed on the Fair Market Value of Unit 907 in full discharge of the Allowed Class 2A Secured Claim. The Allowed Class 2A Secured Claim will retain its perfected priority security interest in Unit 907 until it is satisfied in accordance with this Plan. Any Creditor, Lien Creditor or judgment Creditor who asserts a claim against Unit 907 but who does not have an Allowed Class 2A Secured Claim, shall not receive any Distribution under this Plan unless that Creditor, Lien Creditor or judgment Creditor has recourse against the Reorganized Debtor. Any Creditor, Lien Creditor or judgment Creditor under Class 2A with recourse against the Reorganized Debtor, but whose claim is not an

Allowed Class 2A Secured Claim, will have its Allowed Unsecured Claim treated under Class 5. Any Creditor, Lien Creditor or judgment Creditor under Class 2A, whose Claim is not an Allowed Class 2A Secured Claim, and does not have recourse against the Reorganized Debtor shall be discharged, extinguished and receive no Distribution under the Plan.

Upon confirmation of the Creditor's Plan, the automatic stay shall be lifted to allow the Holder of a Class 2A Secured Claim to exercise any rights that it may have available to it in the event that the Reorganized Debtor defaults in connection with the payment of interest or payment of the Fair Market Value of Unit 907 when due. The Reorganized Debtor shall be entitled to written notice of any default and be provided with thirty (30) days to cure any such default. The Reorganized Debtor shall be responsible to pay any insurance and real estate taxes in connection with the ownership of Unit 907.

In order to facilitate payments under the Creditor's Plan the Class 2A Secured Creditor shall provide a physical address where payments under the Plan may be made as well as bank wiring instructions for electronic payments. The Class 2A Secured Creditor shall establish an account number specific to the Creditor's Plan (or allow the Reorganized Debtor access to the loan under the current loan number) and shall provide statements to the Reorganized Debtor in the normal course that detail the outstanding principal balance and the total interest received and credited to the account of the Reorganized Debtor. The Class 2A Secured Creditor shall add the Reorganized Debtor to the account for purposes of all communications, notices and payment inquiries, as follows:

Council of Unit Owners of the
100 Harborview Drive Condominium
c/o General Manager
100 Harborview Drive
Baltimore, Maryland 21230

Consistent with the foregoing, the Plan Trustee may determine, in her discretion, that the best interests of creditors and the Unit Owners would be served by ceasing the monthly payments contemplated in this Article 5.3.2.C and permitting the Holder of the Class 2A Claim to exercise its remedies including foreclosure of Unit 907. If the Plan Trustee should make such determination, prior to ceasing payments she shall provide at least sixty (60)

days written notice to the Holder of the Class 2A Secured Claim of such election. The Plan Trustee and the Holder of the Class 2A Claim may also mutually agree to a transfer title to the Holder of the Class 2A Claim pursuant to a deed in lieu of foreclosure, the cost of which shall be borne by the Holder of the Class 2A Claim. Following the sixty (60) day notice period given by the Plan Trustee, the Reorganized Debtor shall not be obligated maintain insurance or pay real property or other taxes in connection with Unit 907.

C. Impairment: Class 2A is Impaired and therefore Holders of an Allowed Class 2A Claim are entitled to vote to accept or reject the Creditor's Plan.

5.3.3 Class 2B – Allowed Claims Secured by Unit 1310.

A. Description: Class 2B consists of the Allowed Secured Claims secured by Unit 1310, which Unit is owned by Debtor in fee simple, subject to the various Liens incurred by the prior owner of the Unit. The Lien Holder appears to be The Bank of New York Mellon fka The Bank of New York, as Trustee for the Holders of Structured Asset Mortgage Investments II Trust 2006-AR8, Mortgage Pass-Through Certificates Series 2006-AR8 ("Mellon") with an address of C/O BAC, M/C:CA6-914-01-43, 1800 Tapo Canyon Road, Simi Valley, CA 93063.

B. Treatment: The Holder of the Class 2B Claim has obtained relief from the automatic stay to pursue its remedies against Unit 1310. The Holder of the Class 2B Claim shall be permitted to exercise its remedies against its collateral in full and complete satisfaction, discharge and release of the Class 2B Claim.

C. Impairment: Class 2B is Impaired and therefore Holders of an Allowed Class 2B Claim are entitled to vote to accept or reject the Creditor's Plan

5.4 Class 3: Allowed Claims for Cure of Assumed Contracts and Unexpired Leases.

A. Description: Class 3 consists of Allowed Claims for the cure of certain Allowed Assumed Contracts and Unexpired Leases that relate to essential contracts necessary for the Reorganized Debtor's operations. Those contracts and the proposed cure amounts are identified in Exhibit 4 attached to the Joint Disclosure Statement.

B. Treatment: full and complete satisfaction, discharge and release of the Class 3 Claims in the estimated amount of \$643,084.38, the Reorganized Debtor shall pay each Holder one-hundred percent (100%) of its Allowed Claim, without interest, in three (3) equal consecutive monthly installment payments commencing thirty (30) days after the Effective Date.

C. Impairment: Class 3 is Impaired and therefore Holders of an Allowed Class 3 Claim are entitled to vote to accept or reject the Plan.

5.5 Class 4: Allowed PH4C Judgments and Monetary Claims.

A. Description: Class 4 consists of all Allowed Judgments and Monetary Claims asserted by PH4C as set forth in Proof of Claim #45.

B. Treatment: In full and complete satisfaction, discharge and release of the Class 4 Claims of PH4C in the estimated amount of \$10,000,000, the Reorganized Debtor shall pay \$4.1 million (the “PH4C Settlement Amount”) to PH4C, as set forth herein, in settlement of all disputes between the Debtor and PH4C as of the Effective Date, and in consideration of the transfer of the residential unit known as Unit PH4C located at 100 Harborview Drive, Baltimore, Maryland 21230 (the “PH4C Unit”) from PH4C to the Plan Trust. The full principal of the PH4C Settlement Amount shall be paid in full no later than December 31, 2022 and accrued interest on the PH4C Settlement Amount shall be paid as set forth herein.

Lien in Favor of PH4C. At the closing of the transfer of title to the PH4C Unit to the Plan Trust, the Plan Trust shall grant a first priority lien to PH4C on the PH4C Unit (the “PH4C Lien”) to secure the payment of the PH4C Settlement Amount and accrued interest. In the event the Plan Trust sells the PH4C Unit, PH4C shall release its lien on the PH4C Unit at the closing on such sale and PH4C shall retain all other rights set forth herein. PH4C’s lien shall attach to the net sale proceeds as a first lien, and the net sale proceeds shall be distributed as provided for herein. Upon payment in full of the PH4C Settlement Amount and the accrued interest by the Reorganized Debtor, all liens on the PH4C Unit shall be released by PH4C.

Initial Payment to PH4C. The Reorganized Debtor shall pay Nine Hundred Eighty-Five Thousand Dollars (\$985,000) (the “Initial Settlement Sum”) of the PH4C Settlement Amount within fifteen (15) calendar days of the Plan’s Effective Date.

Transfer of PH4C Unit to the Plan Trust: Upon the Reorganized Debtor's payment to PH4C of the Initial Settlement Sum, PH4C shall transfer the PH4C Unit to the Plan Trust free and clear of liens, claims, and encumbrances, "as is" and without any representations or warranties regarding the condition or value of the PH4C Unit. The current condition of the PH4C Unit and risk of loss shall be maintained by PH4C until the transfer. PH4C may remove any and all furniture from the PH4C Unit prior to the transfer of the PH4C Unit to the Plan Trust, and PH4C shall give reasonable access to the Plan Administrator (or her designee) prior to closing of the transfer of the PH4C Unit to allow the Plan Administrator to inspect the PH4C Unit and obtain estimates to repair the PH4C Unit. Personal property remaining in the PH4C Unit at the time of the transfer shall convey to the Plan Trust. From the Effective Date through closing on the transfer of the PH4C Unit to the Plan Trust, PH4C shall continue to pay real property taxes and utilities for the PH4C Unit and shall not contract or sell the PH4C Unit nor transfer any membership interests in PH4C after the Effective Date. At closing of the transfer of title to the PH4C Unit to the Plan Trust, such taxes and utilities shall be prorated so that the Plan Trust is responsible for those expenses beginning on the closing date.

Monthly Payments to PH4C. Conditioned upon confirmation of the Creditor's Plan, and beginning in the first full month after the Effective Date, the Reorganized Debtor shall make monthly payments to PH4C until the balance of the PH4C Settlement Amount and all accrued interest is paid in full as provided herein. The first twelve monthly payments made after the Effective Date shall be in the amount of \$45,000 each, followed by twelve monthly payments of \$65,000 each, followed by monthly payments of \$55,000 until the balance of the PH4C Settlement Amount and all accrued interest is paid in full as provided herein. The monthly payments shall be made not later than the last day of each month until the PH4C Settlement Amount and all accrued interest are paid in full.

Sale of Unit. The Plan Trust shall use its best efforts to sell the PH4C Unit as soon as practicable; provided, however the Reorganized Debtor shall not be required to increase assessments in order to repair or facilitate the sale of the PH4C Unit. The Parties acknowledge that \$50,000 has been budgeted for remediation and repair of the PH4C Unit. The Plan Trust

shall not sell the PH4C Unit for less than \$1 million unless PH4C consents to such sale in writing, which consent shall not be unreasonably withheld.

