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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
In re	:	Chapter 11
	:	Case No. 13-13098 (MKV)
	:	
SOUNDVIEW ELITE LTD., <i>et al.</i> ,	:	(Jointly Administered)
	:	
Debtors.	:	
-----X	:	

**AMENDED (A) FINAL REPORT AND (B) DISCLOSURE
STATEMENT WITH RESPECT TO AMENDED JOINT PLAN OF
LIQUIDATION FOR DEBTORS SOUNDVIEW ELITE LTD., SOUNDVIEW
PREMIUM, LTD., SOUNDVIEW STAR LTD., ELITE DESIGNATED, PREMIUM
DESIGNATED AND STAR DESIGNATED, AS MODIFIED ON MARCH 24, 2017**

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GLOSSARY OF DEFINED TERMS

"**510(b) Claim**" means any Claim against a Designated Debtor that is subject to subordination under section 510(b) of the Bankruptcy Code.

"**510(c) Claim**" means any Claim against a Designated Debtor that is subordinated under section 510(c) of the Bankruptcy Code pursuant to an order of the Bankruptcy Court.

"**Administrative Bar Date**" means:

I. with respect to the Designated Debtors: the date fixed in the Administrative Bar Date Order for the Designated Debtors by which all Persons asserting Administrative Claims against a Designated Debtor arising on and after the Petition Date, but prior to the Confirmation Date, other than Excluded Claims, must have filed proofs of such Administrative Claims against a Designated Debtor or requests for payment of such Administrative Claims against a Designated Debtor or be forever barred from asserting such Claims against the Designated Debtors, their property or their Estates; and

II. with respect to the Limited Debtors: (a) February 23, 2017 at 5:00 p.m. (prevailing Eastern time) or, (b) with respect to any Administrative Claim against a Limited Debtor, other than Administrative Claims to which the Administrative Bar Date does not apply pursuant to the Administrative Bar Date Order, that is incurred in the ordinary course after February 23, 2017, thirty dates after such Administrative Claim against a Limited Debtors has been incurred.

"**Administrative Bar Date Order**" means:

I. with respect to the Designated Debtors, the Final Order entered by the Bankruptcy Court establishing the Administrative Bar Date for the Designated Debtors; and

II. with respect to the Limited Debtors, the Order Establishing Administrative Claims Bar Date with Respect to Claims against Soundview Elite Ltd., Soundview Premium, Ltd. and Soundview Star Ltd. and Approving Form and Manner of Notice Thereof (Docket No. 1279).

"**Administrative Claim**" means, with respect to a Designated Debtor, a Claim for costs and expenses of administration asserted or arising under sections 503(b) or 507(b) of the Bankruptcy Code, or a Claim given the status of an Administrative Claim against a Designated Debtor by Final Order of the Bankruptcy Court, and all fees due under 28 U.S.C. § 1930. With respect to a Limited Debtor, "Administrative Claim" has the meaning given to such term in the Protocol Addendum.

"**Adversary Proceedings**" means the adversary proceedings brought by the Chapter 11 Trustee on behalf of the Debtors as set forth in section IV.B(1)(a).

"**Affiliate**" means an affiliate as such term is defined in section 101(2) of the Bankruptcy Code.

"Allowed Administrative Claim" means

I. with respect to a Designated Debtor, all or that portion of an Administrative Claim against a Designated Debtor which either:

(a) has been allowed by a Final Order; or

(b) (1) was incurred in the ordinary course of business during the Chapter 11 Cases of the Designated Debtors to the extent due and owing without defense, offset or counterclaim of any kind; and (2) proof of which was timely filed by the Administrative Bar Date for the Designated Debtors, or deemed timely filed under applicable law or by order of the Bankruptcy Court, pursuant to the Bankruptcy Code, Bankruptcy Rules or applicable law, or filed late, with leave pursuant to a Final Order of the Bankruptcy Court or either (x) is not timely objected to by the date set forth in section 4.2 of the Plan or the Administrative Bar Date Order for the Designated Debtors, as applicable, and is not otherwise a Disputed Claim, or (y) is otherwise allowed by a Final Order.

II. With respect to a Limited Debtor, "Allowed Administrative Claim" has the meaning given to such term in the Protocol Addendum.

Unless otherwise specified herein or by Final Order of the Bankruptcy Court, "Allowed Administrative Claim" shall not, for purposes of computation of distributions under the Plan, include interests or similar charges accrued after the Petition Date.

"Allowed Claim" means

I. with respect to a Designated Debtor, a Claim (other than an Allowed Administrative Claim) that is:

(a) listed in the Schedules of the applicable Designated Debtor in an amount greater than zero and as being not contingent, unliquidated, disputed or undetermined, and that it is not otherwise a Disputed Claim;

(b) a Claim, proof of which has been timely filed by the Bar Date, or deemed timely filed under applicable law or by order of the Bankruptcy Court, pursuant to the Bankruptcy Code, Bankruptcy Rules or applicable law, or filed late, with Bankruptcy Court leave pursuant to a Final Order, and either (1) is not objected to by the Objection Bar Date and is not otherwise a Disputed Claim, or (2) is otherwise allowed by a Final Order; or

(c) a Claim that is allowed: (1) in a Final Order; or (2) pursuant to the terms of the Plan.

II. With respect to the Limited Debtors, "Allowed Claim" has the meaning given to such term in the Protocol Addendum.

Unless otherwise specified in the Plan or by Final Order of the Bankruptcy Court, "Allowed Claim" shall not, for purposes of computation of distributions under the Plan, include interest or similar charges accrued after the Petition Date except with respect to an Allowed Secured Claim

against a Limited Debtor or an Allowed Secured Claim against a Designated Debtor as permitted by section 506(b) of the Bankruptcy Code.

"**Allowed Class ___ Claims**" means all Allowed Claims in the referenced class.

"**Allowed General Unsecured Claim**" means a General Unsecured Claim which has become an Allowed Claim.

"**Allowed Priority Claim**" with respect to the Limited Debtors, has the meaning given to such term in the Protocol Addendum.

"**Allowed Priority Tax Claim**" means

I. with respect to the Designated Debtors, a Priority Tax Claim against a Designated Debtor which has become an Allowed Claim; and

II. with respect to the Limited Debtors, "Allowed Priority Tax Claim" has the meaning given to such term in the Protocol Addendum.

"**Allowed Secured Claim**" means a Secured Claim which has become an Allowed Claim.