All Cash Sale. If the Plan Trust sells the PH4C Unit prior to payment of the PH4C Settlement Amount and accrued interest in full and the entire purchase price will be paid in cash or other immediately available funds, then the Plan Trust shall pay all net proceeds (after payment of any broker's fee, transfer and recordation taxes, or other related expenses arising from the transaction), but not more than the remaining balance of the PH4C Settlement Amount and accrued interest, to PH4C at closing on the sale of the PH4C Unit. Any remaining balance of the net sales proceeds from the sale of the PH4C Unit after payment in full of the PH4C Settlement Amount and accrued interest shall be paid to Howard Bank and applied to the Howard Bank Loan. Any remaining balance of the net sale proceeds from the sale of the PH4C Unit after payment of the PH4C Settlement Amount and the Howard Bank Loan shall be applied as determined by the Board of Directors of the Reorganized Debtor.

Seller Financed Sale. If the Plan Trust sells the PH4C Unit prior to payment of the PH4C Settlement Amount and accrued interest in full and any portion of the purchase price will not be paid at closing in cash or other immediately available funds then (i) the Plan Trust shall pay all net sales proceeds in the form of cash or other immediately available funds (after payment of any broker's fee, transfer and recordation taxes, or other related expenses arising from the transaction), but not more than the remaining balance of the PH4C Settlement Amount and accrued interest, to PH4C at the closing on the sale of the PH4C Unit; (ii) the Plan Trust may sell the PH4C Unit only if at least \$1 million in cash is paid to PH4C at closing; (iii) any and all payments from the purchaser after closing on account of any additional purchase price (but not any payments made on account of any condominium fees and assessment payable by the purchaser as the new owner) shall be paid first to PH4C until PH4C is paid in full as described herein, and once PH4C is paid in full, such payments shall be paid to Howard Bank to be applied to the Howard Bank Loan until the Howard Bank Loan is paid in full. If both the PH4C Settlement Amount and the Howard Bank Loan have been paid in full, then the balance of payments from the purchaser after closing on account of any purchase price shall be applied as determined by the Board of Directors of the Reorganized Debtor.

PH4C shall apply the net sale proceeds first to the balance due on the PH4C Settlement Amount, then to accrued interest or other charges pursuant this Creditor's Plan. Regardless of whether the Plan Trust sells the PH4C Unit, the principal balance of the PH4C Settlement Amount shall remain due by December 31, 2022, to be immediately followed by monthly payments of \$55,000 until all accrued interest is paid in full as provided above.

Interest to PH4C. The Reorganized Debtor shall pay interest on the principal balance of the PH4C Settlement Amount as follows: on the Effective Date, the then unpaid portion of the PH4C Settlement Amount will begin accruing interest at the rate of six and one-half percent (6.5%) per annum. All accrued interest and default interest, if any (collectively, the "Interest Amount") will then be added to any outstanding PH4C Settlement Amount at the end of the period designated for payment of the PH4C Settlement Amount (estimated to be December 2022) and shall be paid commencing on such month and each month thereafter in an amount not to exceed \$55,000 per month until the accrued interest is paid in full. For the avoidance of doubt, no interest will accrue on the Interest Amount.

Assessments to PH4C. Effective December 1, 2017, until the date of the transfer, the Debtor shall accrue any and all annual and special assessments that may be owed by PH4C to the Debtor (the "PH4C Assessments"). After transfer of the PH4C Unit, the PH4C Assessments will not be collected from PH4C and PH4C shall have no further liability to the Reorganized Debtor or to any third party on account of the PH4C Assessments. If the Creditor's Plan is not approved by the Court, then these PH4C Assessments will become due and owing by PH4C. For the avoidance of doubt, and conditioned upon confirmation of the Creditor's Plan, the total amount of the cash payments being made by the Reorganized Debtor to PH4C as described herein shall be \$4.1 million plus accrued interest and no cash payments shall be made by PH4C to the Debtor.

Forbearance and Release Upon Initial Payment. Upon Confirmation and thereafter upon payment of the Initial Settlement Sum, PH4C shall forbear from assigning, exercising and/or enforcing its rights as a judgment creditor (but not its rights under this Agreement and under the Creditor's Plan), including its rights under the specific performance award described in the Majority Arbitration Award issued on November 24, 2011 that requires,

in part, the removal and replacement of railings at Harborview (the “Enforcement Rights”) and confirmed in Penthouse 4C, LLC v. 100 Harborview Drive Council of Unit Owners, Circuit Court for Baltimore City, Case No. 24C-10-002003 (the “State Court Litigation”). At the same time, the Reorganized Debtors shall grant PH4C (along with its officers, directors, employees and agents in their representative and individual capacities) a general release of any and all claims the Reorganized Debtor may have as of the Effective Date. Upon confirmation of the Creditor’s Plan, the Reorganized Debtor shall dismiss with prejudice the Adversary Proceeding and PH4C shall withdraw its Trustee Motion.

Additional Releases. Upon the earlier to occur of (i) the closing on the Plan Trust’s sale of the PH4C Unit or (ii) the payment of a total of \$3 million toward the PH4C Settlement Amount, PH4C shall immediately release all of the Enforcement Rights and within five (5) business days thereafter shall file a notice of release of the Enforcement Rights in the State Court Litigation. After the PH4C Settlement Amount and all accrued interest is paid in full to PH4C, PH4C shall immediately give the Reorganized Debtor and the Plan Trust (along with their officers, directors, employees, agents) and the Plan Administrator (and her agents) a general release of any and all claims arising prior to the Effective Date and all lien rights arising herein, if any. Within five (5) business days after the general releases are given, PH4C shall file satisfactions of the money judgments held by PH4C.

Enforcement Rights. The Enforcement Rights are held by and enforceable by PH4C only.

Notice and Rights upon Event of Default. In the event that a party defaults on its obligations as set forth herein, the party asserting the alleged default shall provide the other party with notice of the event of default in writing and the alleged defaulting party shall have ten (10) calendar days after notice to cure such event of default. A defaulting party shall be obligated to pay the expenses incurred by the non-defaulting party (including but not limited to reasonable attorneys’ fees) in seeking to enforce its rights hereunder. If a monetary default occurs on the part of the Reorganized Debtor and such noticed default is not cured within ten (10) calendar days of such notice, then (i) on the eleventh (11th) calendar day following the due date, the Reorganized Debtor shall pay to PH4C an additional sum in the amount of \$5,500 in addition to the monthly amount due;

and (ii) if there are two (2) instances where the additional sum of \$5,500 is triggered, then the outstanding remaining balance due of the PH4C Settlement Amount shall immediately begin to accrue interest at the rate of eight percent (8.0%) per annum. The accrued default interest shall then be payable in installments beginning at the end of such period designated for payment of the PH4C Settlement Amount (estimated to be December 2022) and shall be paid in monthly installments of \$55,000 (or such lesser amount of outstanding interest not to exceed \$55,000) until all accrued interest is paid in full. For the avoidance of any doubt, the payment of any accrued interest (default or otherwise) after the PH4C Settlement Amount is paid in full shall not exceed \$55,000 per month and shall not represent more than a total of eight percent (8.0%) interest per annum.

If there is any further monetary default by the Reorganized Debtor after the default rate of interest is triggered and the default is noticed and not cured within ten (10) calendar days, or if the Reorganized Debtor has two (2) noticed and uncured payment defaults at any point in time, then PH4C shall be entitled to the following additional remedies: (i) PH4C's outstanding allowed claim shall increase to the amount of \$5.5 million less credit for sums paid, as of the day immediately following the notice of default that triggers the remedies set forth in this paragraph; (ii) the Reorganized Debtor shall be deemed to have authorized the clerk of any court and any attorney admitted to practice before any court of record in the United States, on behalf of the Reorganized Debtor, to confess judgment against the Reorganized Debtor in favor of PH4C in the amount of \$5.5 million less any payments made to PH4C hereunder plus post-judgment interest at the Maryland judgment rate and reasonable and actual costs and attorneys' fees; and (iii) PH4C's agreement to forbear from exercising its Enforcement Rights (as described above) shall terminate without further notice and PH4C shall be entitled to immediately enforce such rights.

Any notice required as set forth in this section shall be in writing and shall be sent via both electronic mail and either regular mail or overnight delivery to the Plan Administrator, board president and property manager, if to the Reorganized Debtor, or to PH4C's managing member, if to PH4C.

Binding Effect. The treatment of PH4C's claims as set forth in this Section 5.5 shall be binding on any successors or assigns of the Reorganized Debtor and PH4C, including but not limited to any trustee appointed in a subsequent bankruptcy case of the Reorganized Debtor, the

Reorganized Debtor in a subsequent bankruptcy case and any receiver or assignee for the benefit of creditors appointed for the Reorganized Debtor.

Further Assurances. The Reorganized Debtor, Plan Administrator and PH4C shall perform, or cause to be performed, any and all such further acts as may be reasonably necessary to consummate the transactions contemplated by this Section 5.5 and will execute and deliver all such documents and instruments as may be necessary and appropriate to effectuate the terms of this Section 5.5.

C. Impairment: Class 4 is Impaired and therefore the Holder of an Allowed Class 4 Claim is entitled to vote to accept or reject the Creditor's Plan.

5.6 Class 5: Non-Insider General Unsecured Claims

A. Description: Class 5 consists of all Allowed Non-Insider General Unsecured Claims.

B. Treatment: In full and complete satisfaction, discharge and release of the Class 5 Allowed Claims, in the estimated amount of Four Hundred and Nine Thousand Five Hundred and Twenty-Four Dollars and Six Cents (\$409,524.06), the Reorganized Debtor shall pay each Holder one-hundred percent (100%) of its Allowed Claim, without interest, in installments, until Paid in Full. The first payment shall be paid on the 12th month after the Effective Date and shall equal the lesser of: (i) the amount of each Class 5 Allowed Claim, or (ii) Three Thousand and 00/100 Dollars (\$3,000.00). Any remaining amounts due to Holders of an Allowed Class 5 Claim that are not Paid In Full following the first payment shall be paid in four equal installment payments and shall be paid on the 24th, 36th, 48th, and 60th month after the Effective Date. Such disbursements shall be allocated to the principal portion of any such Allowed Claim and only after the principal portion of any such Allowed Claim is satisfied in full, to any portion of such Allowed Claim compromising interest or other charges (but solely to the extent that such interest or other charges are an allowable portion of such Allowed Claim).

C. Impairment: Class 5 is Impaired and therefore Holders of the Class 5 Claims are entitled to vote to accept or reject the Plan.

5.7 Class 6: Harborview Marina & Yacht Club Community AssociationClaim.

A. Description: Class 6 consists of the Allowed Unsecured Claim of Harborview Marina & Yacht Club Community Association, Inc. (“Association”). On or about November 22, 2014, Pier 2, located adjacent to the Debtor’s building, partially collapsed. The Association alleges that the partial collapse was caused by stress placed on the pier by C.A. Lindman, a contractor hired by the Debtor to repair the building façade. The Association filed a proof of claim against the Debtor in the approximate amount of \$5,598,000.00 for the partial pier collapse and other damage caused to the Association property. No Objection has been filed to the Claim.

B. Treatment: The Class 6 Claim related to the pier collapse is disputed in part by the Debtor for various reasons, including insurance coverage and the right of indemnity from C.A. Lindman. The Reorganized Debtor asserts that whether or not it is responsible for any damages arising from the pier collapse, no Claim by the Association recoverable directly against the Reorganized Debtor exists above and beyond insurance proceeds and indemnity payments owed by C.A. Lindman or any third parties other than the Debtor. The pier collapse is also the subject of a pending lawsuit *Harford Ins. Co. v. Harborview Marina & Yacht Club Community Association, Inc.*, Case No. 8:16-cv-00769-PJM (D. Md.) and the result of that lawsuit may determine what, if any, obligations are owed by the Reorganized Debtor, and other litigation has been filed or may be filed involving the Debtor as a party or a prospective party. The Plan Trustee shall monitor and participate appropriately in such lawsuit and any dispute resolution process. To the extent the Reorganized Debtor has any liability arising from this occurrence; it will look to its insurance coverage or any third-party responsible to pay the Allowed Class 6 Claim. The Association is satisfied in light of the evidence including the pro formas and financial attachments to the Creditor’s Plan, and the testimony of the expert witnesses at the hearing on confirmation of the Debtor’s Second Amended Plan (which was not confirmed), that no reserves exist of any substantial means beyond those contemplated in the Plan. The Reorganized Debtor will not be liable beyond the limits of its insurance coverage. To the extent insufficient insurance or coverage or defenses exist which limit the recovery to restore

the pier and all associated costs and expenses, the Association may seek to assess the Association's Owners to pay the same pursuant to the Association's governing documents, but no payments shall be payable by Unit Owners thereunder until after January 1, 2027. The Reorganized Debtor shall not object to any assessment assessed to the Unit Owners for this purpose in accordance with the foregoing terms on the basis that it is barred as a result of this bankruptcy proceeding.

The Class 6 Claim related to certain damages caused to the Association property in the amount of \$20,000 is not disputed and the Reorganized Debtor asserts that it will look to its insurance coverage to pay this portion of the Allowed Class 6 Claim. In the event the claim is not covered, this portion only of the Allowed Class 6 Claim will be treated under Class 5.

C. Pier-Related Litigation: Upon confirmation of the Creditor's Plan, all rights, claims and defenses of the parties to any litigation related to the pier owned by the Association are fully preserved (including the Debtor, the Reorganized Debtor, C.A. Lindman, Coleman Consulting, LLC, Plano-Coudon, LLC and any of their insurers with respect to such claims) in connection with the pier collapse and may be liquidated and litigated to judgment, or by such other dispute resolution process, as may be determined in the ordinary course and shall not be subject to any stay, provided however, no payment by the Debtor or the Reorganized Debtor on account of any finding of liability shall occur except from third parties or Debtor's policy(ies) of liability insurance as provided for in this Plan as the case may be.

D. Relief from the Automatic Stay: On December 15, 2017, the Court entered the Order Granting, in part, Motion for Relief from Stay filed by the Association [Dkt. #590] ("Lift Stay Order"). Pursuant to the Lift Stay Order, the Association was granted relief from the automatic stay of § 362(a) to seek to join the Debtor to the two lawsuits currently pending in connection to the collapse of the pier, *Harford Ins. v. Harborview Marina & Yacht Club Community Ass'n, Inc.*, in the United States District Court for the District of Maryland, Case No. 8:16-cv-00769-PJM and *Harborview Marina & Yacht Club Community Ass'n, Inc. v. C.A. Lindeman, et al.*, in the Circuit Court for Baltimore City, Case No. 24C16005758 or such other further civil actions as circumstances may require (together, the "Litigation"). Pursuant to

the Class 6 Stipulation, no officers or directors of the HOA or of the Debtor shall be held personally liable for any damages associated with either of the lawsuits.

E. Impairment: Class 6 is Impaired and therefore the Holder of the Class 6 Claim is entitled to vote to accept or reject the Creditor's Plan.

5.8 Class 7: Allowed Unsecured Claims of Clark, Delorme and Clark, Jr.

A. Description: Class 7A consists of the Unsecured Claims of Clark as asserted as part of Proofs of Claim numbered #46, 47 and 48.

B. Treatment: The Class 7A Claim shall be Allowed in the amount determined by the Court or agreed by the Clarks and the Plan Trustee, subject to approval of the Court ("Clark Allowed Amount"). In full and complete satisfaction, discharge and release of the Class 7A Allowed Claim, the Reorganized Debtor shall pay the amount of One Hundred and Twenty-Five Thousand Dollars (\$125,000.00) to Clark on the Effective Date (the "Clark Initial Payment"), and the balance of the Clark Allowed Amount, estimated by the Plan Proponent to be in the amount of Two Hundred and Fifty-Nine Thousand Two Hundred Dollars (\$259,200) shall be paid in five equal annual installments on the 12th, 24th, 36th, 48th, and 60th months after the Effective Date until paid in full. Clark shall cooperate with the Plan Trustee to file stipulations of dismissal of all pending litigation against the Debtor and all of the Debtor's co-defendants within fifteen (15) business days of Clark's receipt of the Clark Initial Payment.

Injunction. The Holder of the Allowed Class 7 Claim shall be enjoined from commencing or continuing any judicial, administrative, or other proceedings related to the PH4A Unit, the condition of the condominium building and all actions or inactions of the Debtor and its Board of Directors, management company, employees or agents and any and all other claims or causes of action, each as of the Effective Date. Prior to commencing any litigation, proceedings or other actions for causes of action, claims, disputes or problems that arise after the Effective Date, the Holder of the Allowed Class 7 Claim and Clark shall be required to first attempt in good faith to discuss the issue with the Plan Trustee to resolve the dispute amicably and then if such discussion fail, to mediate the issue with the Plan Trustee.

C. Impairment: Class 7A is Impaired and therefore the Holder of the Class 7A Claim is entitled to vote to accept or reject the Creditor's Plan.

5.9 Class 8: Allowed Unsecured Unit Owner Claims

A. Description: Class 8 consists of Allowed Claims by Unit Owners asserted in Proofs of Claims #5, 28-29, 32-33, 35-37, 40 and 44 arising from work performed by a third-party contractor hired by the Debtor that resulted in alleged (1) property damage to the Unit Owner's balcony or personal property located thereon or (2) in incomplete or defective work performed on the common elements.

B. Treatment: The Class 8 Claims, estimated in the amount of Two Million and 00/100 Dollars (\$2,000,000.00), arising from work performed by a third-party contractor are disputed by the Reorganized Debtor. As a result of the bankruptcy filing, the contractor, C.A. Lindman, Inc., who is owed pre-petition amounts, has ceased to perform any work to repair or correct these damages. The pre-petition amount owed to the contractor will be paid pursuant to Class 3 and the contract reinstated. As such, in full and complete satisfaction, discharge and release of the Class 8 Allowed Claims, the Reorganized Debtor will pursue its contractual rights against the contractor that performed the work to properly repair the Unit Owners' property, fix any incomplete or defective work, and/or any other remedies available under the applicable contracts. Any and all Claims against the Debtor for damages, including, but not limited to, those for diminution in value, damages (whether actual, compensatory, or punitive), and/or negligence, will be extinguished and any further pursuit of such Claim will be permanently enjoined and prohibited. Under no circumstance will the Reorganized Debtor have any payment obligation to Holders of Allowed Class 8 Claims.

C. Impairment: Class 8 is Impaired and therefore the Holders of the Class 8 Claims are entitled to vote to accept or reject the Creditor's Plan.