"**Alpha**" means Fletcher Fixed Income Alpha Fund, Ltd.

"**Alpha JOLs**" means the joint voluntary liquidators of Alpha.

"**Amended Status Report**" means the Amended and Revised Status Report of the Chapter 11 Trustee dated June 15, 2015 (Docket No. 692).

"**Arbitrage**" means Fletcher Income Arbitrage Fund, Ltd.

"**Arbitrage JOLs**" means the joint official liquidators for Arbitrage, Robin McMahon and Kay Bailey of Ernst & Young LLP.

"**Asset Liquidation Procedures**" means the procedures approved by Order of the Bankruptcy Court (Docket No. 921) by which the Chapter 11 Trustee may sell or abandon the Non-Cash Assets of the Designated Debtors.

"**Available Cash**" means with respect to the Designated Debtors, all unrestricted Cash of the Designated Debtors, including the Liquidation Recoveries, after deduction of: (I) Cash to be distributed to or reserved for Holders of Administrative Claims against a Designated Debtor, Priority Tax Claims against a Designated Debtor, Other Priority Claims against a Designated Debtor and Secured Claims against a Designated Debtor; and (II) the Operating Reserve of the Designated Debtors, with each such amount to be determined from time to time. With respect to the Limited Debtors, Available Cash has the meaning given to such term in the Protocol Addendum.

"Ballot" means the ballot to be distributed to Holders of Allowed Claims against a Designated Debtor in each impaired and voting Class, on which ballot such Holder may vote for or against the Plan.

"Bankruptcy Code" means the Bankruptcy Reform Act of 1978, 11 U.S.C. §§ 101 et. seq., as the same was in effect on the Petition Date, as amended by any amendments applicable to these Chapter 11 Cases.

"Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York or, to the extent that such Bankruptcy Court ceases to exercise jurisdiction over the Chapter 11 Cases, such other court or adjunct thereof that exercises jurisdiction over the Chapter 11 Cases.

"Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure, effective in accordance with the provisions of 28 U.S.C. § 2075, as now in effect or hereafter amended.

"Bar Date" means the applicable bar date by which a proof of Claim must be, or must have been, Filed, as established by an order of the Bankruptcy Court.

"Bench Order" means the Bankruptcy Court's Bench Decision on Motions to Dismiss, for Relief from Stay, for Appointment of Chapter 11 Trustee, and on Sanctions for Contempt (Docket No. 156).

"Business Day" means any day, other than a Saturday, Sunday or "legal holiday" (as such term is defined in Bankruptcy Rule 9006(a)); provided, that with respect to the Limited Debtors, "Business Day" has the meaning given to such term in the Protocol Addendum.

"BVI Funds" means Richcourt Euro Strategies, Optima Absolute Return Fund Ltd., Richcourt Allweather Fund Inc., American Alternative Investments Ltd, Richcourt Composite Inc. and Richcourt Allweather B. Inc.

"BVI JLS" means the joint liquidators of the BVI Funds, John Ayres of PWC (BVI) Ltd. and Matthew Wright of RHSV (Cayman) Limited.

"California Action" means the litigation commenced by Pasig and its principals Roger and Julie Corman in the California Court against Citco.

"California Court" means Superior Court of the State of California for the County of Los Angeles.

"Cash" means, with respect to the Designated Debtors, legal tender of the United States of America and equivalents thereof. With respect to the Limited Debtors, "Cash" has the meaning given to such term in the Protocol Addendum.

"Cayman Islands Court" means the Grand Court of the Cayman Islands.

"Cayman Islands Proceedings" means the winddown proceedings of the Limited Debtors that are pending in the Cayman Islands Court.

"**Certification Order**" means the Order (I) Compelling Investors in Designated Debtors to Submit Certification of Non-Insider Status for the Purpose of Determining Distributions under Plan of Liquidation and (II) Subordinating Claims of Non-Certifying Investors (Docket No 1190).

"**Chapter 11 Cases**" means, collectively, the above-captioned cases commenced under chapter 11 of the Bankruptcy Code by the Debtors in the Bankruptcy Court, being jointly administered under Case No. 13-13098 (MKV).

"**Chapter 11 Trustee**" or "**Trustee**" means Corinne Ball, not individually but solely in her capacity as chapter 11 trustee in, of and on behalf of the Debtors.

"**Citco**" means Citco Group Limited and its affiliated entities.

"**Citco/Fletcher Adversary Proceeding**" means the adversary proceeding brought by the Chapter 11 Trustee captioned Corinne Ball, as Chapter 11 Trustee of Soundview Elite Ltd., et al. v. Citco Group Limited, et al., Case No. 15-01346 (MKV) (Bankr. S.D.N.Y. Sept. 23, 2015).

"**Citibank**" means Citibank, N.A.

"**Claim**" means a claim, as such term is defined in section 101(5) of the Bankruptcy Code, against a Debtor; provided that, where such term is used with respect to a Limited Debtor, it includes a debt of a Limited Debtor under applicable Cayman Islands law.

"**Composite Proceeding**" means the adversary proceeding entitled Corinne Ball as Chapter 11 Trustee of Soundview Elite Ltd. vs. Soundview Composite Ltd., Case No. 14-01923(MKV) (Bankr. S.D.N.Y. Apr. 1, 2014), and any and all related Proceedings (including any and all related appeals).

"**Claims Objection Order**" means the Order Granting Motion to Expunge Claims and/or Subordinate Insider Claims and Objection to Claims (Docket No. 1099).

"**Class**" means a class of Claims or Interests, as described in Article V of the Plan.

"**Composite**" means Soundview Composite Ltd.

"**Composite Proceeding**" means the adversary proceeding captioned Corinne Ball as Chapter 11 Trustee of Soundview Elite Ltd. v. Soundview Composite Ltd., No. 14-01923(MKV) (Bankr. S.D.N.Y. Apr. 1, 2014), and any and all related Proceedings (including any and all related appeals).

"**Confirmation**" means entry of the Confirmation Order.

"**Confirmation Date**" means the date on which the Confirmation Order is entered by the Bankruptcy Court.

"**Confirmation Hearing**" means a hearing before the Bankruptcy Court seeking confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code.

"Confirmation Order" means an order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

"Debtors" means, collectively, the Limited Debtors and the Designated Debtors.

"Designated Debtors" means Debtors Elite Designated, Premium Designated and Star Designated.