5.10 Class 9: Interests.

A. Description: Class 9 consists of all Allowed Interests in the Debtor held by each Unit Owner as set forth in the Condominium Documents.

B. Treatment: In full and complete satisfaction, discharge and release of the Class 9 Allowed Interests, each Holder of an Allowed Interest in the Debtor shall be canceled, released, and extinguished, and will be of no further force or effect and no Holder of Interest in the Debtor shall be entitled to any recovery or distribution under the Plan on account

of such Interest in the Debtor. On the Effective Date, in consideration for the payment of the future Assessments and Plan Payment Fees, as necessary, provided by the Unit Owners to fund the Creditor's Plan, all Unit Owners shall acquire their same percentage interest in the Reorganized Debtor as that held previously in the Debtor pursuant to the Condominium Documents.

C. Impairment. Class 9 is Impaired and therefore the Holders of Class 9 Interests are entitled to vote to accept or reject the Creditor's Plan.

ARTICLE 6 MEANS OF IMPLEMENTATION OF THE PLAN

6.1 Introduction. This Article 6 explains the means by which the Debtor intends to effectuate the reorganization provided for hereunder and how the Reorganized Debtor intends to fund the obligations to Creditors undertaken in this Creditor's Plan. This Article also provides information with respect to the corporate governance of the Reorganized Debtor and other material issues bearing upon the performance of this Creditor's Plan.

6.2 Plan Trustee. The Plan Trustee shall be appointed effective as of the Effective Date. The Plan Trustee shall have all of the rights and powers of the Debtor's Board of Directors under the Debtor's By-Laws, Condominium Declarations and applicable law until the Holder of the Class 1 Claim shall have been paid in full, which is estimated to occur in 2027. The Plan Trustee shall be a fiduciary for the Unit Owners and the Reorganized Debtor's creditors. The Debtor's Board of Directors shall report to the Plan Trustee and shall be under the authority of the Plan Trustee. The Plan Trustee may delegate management of certain matters to the Board of Directors, subject to her supervision and authority, in her sole discretion; provided, however, that the Plan Trustee may not delegate the management and oversight of litigation involving the Reorganized Debtor. All litigation involving the Reorganized Debtor shall be managed by the Plan Trustee and the Plan Trustee shall direct all litigation and proceedings during her tenure. For so long as the Plan Trustee is serving her appointment, the Debtor's Board of Directors shall have no authority to bind the Reorganized Debtor or act on behalf of the Reorganized Debtor, except to the extent as may be delegated by the Plan Trustee. The Reorganized Debtor shall pay the Plan Trustee a reasonable compensation for her services in

accordance with a compensation structure set forth in the Order confirming this Creditor's Plan. The Plan Trustee shall be paid in accordance with the approved compensation structure without the necessity of seeking Court approval. The Reorganized Debtor shall obtain and pay for insurance acceptable to the Plan Trustee for any claims that may arise related to her appointment and service as the Plan Trustee, and any such claims asserted by the Reorganized Debtor, any unit owner or third party against the Plan Trustee shall be limited to such insurance. The Plan Trustee may act without notice to the consent of the Board of Directors. The Plan Trustee's appointment shall expire and the Plan Trustee shall be discharged from all of her duties immediately following payment in full to the Holder of the Class1 Claim.

6.3 Funding. This Creditor's Plan will be funded from five (5) sources: (1) Cash on hand on the Effective Date, (2) the continued collection of Annual Assessments from Unit Owners, (3) the collection of special assessments, (4) recoveries from the pursuit of any claims, rights, or other legal remedies the Debtor has, or may have in the future, and (5) income derived from Units owned by the Reorganized Debtor or the Plan Trust, including but not limited to Unit 907 and the PH4C Unit. The Reorganized Debtor reserves the right to use funds from other sources not contemplated herein to fund this Creditor's Plan.

6.3.1 Beginning Cash Balances. This Plan anticipates funding certain Allowed Claims using Cash of the Debtor existing as of the Effective Date. As of the Effective Date, the Reorganized Debtor is estimated to have approximately \$2.53 million of Cash on hand.

6.3.2 Projections. The Creditor's Monthly Cash Flow Projections attached hereto as Exhibit A, as may be modified and amended, are based upon information provided to the Plan Proponent by the Debtor.

6.3.3 Annual Assessment. The main funding source for the Creditor's Plan is the continued collection of Annual Assessment from the Unit Owners. It is possible that adjustments to income and expenses will be required to meet the needs of the community and to remain in compliance with the Condominium Documents and Plan. Therefore, the right of the Reorganized Debtor to adjust Annual Assessments, provided the Reorganized Debtor conforms to the Condominium Documents and the terms of this Plan, is reserved.

6.3.4 Special Assessments. The Condominium Documents further authorize the Debtor to implement any additional charges or fees, should the Board of Directors at any time determine that additional funds are required for the operation and maintenance of the Debtor. The Projections under the Creditor's Plan reflect Special Assessments that are larger than those in the Debtor's Plan because they are based upon more conservative assumptions. For example, the projections for the Debtor's Plan do not include any Special Assessments after March of 2020 because the Debtor has assumed that the PH4C Unit will be sold for a profit sufficient to pay the balance of the PH4C Settlement Amount then outstanding. The Plan Proponent's Projections assume that the sale of the PH4C Unit (after payment of costs of any necessary mold remediation and renovations) does not bring a profit, which would necessitate Special Assessments into 2023, when the PH4C Settlement is paid in full. If the PH4C Unit can be sold by the PH4C Trust for a sufficient profit promptly, the Special Assessments being raised to pay the PH4C Settlement Amount may be reduced or cease altogether. Thus, the Special Assessments required may be less than those projected. The Reorganized Debtor reserves the right to reduce or implement additional Special Assessments as may be necessary.

6.3.5 PH4C Trust. The Plan Trustee shall form the PH4C Trust. The Plan Trustee shall be the Trustee of the PH4C Trust during the entirety of the Plan Trustee's appointment, and the beneficiaries of the PH4C Trust shall be the creditors and Unit Owners under the Creditor's Plan. The purpose of the PH4C Trust shall be to take title to the PH4C Unit from PH4C. The PH4C Trust shall cause the PH4C Unit to be remediated and certified to be mold-free, and it shall cause repairs necessary to sell the PH4C Unit to be made, following which the PH4C Unit shall be sold. The costs and expenses of the PH4C Trust shall be paid from the Debtor's Operating Budget.

6.3.6 Causes of Action. The Creditor's Plan contemplates the possibility of future Cash receipts from the pursuit of various causes of action. All causes of action are preserved and retained by the Reorganized Debtor and on the Effective Date shall become assets of the Reorganized Debtor. On and after the Effective Date, the Reorganized Debtor shall have the exclusive right to enforce any and all causes of action retained by the Reorganized Debtor against any Person. The Reorganized Debtor may prosecute, defend, enforce, abandon, settle or

release any or all causes of action in amounts less than \$250,000, as it deems appropriate without the need to obtain approval or any other or further relief from the Bankruptcy Court. The Reorganized Debtor may, in its sole discretion, offset any such Claim held against a Person, against any payment due such Person under this Creditor's Plan; *provided, however*, that any Claims of the Debtor arising before the Petition Date shall first be offset against Claims against the Debtor arising before the Petition Date. All defenses and rights of avoidance of the Debtor shall be retained and may be exercised by the Reorganized Debtor. Causes of action retained by the Reorganized Debtor include claims and rights existing under insurance policies of the Debtor, claims against those parties involved in or implicated by the pier collapse and any claims or causes of action that the Debtor may have against current and former members of the Board of Directors arising prior to the Effective Date in connection with their service on the Board of Directors.

6.3.7 Continued Operations. This Creditor's Plan contemplates funding, from the on-going continued operations of the Reorganized Debtor that will produce net-positive Cash receipts after taking into account regular Cash disbursements made in the normal course of business of the Reorganized Debtor, but before taking into account payments contemplated by this Creditor's Plan.

A. Cash Receipts: This Creditor's Plan anticipates ongoing Cash receipts from the Annual Assessments and Special Assessments, as described *supra*. This Creditor's Plan further anticipates and projects a customary allowance for uncollectable assessments. Such Projections may be adjusted in the event of an increase or decrease of such uncollectable accounts to remain in compliance with the Condominium Documents and Plan.

B. Cash Disbursements: This Creditor's Plan anticipates ongoing Cash disbursements for operational expenses made in the regular course of business and predicted based on similar Cash disbursements in the past and those in Debtor's budget submitted in the Bankruptcy Case. The Debtor has anticipated that Cash disbursements for the Reorganized Debtor's operational expenses would increase by one and a half percent (1.5%) each year (cumulatively) in order to represent adjustments for inflation, and the Plan Proponent has used that assumption for the Creditor's Plan.

6.4 Reserve Payments: A necessary component of the Debtor's reorganization is the preservation of its Operating Reserve Fund and its Repair and Replacement Reserve Fund, which are collectively referred to as the Reserve Accounts. The Operating Reserve Fund is a fund set aside to stabilize the Debtor's finances by providing for unexpected cash flow shortages, expenses or losses. The Repair and Replacement Reserve Fund is designed to accumulate funds for capital repairs and replacement of the commonly owned assets of the Condominium. In order to fund a portion of the payments contemplated by this Creditor's Plan, the Plan Proponent anticipates temporarily withdrawing approximately \$900,000.00 from the Repair and Replacement Reserve Fund to fund the Creditor's Plan. The Creditor's Plan would thus begin with Repair and Replacement Reserve Fund at approximately \$271,455.04,² and the Reorganized Debtor would make monthly reserve contributions in amounts sufficient to fund anticipated capital expenditures and maintenance in accordance with the July 27, 2017 Reserve Study. This will fund projected short-term and long-term capital expenditures during the Creditor's Plan so that the Reorganized Debtor can adequately and reasonably maintain the Condominium. In the event the Reorganized Debtor's expenses are beyond the Projections, the Reorganized Debtor reserves the right to utilize funds from either the Operating Reserve Fund or the Repair and Replacement Reserve Fund in order to stabilize the financial condition of the Reorganized Debtor and replenish such funds with adjustments to the Annual Assessments, or if necessary, a Special Assessment, in the sole discretion of the Reorganized Debtor. Commencing on the Effective Date and until the Allowed Class 1 Claim has been paid in full, the Reorganized Debtor shall be required to maintain all Repair and Replacement Reserve Funds and Operating Reserve Funds at Howard Bank, or, in the sole discretion of the Holder of the Allowed Class 1 Claim, another financial institution subject to one or more deposit account control agreements acceptable to the Holder of the Allowed Class 1 Claim in its sole discretion.

6.5 Management. Upon the Effective Date, the Reorganized Debtor shall be controlled and managed by the Plan Trustee, and the Board of Directors shall report to the Plan

² The Debtor has projected that the Repair and Replacement Reserve Fund contemplated in the Plan is more than sufficient to fund the scheduled necessary repairs identified in the July 27, 2017, Reserve Study. The Debtor's prior reserve studies included expenditures for the railing replacement project required by the PH4C judgment. Due to the treatment of PH4C's judgment contemplated by this Plan, the Debtor has stated that it is able to utilize funds from the Repair and Replacement Reserve Fund for expenditures required by this Plan.

Trustee. The Plan Trustee's appointment shall expire and the Plan Trustee shall be discharged immediately following payment in full of the Allowed Class 1 Claim, and upon the discharge of the Plan Trustee, the Board of Directors shall resume control and management of the Reorganized Debtor.

6.5.1 Property Management. In the ordinary course of business, the Reorganized Debtor, pursuant to the Condominium Documents and the Creditor's Plan, shall continue to have a management company supervise the daily operations and management of the common areas and facilities. The Plan Trustee shall have the authority to retain or change the property management company when the term of the current management company's contract expires, as she may determine is in the best interests of the Unit Owners and creditors, after taking into consideration the benefits of continuity that may be gained by using the same management company.

6.5.2 Operating Accounts. Commencing on the Effective Date until the Allowed Class 1 Claim has been paid in full, the Reorganized Debtor shall be required to maintain its operating accounts at Howard Bank or, in the sole discretion of the Holder of the Allowed Class 1 Claim, another financial institution subject to one or more deposit account control agreements acceptable to the Holder of the Allowed Class 1 Claim in its sole discretion.

6.6 Condominium Documents Amendments. As part of the Creditor's Plan, the Reorganized Debtor reserves the right to amend the current Condominium Documents.

6.7 Manner of Repair and Replacement to Units. Neither the Debtor nor the Reorganized Debtor is financially or otherwise responsible for the repair, replacement or maintenance of betterments, improvements and alterations to Units made by Unit Owners. Pursuant to the Condominium Documents, each Unit Owner should obtain appropriate insurance to cover these items. Pursuant to Article XII., Section 4 of the By-laws, all repairs and replacements to the Units required to be performed by the Debtor or Reorganized Debtor shall be substantially similar to the original construction and installation and shall be of first-class quality, but may be done with contemporary building materials and equipment. Original construction shall mean the condition of the Unit when first conveyed by the developer to the initial Unit Owner.

6.8 Vesting of Property of Estate in the Reorganized Debtor. Pursuant to § 1141(b) of the Bankruptcy Code, on the Effective Date all Property and rights of the Estate shall vest in the Reorganized Debtor and shall remain in the Estate to be distributed in accordance with the terms of the Creditor's Plan. As of the Effective Date, the Plan Trustee may operate the Condominium and use, acquire, and dispose of its Property, and settle and compromise Claims without the supervision of, or any authorization from the Bankruptcy Court or the United States Trustee, free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than those restrictions expressly imposed by this Creditor's Plan or the Confirmation Order. All privileges with respect to the Property of the Estate, including the attorney/client privilege, to which the Debtor is entitled shall automatically vest in, and may be asserted by or waived on behalf of, the Reorganized Debtor, by the Plan Trustee.

6.9 Railing Maintenance. The Reorganized Debtor shall employ a professional engineer to inspect the railings who will promptly advise the Reorganized Debtor whether any railings need to be repaired and/or replaced. The Reorganized Debtor will take the appropriate action upon review of the engineer's recommendation for the railings.

6.10 Continued Organizational Existence. The Reorganized Debtor shall continue to exist as an association under the condominium laws of the State of Maryland after the Effective Date, with all of the powers of a condominium thereunder.

6.11 Corporate Action; Further Acts. On the Effective Date, all actions contemplated by this Creditor's Plan shall be deemed authorized and approved in all respects by virtue of the entry of the Confirmation Order, in accordance with the Bankruptcy Code and applicable state law and without requirement of further action by the Plan Trustee, Board of Directors of the Debtor or Reorganized Debtor. On the Effective Date, all matters provided for under this Creditor's Plan involving the structure of the Debtor or the Reorganized Debtor, or any formal action to be taken by or required of the Debtor or the Reorganized Debtor in connection with this Creditor's Plan, shall be deemed to have occurred and shall be in effect pursuant to the Bankruptcy Code, without any requirement for further action by the Plan Trustee, Board of Directors of the Debtor or the Reorganized Debtor. On the Effective Date, the Plan Trustee (during the term of her appointment) and the Board of Directors (following the discharge

of the Plan Trustee) is authorized and directed pursuant to § 1142(b) of the Bankruptcy Code to implement the provisions of this Creditor's Plan and any other agreements, documents and instruments contemplated by or necessary for the consummation of this Creditor's Plan in the name of and on behalf of the Reorganized Debtor.

ARTICLE 7 ACCEPTANCE OR REJECTION OF THE CREDITOR'S PLAN

7.1 Each Impaired Class Entitled to Vote Separately. Except as otherwise provided in § 7.3, the Holders of Claims in each Impaired Class of Claims shall be entitled to vote separately to accept or reject the Creditor's Plan. Classes 1 through 9 are Impaired under the Creditor's Plan, therefore, the Holders of Claims or Interests in these Classes are entitled to vote.

7.2 Acceptance by an Impaired Class. Consistent with § 1126(c) of the Bankruptcy Code and except as provided for in § 1126(e) of the Bankruptcy Code, an Impaired Class of Claims shall have accepted this Creditor's Plan if it is accepted by at least two-thirds in dollar amount and more than one-half in number of the Holders of Allowed Claims of such Class that have timely and properly voted on this Creditor's Plan.

7.3 Impairment Controversies. If a controversy arises as to whether any Claim or any Class of Claims is Impaired under the Creditor's Plan, such Claim or Class of Claims shall be treated as specified in the Creditor's Plan unless the Bankruptcy Court shall determine such controversy upon motion of the party challenging the characterization of a particular Claim or a particular Class of Claims under the Creditor's Plan.

7.4 Cram Down. The Debtor may utilize the provisions of § 1129(b) of the Bankruptcy Code to satisfy the requirements for confirmation of this Creditor's Plan over the rejection, if any, of any Class entitled to vote to accept or reject this Creditor's Plan.

ARTICLE 8 TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

8.1 Assumption Certain Executory Contracts. As reflected in Section 5.3 hereof, effective as of, and conditioned on, the occurrence of the Effective Date, the Reorganized Debtor shall assume certain Executory Contracts and Unexpired Leases of the Debtor. A list of

contracts that the Reorganized Debtor shall assume, along with the cure amounts if any for each contract, is attached to the Joint Disclosure Statement as Exhibit 4, under the column “Preliminary Reconciliation.”

8.2 Approval of Assumption of Executory Contracts. Entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval pursuant to § 365 of the Bankruptcy Code, of the assumption of each contract assumed pursuant to § 8.1 of this Creditor’s Plan.

8.3 Assumption Procedures: Any monetary defaults existing under each Executory Contract or Unexpired Lease to be assumed under the Creditor’s Plan will be cured pursuant to the Claim treatment of Class 3 as set forth in Section 5.3.

8.4 Insurance Policies. All of the Debtor’s insurance policies and any agreements, documents, or instruments relating thereto are treated as Executory Contracts that will be assumed under the Creditor’s Plan.

8.5 Rejection of Certain Executory Contracts. The Plan Proponent does not currently contemplate the rejection of any Executory Contracts.

8.6 Indemnification Rights. All Claims for Indemnification Rights against the Debtor not specifically assumed by the Debtor, in the Debtor’s sole discretion, will be deemed rejected as of the Effective Date unless such Claims are otherwise Allowed Claims or arise after the Confirmation Date in accordance with the Condominium Documents.