"Designated Debtors' Allocation Percentages" means, the basis for allocation of: (i) Fee Claims asserted against the Designated Debtors and other Administrative Claims against the Designated Debtors which have not been reserved for, and (ii) the Operating Reserve, as follows:

Elite Designated:	39%
Premium Designated:	29%
Star Designated:	32%

"Disbursing Agent" means the Plan Administrator, or such other Person appointed as such by the Plan Administrator to disburse property pursuant to the Plan.

"Disclosure Statement" means this Amended (A) Final Report and (B) Disclosure Statement with Respect to Joint Plan of Liquidation for Soundview Elite Ltd., Soundview Premium, Ltd., Soundview Star Ltd., Elite Designated, Premium Designated and Star Designated (including all exhibits and schedules annexed or referred therein thereto) that relates to the Plan and has been or will be approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, as such Disclosure Statement may be amended, modified or supplemented.

"Disclosure Statement Hearing" means the hearing held by the Bankruptcy Court to consider whether the Disclosure Statement contains adequate information as required by section 1125 of the Bankruptcy Code.

"Disclosure Statement Order" means any order entered by the Bankruptcy Court approving this Disclosure Statement.

"Disputed Claim" means:

I. with respect to the Designated Debtors:

(a) if no proof of Claim or no application for payment of an Administrative Claim or Fee Claim has been filed by the applicable Bar Date or deemed timely filed under applicable law: (1) a Claim that has been listed on the Schedules as other than disputed, contingent or unliquidated, but as to which an objection has been filed in accordance with section 11.2 of the Plan; or (2) a Claim that has been listed on the Schedules as disputed, contingent or unliquidated or as having a zero, unknown or otherwise undetermined value; or

(b) if a proof of Claim or a request for payment of an Administrative Claim or Fee Claim has been filed by the applicable Bar Date, or has otherwise been deemed timely filed under applicable law or leave to file a late Claim has been granted pursuant to a Final Order: (1) a Claim that is listed on the Schedules as other than disputed, contingent or unliquidated, but as to

which the nature or amount of the Claim as asserted in the proof of Claim varies from the nature and amount of such Claim as it is listed on the Schedules; (2) a Claim as to which an objection has been filed in accordance the Administrative Bar Date Order for the Designated Debtors and/or sections 4.2 or 11.2 of the Plan, and which objection has not been withdrawn or denied by a Final Order; (3) a Claim (other than Administrative Claim) for which a proof of Claim has been filed, but for which no Claim has been listed on the Schedules; or (4) a Claim for which a proof of Claim or request for payment has been filed in an amount which is contingent or unliquidated, in whole or in part.

II. With respect to the Limited Debtors, "Disputed Claim" shall have the meaning given to such term in the Protocol Addendum.

"Distribution" means a distribution of Available Cash to Holders of Allowed Claims in the Designated Debtors.

"Distribution Date" means the date the order approving the Disclosure Statement is signed, unless otherwise ordered by the Bankruptcy Court; provided, that with respect to the Limited Debtors, "Distribution Record Date" shall have the meaning given to such term in the Protocol Addendum.

"Distribution Record Date" means the date on which the order approving the Disclosure Statement is signed, unless otherwise ordered by the Bankruptcy Court; provided that, with respect to the Limited Debtors, "Distribution Record Date" shall have the meaning given to such term in the Protocol Addendum.

"Effective Date" means the date specified as such by the Chapter 11 Trustee, which date shall be no later than fifteen (15) days after the Confirmation Date, or if the fifteenth (15) day is not a Business Day, the first Business Day thereafter, unless otherwise ordered by the Bankruptcy Court; provided that the Addendum Effective Date (as defined in the Protocol Addendum) shall not be changed.

"Entity" means an entity, as such term is defined in section 101(15) of the Bankruptcy Code.

"Estate" means, as to each Designated Debtor, the estate created for such Designated Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code. With respect to the Limited Debtors, "Estate" has the meaning given to such term in the Protocol Addendum.

"Estimation Order" means an order or orders of the Bankruptcy Court estimating or otherwise determining Disputed Claims for purposes other than making Plan distributions.

"Excluded Claim" means those Administrative Claims listed in the Administrative Bar Date Order for the Designated Debtors or the Administrative Bar Date Order for the Limited Debtors, as applicable, as excluded from compliance with the Administrative Bar Date for the Designated Debtors or the Administrative Bar Date Order for the Limited Debtors, as applicable, which may include Fee Claims and fees payable to the United States Trustee pursuant to 28 U.S.C. § 1930 (a)(6).

"**Fee Claims**" means a Claim for compensation or reimbursement of expenses pursuant to sections 326, 327, 328, 330, 331 or 503(b) of the Bankruptcy Code in connection with an application made to the Bankruptcy Court in the Chapter 11 Cases; provided that, with respect to the Limited Debtors, "Fee Claim" shall have the meaning given to such term in the Protocol Addendum.

"**FILB**" means Fletcher International, Ltd. (Bermuda).

"**FILB Plan Administrator**" means Mr. Richard J. Davis, formerly the chapter 11 trustee for FILB, now in his capacity as plan administrator of FILB.

"**FILB Trustee**" means Richard J. Davis, not individually but solely in his capacity as the chapter 11 trustee in, of and on behalf of FILB.

"**Filed**" or "**Filing**" means filed or filing with the Bankruptcy Court or its authorized designee in these Chapter 11 Cases.

"**Final Distribution**" means the distribution of the remaining Available Cash to Holders of Allowed Claims.

"**Final Order**" means an order or judgment of the Bankruptcy Court (or any other court, as applicable) which has not been reversed, stayed, modified or amended and as to which the time to appeal or seek review, rehearing, reargument or certiorari has expired and as to which no appeal or petition for review, rehearing, reargument, stay or certiorari is pending, or as to which any right to appeal or to seek certiorari, review, or rehearing has been waived, or, if an appeal, reargument, petition for review, certiorari or rehearing has been sought, the order or judgment of the Bankruptcy Court (or any other court, as applicable) which has been affirmed by the highest court to which the order was appealed or from which the reargument, review or rehearing was sought, or certiorari has been denied, and as to which the time to take any further appeal or seek further reargument, review or rehearing has expired.