ARTICLE 9 PROVISIONS GOVERNING DISTRIBUTIONS

9.1 Allocation of Distributions. Except as otherwise specifically provided in Section 5.1 and Section 5.2 hereinabove for Holder of Claims in Classes 1, 2 and 4, distributions to any Holder of an Allowed Claim shall be allocated first to the principal portion of any such Allowed Claim, and, only after the principal portion of any such Allowed Claim is satisfied in full, to any portion of such Allowed Claim comprising interest or other charges (but solely to the extent that such interest or other charges are an allowable portion of such Allowed Claim). For the avoidance of doubt, the foregoing shall not be interpreted to expand on the payment obligations and/or treatment provisions of any Claims in Article 5 or to provide for the payment

of interest to any Claims except as expressly provided for in Article 5. All payments shall be made in accordance with the priorities established by the Bankruptcy Code.

9.2 Delivery of Distributions and Undeliverable Distributions. Distributions to Holders of Allowed Claims shall be made at the address of each such Holder as set forth on the Schedules filed with the Bankruptcy Court unless superseded by the address as set forth on the Proofs of Claim filed by such Holders or other writing notifying the Reorganized Debtor of a change of address. If any Holder's Distribution is returned as undeliverable, no further Distributions to such Holder shall be made unless and until the Reorganized Debtor is notified of such Holder's then-current address, at which time all missed Distributions shall be made to such Holder, without interest from the date of the first attempted Distribution. All Claims for undeliverable Distributions shall be made on or before sixty (60) days after the date such undeliverable Distribution was initially made. After such date, all unclaimed property shall, in the discretion of the Reorganized Debtor, be used to satisfy the costs of administering and fully consummating the Creditor's Plan, to the extent such costs would otherwise be paid from available Cash, or become available Cash for distribution in accordance with the Creditor's Plan, and the Holder of any such Claim shall not be entitled to such undeliverable Distribution or any other or further Distribution under the Creditor's Plan on account of such Claim.

9.3 Time Bar for Check Payments. Checks issued by the Reorganized Debtor for Allowed Claims shall be null and void if not finally negotiated or otherwise presented for payment within sixty (60) days after the date of issuance thereof. The Holder of the Allowed Claim to whom a check originally was issued shall make any request for reissuance of a check so voided to the Reorganized Debtor. Any such request for reissuance shall be made on or before thirty (30) days after the expiration of the sixty (60) day period following the date of issuance of such original check. The Reorganized Debtor shall have thirty (30) days to reissue such check, after which the Holder shall have twenty (20) days to present the same for final payment. The Plan Trustee may, at any time after the original check is declared null and void, combine such original check with any subsequent payment then due to the same Holder into a single check. After such one hundred fortieth (140th) date following original issuance of such check, all funds held on account of both such voided checks shall, in the discretion of the Plan Trustee, be used to

satisfy the costs of administering and fully consummating this Creditor's Plan, to the extent such costs would otherwise be paid from available Cash, or become available Cash for Distribution in accordance with this Creditor's Plan, and the Holder of any such Claims shall not be entitled to such voided check or any other or further Distribution under this Creditor's Plan on account of such Claim.

9.4 Setoffs. The Reorganized Debtor may, in accordance with § 553 of the Bankruptcy Code and applicable non-bankruptcy law, setoff against any Allowed Claim and the Distributions to be made pursuant to this Creditor's Plan on account of such Claim (before any Distribution is made on account of such Claim), the claims, rights and causes of action of any nature that the Reorganized Debtor may hold, whether currently existing or hereinafter arising, against the Holder of such Allowed Claim; provided, however, that neither the failure to effect such a setoff nor the allowance of any Claim hereunder shall constitute a waiver or release by the Reorganized Debtor of any such claims, rights and causes of action that the Reorganized Debtor may possess against such Holder. The Reorganized Debtor shall have the exclusive right and authority to settle claims and recognize setoff rights.

ARTICLE 10 PROCEDURES FOR RESOLVING AND TREATING DISPUTED CLAIMS

10.1 No Distribution Pending Allowance. Notwithstanding any other provision of this Creditor's Plan, no payments shall be distributed to a Holder of a Claim under this Plan on account of any Disputed Claim unless and until such Claim becomes an Allowed Claim.

10.2 Resolution of Disputed Claims. Notwithstanding any other provision of the Creditor's Plan to the contrary, after the Effective Date, unless otherwise ordered by the Bankruptcy Court after notice and a hearing, the Plan Trustee shall have the exclusive right (except as to applications for allowances of compensation and reimbursement of expenses under §§ 330 and 503 of the Bankruptcy Code, and except as to any objections which have been filed prior to the Confirmation Date by any party) to make and file objections to Claims and shall serve a copy of each objection upon the Holder of the Claim to which the objection is made as soon as practicable, but in no event later than ninety (90) days after the Effective Date. From and after the Effective Date, all objections shall be litigated to a Final Order except to the extent

the Plan Trustee elects to withdraw any such objection or the Plan Trustee and the Holder elect to compromise, settle or otherwise resolve any such objection, in which event they may settle, compromise or otherwise resolve any Disputed Claim for an amount of Twenty-Five Thousand Dollars (\$25,000.00) or more subject to approval of the Bankruptcy Court and for amounts of Twenty-Four Thousand Nine Hundred Ninety-Nine and 99/100 Dollars (\$24,999.99) or less without approval of the Bankruptcy Court.

10.3 Administrative Expense Claims. All applications for allowance and payment of claims entitled to administrative priority, including but not limited to any claims entitled to administrative priority pursuant to § 503 and professionals employed pursuant to § 327, shall be filed on or before the thirtieth (30th) day after the Effective Date, or such claims shall forever be barred.

10.4 Estimation. The Plan Trustee may, at any time, request that the Bankruptcy Court estimate any Disputed Claim pursuant to § 502(c) of the Bankruptcy Code regardless of whether the Debtor or Plan Trustee have previously objected to such Claim, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time, including during litigation concerning any objection to such Claim. In the event that the Bankruptcy Court estimates any Disputed Claim, the estimated amount may constitute either the Allowed Amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Plan Trustee may elect to pursue any supplemental proceedings to object to any ultimate payment of such Claim. All of the aforementioned Claim objection, estimation and resolution procedures are cumulative and not necessarily exclusive of one another. On and after the Confirmation Date, Claims that have been estimated subsequently may be compromised, settled, withdrawn or otherwise resolved subject to approval by the Bankruptcy Court as provided in this Creditor's Plan.

10.5 Reserve Accounts for Disputed Claims. The Reorganized Debtor shall hold in the Disputed Claims Reserve, funds in an aggregate amount sufficient to pay to each Holder of a Disputed Claim, but not for any sum claimed by the Holder of a Class 6, Class 7 or Class 8 Claim the amount that such Holder would have been entitled to receive under this Creditor's Plan if such Claim had been an Allowed Claim on the Effective Date. The

Reorganized Debtor will not hold in any account, nor will Reorganized Debtor reserve any funds for payment of Class 6, Class 7 or Class 8 Claims. Funds withheld and reserved for payments to Holders of Disputed Claims, other than Class 6, Class 7 or Class 8 Claims, shall be held and deposited by the Reorganized Debtor in one or more segregated interest-bearing reserve accounts (each a “Dispute Claims Reserve”), as determined by the Plan Trustee, to be used to satisfy such Claims if and when such Disputed Claims become Allowed Claims.

10.6 Investment of Disputed Claims Reserve. The Reorganized Debtor shall be permitted, from time to time, in its sole discretion, to invest all or a portion of the funds in the Disputed Claims Reserve in interest-bearing savings accounts, United States Treasury Bills, interest-bearing certificates of deposit, tax exempt securities or investments permitted by § 345 of the Bankruptcy Code or otherwise authorized by the Bankruptcy Court, using prudent efforts to enhance the rates of interest earned on such funds without inordinate credit risk or interest rate risk. All interest earned on such funds shall be held in the Disputed Claims Reserve and, after satisfaction of any expenses incurred in connection with the maintenance of the Disputed Claims Reserve, including taxes payable on such interest income, if any, shall be transferred out of the Disputed Claims Reserve and, in the discretion of the Plan Trustee, be used to satisfy the costs of administering and fully consummating this Creditor’s Plan or become available Cash for distribution in accordance with this Creditor’s Plan.

10.7 Release of Funds from Disputed Claims Reserve. If at any time or from time to time after the Effective Date, there shall be funds in the Disputed Claims Reserve in an amount in excess of the Reorganized Debtor’s maximum remaining payment obligations to the Holders of then-existing Disputed Claims under this Plan, such excess funds shall become available to the Reorganized Debtor generally and shall be used by the Plan Trustee to satisfy the costs of administering and fully consummating this Plan or become available Cash for distribution in accordance with this Creditor’s Plan.

10.8 Instruments.

10.8.1 Rights of Persons Holding Instruments. Except as otherwise provided herein, as of the Effective Date, and whether or not surrendered by the holder thereof, all instruments evidencing or relating to any Claim, other than for an Allowed Class 1 or

Allowed Class 2 Claim, shall be deemed automatically cancelled and deemed void and of no further force or effect, without any further action on the part of any Person, and any Claims evidenced by or relating to such instruments shall be deemed discharged.

10.8.2 Cancellation of Liens. Except as otherwise provided herein, as of the Effective Date, any Lien securing an Allowed Secured Claim, other than those securing Allowed Class 1 and Class 2 Claim (which are fully preserved in accordance with their respective loan documents), shall be deemed released and discharged, and the Holder of each such Allowed Secured Claim, (other than the Holders of Allowed Class 1 and Class 2 Claims), shall be authorized and directed to release any Collateral or other property of the Debtor (including, without limitation, any cash collateral) held by such Holder and to take such actions as may be reasonably requested by the Plan Trustee to evidence release of such Lien, including without limitation, by the execution, delivery, and filing or recording of such releases as may be requested by the Plan Trustee.

ARTICLE 11
DISCHARGE, EXCULPATION FROM
LIABILITY, RELEASE, AND GENERAL INJUNCTION

11.1 Discharge of Claims. Except as otherwise expressly provided in the Creditor's Plan or in the Confirmation Order, the Confirmation Order shall operate as a discharge, pursuant to § 1141(d) of the Bankruptcy Code, to the fullest extent permitted by applicable law, as of the Confirmation Date, of the Debtor, the Reorganized Debtor, and the Estate, and any of their respective successors and assigns, and the assets and Property of any of them, from any and all Debts, Liabilities or Claims of any nature whatsoever against the Debtor that arose at any time prior to the Effective Date, including any and all Claims for principal and interest, whether accrued before, on or after the Petition Date. Except as otherwise expressly provided herein or in the Confirmation Order, but without limiting the generality of the foregoing, on the Effective Date under its Condominium Documents, the Debtor, the Reorganized Debtor, the Estate, and any of their respective successors and assigns, and the assets and Property of any of them, shall be discharged, to the fullest extent permitted by applicable law, from any Claim or Debt that arose prior to the Effective Date and from any and all Debts of the kind specified in §§ 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (a) a

Proof of Claim based on such Debt was filed pursuant to § 501 of the Bankruptcy Code, (b) a Claim based on such Debt is an Allowed Claim pursuant to § 502 of the Bankruptcy Code, or (c) the Holder of a Claim based on such Debt has voted to accept the Creditor's Plan. Except for the rights provided for under the confirmed Creditor's Plan, as of the Effective Date all Persons, including all Holders of Claims and Interests, shall be forever precluded and permanently enjoined from asserting directly or indirectly against any of the Debtor, the Reorganized Debtor, Plan Trustee and the Estate, and any of their respective successors and assigns, and the assets and Property of any of them, any other or further Claims, rights of arbitration, Debts, rights, causes of action, remedies, Liabilities or interests based upon any act, omission, document, instrument, transaction, event, or other activity of any kind or nature that occurred prior to the Effective Date or that occurs in connection with implementation of the Creditor's Plan, and the Confirmation Order shall contain appropriate injunctive language to that effect. In accordance with the foregoing, except as otherwise expressly provided in the Creditor's Plan or in the Confirmation Order, the Confirmation Order shall be a judicial determination of the discharge or termination of all such Claims and other Debts, rights of arbitration, and Liabilities against the Debtor, pursuant to §§ 524 and 1141 of the Bankruptcy Code, to the fullest extent permitted by applicable law, and such discharge shall void any judgment or arbitration award obtained against the Debtor, at any time, to the extent that such judgment relates to a discharged or terminated Claim, Liability, Debt, arbitration award or Interest. Notwithstanding the foregoing, the Reorganized Debtor shall remain obligated to make payments and Distributions to Holders of Allowed Claims as required pursuant to the Plan and govern its post-performance affairs in accordance with the Condominium Documents (as amended).

11.2 Release and Exculpations relating to the Chapter 11 Case. Neither the Plan Trustee or the Plan Proponent, nor their respective directors, officers, employees, members, attorneys, attorneys of the members, consultants, advisors and agents (acting in such capacity) shall have or incur any liability to any Holder of a Claim or Interest for any act taken or omitted to be taken in connection with or arising out of the commencement of the Chapter 11 Case, the formulation, preparation, dissemination, implementation, confirmation or approval of this Confirmed Plan, any other plan of reorganization or any compromises or settlements contained

herein, any disclosure statement related thereto or any contract, instrument, release or other agreement or document provided for or contemplated in connection with the transactions set forth in the Confirmed Plan or in connection with any other proposed plan; provided, however, that the foregoing provisions shall not affect the liability that otherwise would result from any such act or omission to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct, or were committed in bad faith. Each of the foregoing parties in all respects shall have been and shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities during the Chapter 11 Case and under this Confirmed Plan. This exculpation from liability provision is an integral part of the Confirmed Plan and is essential to its implementation.

11.3 Injunction against Certain Actions for Protected Parties and Release of Board of Directors. The rights provided to the Debtor's Officers and Board of Directors pursuant to applicable law and Article VII. of the By-laws and are hereby incorporated into the Confirmed Plan, and modified as of the Effective Date as follows:

LIMITED LIABILITY AND INDEMNITY
OF OFFICERS AND DIRECTORS

No Plan Trustee appointed pursuant to Creditor's Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Plan"), officer or director of the Council serving on or following the Effective Date (as defined in the Plan) shall be liable to any unit owner for any mistake in judgment, negligence or otherwise, unless attributable to willful misconduct or bad faith. Further, no Plan Trustee, officer or director shall be personally liable for any agreement made by such officer or the Board for and on behalf of the Council on or following the Effective Date; provided, however, that during the tenure of the Plan Trustee, this limitation of liability shall not apply to acts that were not authorized by the Plan Trustee. To the maximum extent permitted by Maryland law, the Council shall indemnify and defend the Plan Trustee and the Council's directors serving on and following the Effective Date against any and all liabilities and expenses incurred in connection with their services in such capacities, shall indemnify and defend officers serving on and following the Effective Date to the full extent that indemnification and defense shall be provided to directors, and shall indemnify and defend, to the same extent, the Council's employees, agents and persons who serve the Council on and following the Effective Date, at its request, as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture or other enterprise; provided, however, that during the tenure of the Plan

Trustee, no officer or director shall be indemnified for any act that was not authorized by the Plan Trustee. The Council shall advance expenses to its directors, officers, Plan Trustee and other persons referred to above to the extent permitted by Maryland law. The Board may, by resolution or agreement, make further provision for indemnification and defense of directors, officers, employees and agents to the extent permitted by Maryland law; provided, however, that during the tenure of the Plan Trustee, the Plan Trustee must approve any resolution or agreement made by the Board. Neither the repeal or amendment of this paragraph, nor any other amendment to these By-laws, shall eliminate or reduce the protection afforded to any person by the foregoing provisions of this paragraph with respect to any act or omission which shall have occurred prior to such repeal or amendment.

The responsibility or liability to any unit owner to any third party, to any officer of the Council, or to members of the Board, under any contract made by such officer or the Board, or under any indemnity or defense to the officers or directors on account thereof, shall not exceed his percentage interest factor of the total liability. Further each agreement made by the officers of the Council or by the Board on behalf of the Council shall provide that such officers and the Board are acting solely as agent for the Council and that the responsibility or liability of each unit owner upon said agreement shall not exceed such portion of the total liability under the contract as shall equal the interest of such unit owner in the common elements (his percentage interest factor).

For the avoidance of doubt, the Plan Trustee shall be afforded the same protections under the Reorganized Debtor's By-Laws and the Confirmation Order as the officers and directors of the Board of Directors.

11.4 General Injunction. Pursuant to §§ 105, 524, 1123, 1129 and 1141 of the Bankruptcy Code, in order to preserve and implement the various transactions contemplated by and provided for herein, as of the Confirmation Date, except as otherwise expressly provided herein or in the Confirmation Order, all Persons that have held, currently hold or may hold a Claim, Debt, Lien, judgment, arbitration award or Liability that is discharged or terminated pursuant to the terms of this Plan are and shall be permanently enjoined and forever barred from taking any actions on account of any such discharged or terminated Claims, Debts, Liens, judgments, arbitration award or Liabilities, including but not limited to:

- (a) commencing or continuing in any manner, directly or indirectly, any action or other proceeding (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against the Debtor, the Reorganized Debtor, the Estate, and any of their respective

successors and assigns, and the assets and Property of any of them;

- (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree, arbitration award or order against the Debtor, the Reorganized Debtor, the Estate, and any of their respective successors and assigns, and the assets and Property of any of them;
- (c) creating, perfecting or enforcing any Lien or encumbrance against the Debtor, the Reorganized Debtor, the Estate, and any of their respective successors and assigns, and the assets and Property of any of them;
- (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtor, the Reorganized Debtor, the Estate, and any of their respective successors and assigns, and the assets and Property of any of them;
- (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 the Debtor, the Reorganized Debtor, the Estate, and any of their respective successors and assigns, and the assets and Property of any of them, under the Plan and the Plan Documents and the other documents executed in connection therewith.

Actions brought to enforce any rights or obligations under the Creditor's Plan or the Plan Documents are not enjoined herein. The Plan Trustee shall have the right to seek enforcement of this general injunction provision. This general injunction provision is an integral part of the Creditor's Plan and is essential to its implementation.

11.5 Term of Certain Injunctions and Automatic Stay.

11.5.1 All injunctions or automatic stays for the benefit of the Debtor pursuant to §§ 105, 362 or other applicable provisions of the Bankruptcy Code, or otherwise provided for in the Bankruptcy Case or Order of the Court, and in existence on the Confirmation Date, shall remain in full force and effect following the Confirmation Date, unless otherwise ordered by the Bankruptcy Court.