"**General Unsecured Claim**" means:

I. with respect to the Designated Debtor, any Claim that is not (a) an Administrative Claim, (b) a Priority Tax Claim, (c) an Other Priority Claim, (d) a Secured Claim, (e) a 510(b) Claim, (f) a Claim that the Bankruptcy Court determined should be treated or recharacterized as an Interest, (g) a 510 (c) Claim or (h) an Investor Tort Claim; and

II. with respect to a Limited Debtor, "General Unsecured Claim" has the meaning given to such term in the Protocol Addendum.

"**Governmental Unit**" means a governmental unit as such term is defined in section 101(27) of the Bankruptcy Code.

"**Holder**" means a holder of a Claim or Interest.

"Holder of Record" means, as of the Distribution Record Date, a Holder entitled to receive a distribution pursuant to the terms of the Plan and, with respect to the Limited Debtors, the Protocol Addendum.

"Indemnified Person" means:

I. with respect to the Designated Debtor, any Person who was or is made a party to or is threatened to be made a party to, or is otherwise involved in, any Proceeding by reason of the fact that such Person, or a Person for whom such Person is a legal representative, financial consultant or Professional is or was (a) the Chapter 11 Trustee in her capacity as chapter 11 trustee of the Designated Debtors or (b) the Plan Administrator, whether in an official capacity or in any other capacity; and

II. with respect to the Limited Debtors, "Indemnified Person" has the meaning given to such term in the Protocol Addendum.

"Initial Distribution" means

I. with respect to the Designated Debtors, the first distribution of Available Cash to Holders of Allowed Claims against a Designated Debtor that occurs on or after the Effective Date; and

II. with respect to the Limited Debtors, "Initial Distribution" has the meaning given to such term in the Protocol Addendum.

"Initial Distribution Date" means the date on which the Initial Distribution is made.

"Insider" means:

I. with respect to the Designated Debtors:

(a) Any current or former officer, director, manager, affiliate or holder of 10% or more voting shares of any of the Debtors or entities formerly managing any of the Debtors including, without limitation, Alphonse 'Buddy' Fletcher, Jr.; George Ladner; Floyd Saunders; Stewart Turner; Denis Kiely; Stuart MacGregor; and any current or former officer, director, manager, affiliate or holder of 10% or more of the voting shares in any of Soundview Capital Management Ltd (Bahamas), Soundview Composite Ltd. (Cayman Islands), Richcourt Holding Inc. (British Virgin Islands), Richcourt Acquisitions Inc. (British Virgin Islands), Fletcher Asset Management Inc. (New York), FILB, Fletcher Arbitrage (Cayman Islands), Leveraged (Cayman Islands), Fletcher Fixed Income Alpha Fund (Bermuda), Ltd., Richcourt Capital Management Inc. (British Virgin Islands), Richcourt USA, Inc., Richcourt Fund Advisors SAS (France), Richcourt (Monaco) SAM (Monaco), Citco Richcourt (Lux) SA (Luxembourg), Richcourt Group SA (Luxembourg), Richcourt Suisse (SA) (Switzerland), New Wave Asset Management Ltd. (British Virgin Islands), New Wave SPC (Cayman Islands), Richcourt Euro Strategies Inc. (British Virgin Islands), Optima Absolute Return Fund Ltd. (British Virgin Islands), Richcourt Allweather Fund Inc. (British Virgin Islands), America Alternative Investments Inc. (British Virgin Islands), Richcourt Composite Inc. (British Virgin Islands) and Richcourt Allweather B. Inc. (British Virgin Islands); and

(b) and an insider as such term is defined in section 101(31) of the Bankruptcy Code,

provided, however, that the term Insider does not include the BVI Funds.

II. With respect to the Limited Debtors, "Insider" has the meaning given to such term in the Protocol Addendum.

"Insider Litigation" means

I. with respect to the Designated Debtors, means litigation against any Insider that the Chapter 11 Trustee has commenced, or may bring, based on the results of her Investigation, including the Citco/Fletcher Adversary Proceeding; and

II. with respect to the Limited Debtors, has the meaning given to such term in the Protocol Addendum.

"Interest" means, with respect to the Designated Debtors, an "equity security," as such term is defined in section 101(16) of the Bankruptcy Code. With respect to the Limited Debtors, "Interest" has the meaning given to such term in the Protocol Addendum.

"Interfund Settlement" means the interfund settlement dated September 22, 2015 between the Interfund Settlement Parties. The Interfund Settlement was approved by: (I) the Bankruptcy Court in the Debtors' Chapter 11 Cases on September 23, 2015 (Docket No. 816); (II) the Cayman Islands Court in the winding up proceedings of Arbitrage and Leveraged on October 13, 2015; (III) the Cayman Islands Court in the winding up proceedings of the Limited Debtors on January 8, 2016; and (IV) the Eastern Caribbean Supreme Court in the High Court of Justice, British Virgin Islands, Commercial Division in the winding up proceedings of BVI Funds on January 18, 2016. The Interfund Settlement is, by its terms, effective. See Docket No. 1011.

"Interfund Settlement Parties" means (I) the Debtors, the Chapter 11 Trustee and the Soundview JOLs, (II) the BVI Funds and the BVI JOLs, (III) Arbitrage and the Arbitrage JOLs, (IV) Leveraged and the Leveraged JOLs, (V) Alpha and the Alpha JOLs, (VI) FILB and the FILB Plan Administrator, (VII) MBTARF and (VIII) the Louisiana Pension Funds.

"Investigation" refers to the Chapter 11 Trustee's investigation into the Debtors' management and affairs, which is set forth herein and in the Reports. See Docket Nos. 395, 692 and 887.

"Investor" means (I) any participating, non-voting investor (including a Designated Debtor) in a Designated Debtor and (II) any custodian that is holding investments in a Designated Debtor on account of an individual investor (including a Designated Debtor) who is the beneficial owner thereof.

"Investor Tort Claim" means (I) the tort Claim held by an Investor in a Designated Debtor based on such Investor's Interests and (II) for which the Investor has (a) filed a proof of Claim with the Bankruptcy Court, (b) submitted to the Chapter 11 Trustee a certification of non-Insider status that the Chapter 11 Trustee was able to reconcile with the Designated Debtors' books and records in her possession or (c) reached an agreement with the Chapter 11 Trustee or Plan Administrator,

as the case may be, regarding its Claim, which agreement was approved by the Bankruptcy Court or set forth in the Plan.

For the avoidance of doubt, the Claims held by, or on behalf of, a Debtor against a Designated Debtor shall be classified as Investor Tort Claims and shall be Allowed Claims against a Designated Debtor pursuant to the Plan. All Allowed Class 4A, 4B and 4C Claims and the participating shares of the Holders of Investor Tort Claims in each Designated Debtor are set forth on Exhibit 2.7 to the Plan.

"**IRC**" means the Internal Revenue Code.

"**IRS**" means the Internal Revenue Service.

"**Leveraged**" means FIA Leveraged Fund, Ltd.

"**Leveraged JOLs**" means the joint official liquidators for Leveraged, Robin McMahon and Kay Bailey of Ernst & Young LLP.

"**Limited Debtors**" means Soundview Elite, Soundview Premium and Soundview Star.

"**Liquidation Recoveries**" means the amounts recovered from time to time by the Chapter 11 Trustee or Plan Administrator, as the case may be, on account of the liquidation of the Debtors' assets (including recoveries in any Proceedings or the Citco/Fletcher Adversary Proceeding), net of the costs and expenses of such recoveries, provided, however, that Liquidation Recoveries shall include, with respect to the claims that were pooled in the Citco/Fletcher Adversary Proceeding, only the Designated Debtors' share of the net recoveries after deduction of the Chapter 11 Trustee's fees and expenses in connection therewith that are allocated to the Designated Debtors.

"**Local Bankruptcy Rules**" means the Bankruptcy Rules for the Bankruptcy Court of the Southern District of New York.

"**Louisiana Pension Funds**" means the Firefighters' Retirement System, New Orleans Firefighters' Pension and Relief Fund, and Municipal Employees' Retirement System of Louisiana.

"**MBTARF**" means the Massachusetts Bay Transportation Authority Retirement Fund.

"**Mr. Fletcher**" means Mr. Alphonse "Buddy" Fletcher.

"**Mr. Muho**" means Mr. Gerti Muho.

"**Muho Removal Motion**" has the meaning given to such term in section IV.B(1)(b) herein.

"**New Wave**" means New Wave Fund Ltd.

"**Non-Cash Assets**" means the non-cash financial assets of the Designated Debtors.

"**Non-U.S. Holder**" has the meaning given to such term in section VIII herein.

"Objection Bar Date" means, with respect to the Designated Debtors, the later of: (I) 60 days after the Effective Date; (II) 60 days after the filing of a proof of Claim or Interest, and (III) such other period of limitation for objecting to a Claim or Interest as may be specifically fixed by the Plan, the Confirmation Order, the Bankruptcy Rules or an order of the Bankruptcy Court. With respect to the Limited Debtors, "Objection Bar Date" has the meaning given to such term in the Protocol Addendum.

"Operating Reserve" means, with respect to the Designated Debtors, such amount as is reserved by the Chapter 11 Trustee or Plan Administrator, as the case may be, for the Designated Debtors' Estates to meet their obligations as they become due after the Effective Date (to the extent such obligations have not otherwise been reserved for), and to prosecute all claims, causes of action or rights of the Designated Debtors' Estates. The Operating Reserve of the Designated Debtors shall be allocated among the Designated Debtors subject to the Designated Debtors' Allocation Percentages, and may be increased or decreased by the Plan Administrator from time to time.

"Other Priority Claim" means, with respect to a Designated Debtor, any Claim against a Designated Debtor that is accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than an Administrative Claim against a Designated Debtor or a Priority Tax Claim against a Designated Debtor.

"Pasig" means Pasig Ltd., one of the investors in the Limited Debtors. Specifically, Pasig holds (I) 6.74% of the redemption creditor claims against Soundview Elite, (II) 26.01% of the redemption creditor claims against Soundview Premium and (III) 29.39% of the redemption creditor claims against Soundview Star, pursuant to the common claims adjudication set forth in the Protocol Addendum. Pasig is not an Investor in the Designated Debtors.

"Person" means any individual, corporation, partnership, association, indenture trustee, organization, joint stock company, joint venture, estate, trust, Governmental Unit or any political subdivision thereof, the Chapter 11 Trustee, the Plan Administrator, or any other entity; provided, that with respect to the Limited Debtors, "Person" has the meaning given to such term in the Protocol Addendum.

"Petition Date" means September 24, 2013.

"Plan" means the Chapter 11 Trustee's Amended Joint Plan of Liquidation for Debtors Soundview Elite Ltd., Soundview Premium, Ltd., Soundview Star Ltd., Elite Designated, Premium Designated and Star Designated.

"Plan Administrator" means the Person designated or appointed as such under the Plan, and may be the Chapter 11 Trustee.

"Pooling Agreement" means the pooling agreement entered into on August 18, 2015 by the Chapter 11 Trustee and the BVI JLs and approved by the Court on September 23, 2015 (Docket No. 816).

"Priority Tax Claim" means, with respect to the Designated Debtors, any Claim against a Designated Debtor that is entitled to priority pursuant to section 507(a)(8) of the Bankruptcy

Code. With respect to the Limited Debtors, "Priority Tax Claim" has the meaning given to such term in the Protocol Addendum.

"Proceeding" means any threatened, pending or completed action, suit, contested matter, adversary proceeding or other proceeding, whether civil, criminal, administrative or investigative, domestic or foreign, including the Citco/Fletcher Adversary Proceeding and the Composite Proceeding.

"Professionals" means those Persons: (I) employed pursuant to an order of the Bankruptcy Court in accordance with sections 326, 327 and 1103 of the Bankruptcy Code providing for compensation for services rendered prior to the Effective Date pursuant to sections 326, 327, 328, 329, 330 and 331 of the Bankruptcy Code; or (II) for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to section 503(b)(2) of the Bankruptcy Code; provided that, with respect to the Limited Debtors, "Professionals" has the meaning given to such term in the Protocol Addendum.

"Proponent" means the Chapter 11 Trustee.

"Proposed Abandonment" means the abandonment of assets subject to the Asset Liquidation Procedures.

"Proposed Sale" means the sale or transfer of assets subject to the Asset Liquidation Procedures.

"Pro Rata Share" means, as of the date of calculation, with respect to an Allowed Claim against a Designated Debtor of any class of Claims, a proportion equal to the ratio of:

- I. that Allowed Claim to
- II. the sum of: (a) the aggregate of all Allowed Claims against a Designated Debtor of that particular class as of such date; plus (b) the aggregate of all Claims in that particular class as set forth in the Estimation Order (except to the extent that such Claims have been subordinated, expunged or otherwise disallowed in full) that are not described in clause (a) above, on such date.