11.5.2 With respect to lawsuits, if any, pending in courts in any jurisdiction (other than the Bankruptcy Court) that seek to establish the Debtor's liability on Prepetition Claims asserted therein and that are stayed pursuant to § 362 of the Bankruptcy Code,

such lawsuits shall be deemed dismissed as of the Effective Date, unless the Plan Trustee affirmatively elects to have such 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 Plan Trustee affirmatively elects to have the automatic stay lifted and to have such liability established by such other courts; and the Prepetition Claims at issue in such lawsuits, if any, 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 Plan Trustee as provided herein.

ARTICLE 12 RETENTION OF JURISDICTION

12.1 Jurisdiction of the Bankruptcy Court. Unless otherwise provided by a prior Order in the Bankruptcy Case, the Bankruptcy Court shall retain exclusive jurisdiction of all matters arising under, arising out of, or related to, the Bankruptcy Case and this Plan pursuant to, and for the purposes of §§ 105(a) and 1142 of the Bankruptcy Code and for, among other things the following purposes until such time as the Plan Trustee's, Debtor's and Reorganized Debtor's obligations, respectively, under the Plan are fully discharged:

- (a) To hear and determine any motions for the assumption or rejection of any executory contracts or unexpired leases, and the allowance of any Claims resulting therefrom;
- (b) To determine any and all pending adversary proceedings, applications and contested matters;
- (c) To hear and determine any objection to any Claims;
- (d) To liquidate or estimate damages or determine the manner and time for such liquidation or estimation in connection with any contingent or unliquidated Claim;
- (e) To adjudicate all Claims to any lien on any of the Debtor's assets or any proceeds thereof;
- (f) To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified or vacated, and/or if the Effective Date never occurs;

- (g) To issue such orders in aid of execution of this Plan to the extent authorized by § 1142 of the Bankruptcy Code;
- (h) To consider any modifications of this Plan, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;
- (i) To hear and determine all applications for compensation and reimbursement of expenses of Professionals under §§ 330, 331 and 503(b) of the Bankruptcy Code;
- (j) To enforce and interpret the Plan and to hear and determine any dispute or any other matter arising out of or related to this Plan, including but not limited to matters related to the Plan Trustee;
- (k) To recover all assets of the Debtor and Property of the Estate, wherever located;
- (l) To hear and determine matters concerning state, local and federal taxes in accordance with §§ 346, 505 and 1146 of the Bankruptcy Code;
- (m) To enforce and interpret the discharge of Claims effected by this Plan and to enter and implement such orders as may be appropriate with regard thereto;
- (n) To hear any other matter consistent with the provisions of the Bankruptcy Code;
- (o) To enter a final decree closing the Bankruptcy Case; and
- (p) To hear and determine such other issues as the Court deems necessary and reasonable to carry out the intent and purposes of this Plan including, but not limited to, seeking the Court's prior approval to bring such claims against the Exculpated Parties as described in Section 11.2.

ARTICLE 13 TAX CONSEQUENCES OF THE PLAN

13.1 No Tax on Transfers. Pursuant to § 1146(a) of the Bankruptcy Code:

(i) the issuance, distribution, transfer or exchange of interests or other Property; (ii) the creation, modification, consolidation or recording of any deed of trust or other security interest, the securing of additional indebtedness by such means or by other means in furtherance of or in connection with the Plan, the Confirmation Order, and any related documents; (iii) the making, assignment, modification or recording of any lease or sublease; (iv) the sale or transfer of assets shall be deemed exempt from all taxes arising from such sale or transfer which would otherwise

be imposed at the time of transfer or sale, which are determined by consideration for or value of the Property being transferred, or as a percentage thereof, including taxes imposed by the State of Maryland or other applicable law, or (v) the making, delivery or recording of a deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, the Confirmation Order, any related documents or any transaction contemplated above or any transactions arising out of, contemplated by or in any way related to the foregoing, including without limitation the Property or transfer of Units 907, 1310 and PH4C as set forth in the Creditor's Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act or real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local government officials or agents shall be, and hereby are, directed to forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

13.2 Tax Consequences to Holders of Claims. The implementation of this Creditor's Plan may have federal, state and local tax consequences to the Holders of Claims and Interests. No tax opinion has been sought nor will be obtained with respect to any tax consequences of this Plan. HOLDERS OF CLAIMS AND INTERESTS ARE ADVISED TO CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THIS CREDITOR'S PLAN.

13.3 Federal Income Tax Consequences to the Debtor. The Debtor is a nonprofit association under Internal Revenue Code § 501(c)(4). Accordingly, the Debtor is exempt from paying federal and state taxes, and the consummation of the Plan will not result in any federal income tax consequences to the Debtor and the Confirmation Order shall so provide.

ARTICLE 14 MISCELLANEOUS PROVISIONS

14.1 Professional Fees and Expenses. After the Effective Date, the Reorganized Debtor shall, in the ordinary course of business and without the necessity for any

approval by the Bankruptcy Court, pay the reasonable fees and expenses of the Plan Trustee and of the Professionals employed by the Plan Trustee in connection with the implementation and consummation of this Creditor's Plan. The Plan Trustee shall be authorized, but not required, to employ the professionals that were employed by the Debtor during the Bankruptcy Case, in her discretion, to assist her with the implementation and consummation of this Creditor's Plan.

14.2 Waiver of Certain Fees. Unless otherwise provided in this Creditor's Plan, all claims for penalties, default interest and/or late fees that may have accrued on Claims are extinguished.

14.3 U.S. Trustee Fees. The Debtor is, and shall remain, current in paying all fees owed to the U.S. Trustee until the Bankruptcy Case is closed.

14.4 Payment of Statutory Fees. All fees payable pursuant to Chapter 123 of Title 28, United States Code, as determined by the Bankruptcy Court on the Confirmation Date, shall be paid by the Reorganized Debtor.

14.5 Modification of Plan. The Plan Proponent reserves the exclusive right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify this Creditor's Plan and to solicit acceptances of any amendments or modifications hereto, at any time prior to the entry of the Confirmation Order. After the entry of the Confirmation Order, the Plan Trustee may, upon order of the Bankruptcy Court, amend or modify this Creditor's Plan, in accordance with § 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in this Creditor's Plan in such manner as may be necessary to carry out the purpose and intent of this Creditor's Plan. A Holder of an Allowed Claim that is deemed to have accepted this Creditor's Plan shall be deemed to have accepted this Plan as modified if the proposed modification does not materially and adversely change the treatment of the Claim of such Holder.

14.6 Withdrawal or Revocation. The Plan Proponent may amend, withdraw or revoke this Creditor's Plan at any time prior to the Confirmation Date. If the Debtor withdraws or revokes this Creditor's Plan prior to the Confirmation Date or if the Confirmation Date does not occur for any reason, then this Creditor's Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute a waiver or release of any Claim by or

against the Debtor or any other Person or to prejudice in any manner the rights of the Debtor or any other Person in any further proceedings involving the Debtor.

14.7 Courts of Competent Jurisdiction. If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of this Creditor's Plan, such abstention, refusal or failure of jurisdiction shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

14.8 Notice to Debtor. Any notices, or requests under or in connection with this Plan shall be in writing by electronic mail and served either by (i) regular first-class mail, return receipt requested, postage prepaid, (ii) hand delivery, or (iii) reputable overnight delivery service, all charges prepaid, and shall be deemed to have been given when received by the following parties:

TO THE PLAN TRUSTEE:

Monique Almy, Esquire
Crowell & Moring
1001 Pennsylvania Avenue NW
Washington, D.C. 20004-2595

TO THE PLAN PROPONENT:

Howard Bank
Attn: Wendy M. Andrus
6011 University Boulevard, Suite 370
Ellicott City, MD 21043
Wandrus@howardbank.com

WITH A COPY TO:

Lisa Bittle Tancredi, Esquire
Gebhardt & Smith LLP
One South Street, Suite 2200
Baltimore, Maryland 21202
ltancredi@gebsmith.com

TO THE DEBTOR/REORGANIZED DEBTOR:

Council of Unit Owners of the
100 Harborview Drive Condominium
Attn: Dr. Reuben Mezrich, President,
or his successor or appointee
100 Harborview Drive
Baltimore, MD 21230

WITH A COPY TO:

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WITH A COPY TO:

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14.9 Severability. In the event that the Bankruptcy Court determines, prior to the Confirmation Date, that any provision of this Creditor's Plan is invalid, void or unenforceable, the Bankruptcy Court, with the consent of the Plan Proponent, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Creditor's Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and

provision of this Creditor's Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

14.10 Governing Law. Except to the extent the Bankruptcy Code or Bankruptcy Rules are applicable, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of the United States of America and, when applicable, the State of Maryland, without giving effect to the principles of conflicts of law thereof.

14.11 Headings. Headings are used in this Creditor's Plan for convenience and reference only, and shall not constitute a part of this Creditor's Plan for any other purpose.

Howard Bank

Dated: March 15, 2018.

By: /s/ Wendy M. Andrus
Name: Wendy M. Andrus
Title: Senior Vice President

Counsel:

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CERTIFICATE OF SERVICE

I hereby certify that on the 15th day of March 2018, the Creditor's Amended Plan of Reorganization Pursuant to Chapter 11 of the United States Bankruptcy Code was served by CM/ECF to those parties listed on the docket as being entitled to such electronic notices.

/s/ Lisa Bittle Tancredi

Lisa Bittle Tancredi

The following parties received
CM/ECF notice of the filing:

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