"Protocol" means the Cross-Border Insolvency Protocol Regarding Soundview Elite Ltd., Soundview Premium, Ltd. and Soundview Star Ltd. (Docket No. 516). The Protocol was approved by the Bankruptcy Court on December 30, 2014 after due notice to all parties in interest, and by the Cayman Islands Court on January 15, 2015. The Plan implements the Protocol and Protocol Addendum as a global settlement with respect to the Limited Debtors. A copy of the Protocol is attached to the Plan as Exhibit 2.90.

"Protocol Addendum" means the Addendum to Cross-Border Insolvency Protocol Regarding Soundview Elite Ltd., Soundview Premium, Ltd. and Soundview Star Ltd. as subsequently amended by the Amendment Agreement dated January 20, 2016 (Docket No. 997). The Protocol Addendum was approved by the Bankruptcy Court on February 24, 2016 after due notice to all parties in interest, and by the Cayman Islands Court on February 2, 2016. The Plan implements the Protocol and Protocol Addendum as a global settlement with respect to the Limited Debtors. A copy of the Protocol Addendum is attached to the Plan as Exhibit 2.91.

"**Qualifying Investor**" means an Investor in a Designated Debtor who is not an Insider and whose claims have not been otherwise expunged, disallowed, subordinated, waived or settled pursuant to the Claims Objection Order.

"**Reallocation Order**" means the Second Amended Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals (Docket No. 1042).

"**Redemption Creditors**" has the meaning given to such term in the Protocol Addendum.

"**Removal Appeals**" has the meaning given to such term in section IV.B(1)(b).

"**Removal Order**" has the meaning given to such term in section IV.B(1)(b).

"**Reports**" means, collectively, the Amended and Revised Status Report of the Chapter 11 Trustee dated June 15, 2015 (Docket No. 692) and the Second Status Report of the Chapter 11 Trustee dated November 23, 2015 (Docket No. 887).

"**Reserves**," with respect to the Limited Debtors only, has the meaning given to such term in section 4.1 of the Protocol Addendum.

"**RHI**" means Richcourt Holding Inc.

"**Richcourt Funds**" means the investment funds managed by Richcourt Holdings, Inc. and its affiliates and subsidiaries.

"**Scheduled**" means as set forth in the Schedules.

"**Schedules**" means each of the Schedules of Liabilities and Statement of Affairs, respectively, filed by the Debtors, as they have been or may hereafter be amended from time to time.

"**SCM**" means Soundview Capital Management.

"**Second Status Report**" means the Second Status Report of the Chapter 11 Trustee dated November 23, 2015 (Docket No. 887).

"**Secured Claim**" means, with respect to the Designated Debtors, that portion of a claim against a Designated Debtor that is (I) secured by a valid, perfected and enforceable security interest, lien, mortgage or other encumbrance, that is not subject to avoidance under applicable bankruptcy or non-bankruptcy law, in or upon any right, title or interest of a Designated Debtor in and to property of a Designated Debtor's Estate to the extent of the value of the Holder's interest in such property as of the relevant determination date; or (II) subject to setoff under section 553 of the Bankruptcy Code, to the extent of the amount subject to setoff, each as determined by sections 506(a) and 1111(b) of the Bankruptcy Code and Bankruptcy Rule 3012. With respect to the Limited Debtors, "Secured Claim" has the meaning given to such term in the Protocol Addendum.

"**Soundview Elite**" means Soundview Elite Ltd.

"**Soundview JOLs**" means:

I. Matthew Wright of RHSW (Cayman) Limited; and

II. Christopher Kennedy of RHSW (Cayman) Limited when an application seeking his appointment in replacement of Peter Anderson, who resigned as joint official liquidator of the Limited Debtors on November 30, 2016, is approved by the Cayman Islands Court in the Limited Debtors' winding up proceedings,

in their capacity as joint official liquidators of the Limited Debtors.

"**Soundview Premium**" means Soundview Premium, Ltd.

"**Soundview Premium Holdback**" means the fees and expenses that the Chapter 11 Trustee must holdback pursuant to the Reallocation Order until any recovery of funds is made from Composite.

"**Soundview Star**" means Soundview Star Ltd.

"**Status Report**" means the Status Report of the Chapter 11 Trustee dated November 5, 2014 (Docket No. 395).

"**Subordination Notice**" means the *Notice of Objection to Insider Claims and Subordination of Such Claims* (Docket No. 851).

"**Tax**" means (I) any net income, alternative or add-on minimum, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, profits, license, employment, payroll, withholding, property, excise, severance, stamp, occupation, premium, environmental, escheat or windfall profit tax, custom, duty or other tax, governmental fee or other like assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local, provincial or foreign taxing authority; or (II) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other Person.

"**Unclaimed Property**" means any Cash unclaimed on or after the twelfth month following the applicable Distribution Date. Unclaimed Property shall include: (I) checks (and the funds represented thereby) mailed to a Holder of Record and returned as undeliverable without a proper forwarding address; (II) uncashed checks (and the funds represented thereby); or (III) checks (and the funds represented thereby) not mailed or delivered to a Holder of Record because no address was available to which to mail or deliver such property.

"**U.S. Holder**" has the meaning given to such term in section VIII herein.

"**U.S. Trustee**" means the United States Trustee for the Southern District of New York.

"Voting Deadline" means __:__ p.m. (prevailing Eastern time) on _____, 2017, which is the deadline for submitting Ballots to accept or reject the Plan, in accordance with section 1126 of the Bankruptcy Code.

"Wilmington Trust" means Wilmington Trust, N.A.

"Wilmington Trust Consent Order" means the Stipulation and Agreed Order by and between the Chapter 11 Trustee and Wilmington Trust, National Association Authorizing the Release of Funds and for Related Relief (Docket No. 188).

"Wilmington Trust Interpleader" means the interpleader action brought by Wilmington Trust, captioned Wilmington Trust, National Association v. Soundview Elite Ltd. et al., Case No. 13C-06-156-JTV-CCLD (Sup. Ct. Del. Jun. 17, 2013).

**CHAPTER 11 TRUSTEE'S FINAL STATUS REPORT
AND DISCLOSURE STATEMENT WITH RESPECT TO THE DEBTORS**

Corinne Ball, the Chapter 11 Trustee of the Debtors, respectfully submits this Disclosure Statement with respect to the Debtors pursuant to sections 704, 1106 and 1125 of the Bankruptcy Code.

I. INTRODUCTION AND SUMMARY

A. Final Status Report

The Designated Debtors are three Cayman Islands investment funds formed by SCM and RHI on March 19, 2009, as "side pockets" of the Limited Debtors. They commenced their chapter 11 cases on the Petition Date. On January 23, 2014 the Chapter 11 Trustee was appointed with a clear mandate with respect to the Debtors, *i.e.* to "pursue investigations and litigation in the U.S." See Bench Order, at 16. The Chapter 11 Trustee's Investigation, from the securing of the Debtors' books and records to her Investigation of claims of the Debtors and her retention of special litigation counsel, is summarized in the Chapter 11 Trustee's Reports that are attached hereto as Exhibit A and Exhibit B and incorporated herein by reference.

A final update of the Chapter 11 Trustee's Investigation and the litigation pursued by her in the United States with respect to the Debtors is set forth herein and includes the Citco/Fletcher Adversary Proceeding, the enforcement of the automatic stay, the Interfund Settlement, the liquidation of the Designated Debtors' Non-Cash Assets, the reallocation of postpetition fees and expenses among the six Debtors that was approved by the Bankruptcy Court, an Administrative Bar Date for the Limited Debtors¹ and the settlement between the Limited Debtors and the Designated Debtors regarding certain prepetition expenses.

As of the date hereof, the Chapter 11 Trustee has made substantial progress in realizing meaningful recoveries for the Debtors' Estates. Specifically, the Chapter 11 Trustee has made the following recoveries:

SOURCE OF RECOVERY	ACTUAL RECOVERY
Citco Curaçao	\$1,984,977.10
Interfund Settlement ²	\$1,000,000.00
Leveraged Hawk and Mr. Muho ³	\$526,312.76
Composite Proceeding ⁴	\$3,775,525.54

¹ On January 20, 2017, the Bankruptcy Court entered an order establishing Administrative Bar Date for the Limited Debtors only. See Docket No. 1279. The Administrative Bar Date for the Limited Debtors is February 23, 2017 at 5:00 p.m. (Eastern Time).

² See Sec. II.D. The Chapter 11 Trustee subsequently transferred \$500,000 thereof to the Soundview JOLs. *Id.*

³ See Amended Status Report, Sec. III.A.(4). Approximately \$2.7 million remains outstanding pursuant to the default judgments entered by the court in those actions. *Id.*

⁴ This total comprises of (a) \$49,918 that the Bankruptcy Court ordered Composite to pay in connection with certain contempt proceedings (Composite Proceeding, Docket No. 83) and (b) \$3,725,607.54 that the Bankruptcy Court ordered Composite to pay in connection with the Composite Proceeding

SOURCE OF RECOVERY	ACTUAL RECOVERY
Adversary Proceedings ⁵	\$1,453,737.80
Wilmington Trust ⁶	\$12,925,593.60 €3,871,111.91 CHF 1,964,937.71
Non-Cash Assets of Designated Debtors ⁷	Sale pending
Reduction of certain Administrative Claims ⁸	\$1,010,309.72
Disallowance and Subordination of Claims ⁹	\$6,028,403.46 €243,350.34

B. Summary of the Plan of Liquidation

The Chapter 11 Trustee is proposing a liquidating Plan for the Debtors, that is described in more detail in section VI below. She has collected the Debtors' cash assets and a majority of the Non-Cash Assets, and is in the process of selling substantially all of these Non-Cash Assets of the Designated Debtors. She has obtained an order setting forth the procedures to liquidate the Designated Debtors' Non-Cash Assets. She is pursuing recoveries on causes of action brought as part of the Insider Litigation and will continue to pursue the causes of action that remain unliquidated on the Effective Date of the Plan under supervision and discretion of a Plan Administrator. These causes of action consist primarily of breach of fiduciary duty claims, fraud, unjust enrichment and fraudulent conveyance claims, among others.¹⁰

The Designated Debtors' Available Cash, including the Liquidation Recoveries, will be used (1) first to satisfy Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Secured Claims and Allowed Other Priority Claims, (2) then to make distributions to Holders of Allowed General Unsecured Claims and (3) to be distributed pro rata to Holders of Allowed Investor Tort Claims. Claims of Insiders and their Affiliates, as well as Interests, will be subordinated, and no distributions will be made on account of these Claims and Interests.

(continued...)

(id. at Docket No. 134). See also Sec. II.C. On February 6, 2017, the District Court for the Southern District of New York affirmed the Bankruptcy Court's finding that the Chapter 11 Trustee is entitled to recover, on Debtor Soundview Elite's behalf, all of the assets held by Composite in its account at Wilmington Trust (Composite Proceeding, Docket No. 153). See also Sec. II.C.

⁵ See Sec. IV.B(1)(a). These amounts include claims that were waived as part of settlements reached in certain Adversary Proceedings.

⁶ See Sec. III.C; see also Wilmington Trust Consent Order.

⁷ See Sec. II.E.

⁸ See Amended Status Report, Sec. VII.B.

⁹ See Sec. IV.B(2).

¹⁰ Pursuant to the Pooling Agreement, the BVI Funds and the Chapter 11 Trustee (on behalf of the six Debtors) will share equally in the net recoveries actually received in the Citco/Fletcher Adversary Proceeding described in further detail in Section II.A.

Subject to the resolution of the objections of Mr. Floyd Saunders (Docket No. 869)¹¹ and the Citco International Pension Plan (Docket No. 871)¹² to the Subordination Notice, the cash and assets of the Limited Debtors will be distributed as set forth in the Protocol Addendum.

The Chapter 11 Trustee believes that the Plan is fair and equitable to all Holders of Claims and Interests and is in the best interests of all creditors and stakeholders. All creditors entitled to vote are urged to vote in favor of the Plan by no later than the Voting Deadline. The Bankruptcy Court will confirm the Plan only if it finds, at the Confirmation Hearing, that all of the applicable requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation of a plan of liquidation are that the plan: (1) is accepted by the requisite holders of claims and interests in impaired classes of claims and interests that have accepted or rejected the plan; (2) is in the "best interests" of each holder of a claim or interest in an impaired class; and (3) complies with the applicable provisions of the Bankruptcy Code. See Section VII.C of this Disclosure Statement for a discussion of the Bankruptcy Code requirements for Confirmation of the Plan. There can be no assurance that these conditions will be satisfied.

II. FINAL STATUS REPORT WITH RESPECT TO THE DEBTORS

A. The Citco/Fletcher Adversary Proceeding and Retention of Jones Day as Mediation Counsel

On September 23, 2015, the Chapter 11 Trustee filed, together with the BVI JLs, the Citco/Fletcher Adversary Proceeding against certain of the Debtors' insiders, managers, key individuals of those managers and insiders, including Citco and certain of its officers and directors, and administrators and other service providers. Through the Citco/Fletcher Adversary Proceeding, the Chapter 11 Trustee alleges, among other claims: (1) breaches of fiduciary duty, (2) aiding and abetting breaches of fiduciary duty, (3) fraud, (4) aiding and abetting fraud, (5) conversion, (6) unjust enrichment, (7) avoidance and fraudulent conveyance claims for both constructive and intentional fraud, (8) disallowance of claims and (9) subordination of claims. The Citco/Fletcher Adversary Proceeding is the product of the Chapter 11 Trustee's diligent investigation, including the review of approximately 18,000 documents that Mr. Muho apparently uploaded to a public website (including documents that were not previously produced despite being responsive to prior subpoenas served on Mr. Fletcher and his Affiliates). The Citco/Fletcher Adversary Proceeding is being funded pursuant to the Pooling Agreement between the Chapter 11 Trustee (on behalf of the six Debtors) and the BVI JLs, that provides for the joint prosecution of the Citco/Fletcher Adversary Proceeding and equal sharing of recoveries after accounting for certain costs and fees to be divided.

On May 20, 2016, the Chapter 11 Trustee retained Jones Day as mediation and settlement counsel nunc pro tunc to September 1, 2015 to, among other matters, represent the Chapter 11 Trustee in connection with the Citco/Fletcher Adversary Proceeding mediation (Docket No. 1096). Retaining Jones Day allowed the Chapter 11 Trustee to capitalize on that firm's knowledge and

¹¹ On March 9, 2017, the Chapter 11 Trustee filed a reply to the objection of Mr. Floyd Saunders (Docket No. 1331) and in further support of the Subordination Notice.

¹² On March 8, 2017, the Chapter 11 Trustee filed a reply to the objection of the Citco International Pension Plan (Docket No. 1329) and in further support of the Subordination Notice.

expertise gained as a result of the representation of the Chapter 11 Trustee during her investigation and throughout the Chapter 11 Cases, while also allowing the Chapter 11 Trustee's special litigation counsel to prepare for and continue to prosecute the Citco/Fletcher Adversary Proceeding. The mediation was not successful at the time.

The Citco/Fletcher Adversary Proceeding remains pending before the Bankruptcy Court. On September 13, 2016, the Bankruptcy Court conducted a hearing on the defendants' motion to dismiss the Citco/Fletcher Adversary Proceeding. On September 16, 2016, the Bankruptcy Court entered the Order Regarding Supplemental Briefing (Citco/Fletcher Adversary Proceeding Docket No. 113), which required the parties to submit supplemental briefing with respect to certain arguments that were made as part of (and in defense of) the motions to dismiss.¹³ The parties submitted their supplemental briefing on October 11, 2016. The Bankruptcy Court has yet to rule on the motion to dismiss.

On February 15, 2017, the Bankruptcy Court entered an Order of Default against (A) Soundview Capital Management Ltd; (B) Richcourt Capital Management Ltd; (C) Richcourt Holding Inc.; (D) Fletcher Asset Management, Inc.; and (E) Fletcher International, Inc. (Citco/Fletcher Adversary Proceeding, Docket No. 135).

More information on the Citco/Fletcher Adversary Proceeding can be found in the Amended Status Report, Sec. II.B (3) and the Second Status Report, Sec. II.

B. Enforcement of Automatic Stay against Pasig and the Cormans

On March 23, 2015, Pasig and its principals Roger and Julie Corman commenced the California Action against various Citco entities, directors and officers in the California Court. It is the Chapter 11 Trustee's position that the California Action asserts claims and seeks damages which belong to the Debtors' estates, which have been improperly usurped by Pasig. To preserve these claims, the Chapter 11 Trustee initially tried to reach a consensual resolution and, when this proved impossible, ultimately filed a motion to enforce the automatic stay pursuant to section 362 of the Bankruptcy Code.

The Chapter 11 Trustee's first motion to enforce the automatic stay (Docket No. 908) was made in respect of a complaint that was subsequently dismissed in its entirety by the California Court. On April 19, 2016, the Bankruptcy Court held a hearing on the Chapter 11 Trustee's motion to enforce the stay. At that hearing, Pasig represented, on the record, that it had reached a memorandum of understanding with Citco with respect to the California Action. On April 22, 2016, the Bankruptcy Court entered an Order (Docket No. 1051), referring, among other things, the Chapter 11 Trustee's first motion to stay or enjoin the state California Action, to mediation pursuant to Local Bankruptcy Rule 9019-1. Since that time, mediation has been suspended.

¹³ Specifically, the Bankruptcy Court requested supplemental briefing on, among other matters: (i) whether any of the defendants were alter egos of each other for the purposes of determining personal jurisdiction; (ii) the implications of certain rulings in the California Action; (iii) the implications of certain rulings in litigation brought by the MBTARF against Citco; (iv) the implications of *Anwar v. Fairfield Greenwich Ltd.*, 728 F. Supp. 2d 372 (S.D.N.Y. 2010); (v) certain choice of law issues; (vi) certain forum selection clause issues; and (vii) the impact of section 108 of the Bankruptcy Code on the Chapter 11 Trustee's claims.

On September 14, 2016, Pasig renewed its efforts to lift the automatic stay with respect to the California Action and filed the Amended Motion of Pasig Ltd., Roger Corman and Julie Corman for Relief from the Automatic Stay, to the Extent Applicable, to Permit Litigation of their Second Amended Complaint in the California State Court (Docket No. 1179). In support of its amended motion, Pasig reiterated its stance that the stay should be lifted because it had reached a settlement with Citco with respect to claims held by Pasig only. The Chapter 11 Trustee, through her special litigation counsel, objected to Pasig's renewed efforts to lift the stay (Docket No. 1210) because of her concerns that the pending settlement would be used by Citco to adversely affect the Debtors' recoveries against Citco in the Citco/Fletcher Adversary Proceeding. A hearing took place on October 20, 2016 and the Bankruptcy Court took the matter under advisement.

C. Composite Proceeding

As set forth in the Second Status Report, the Chapter 11 Trustee brought the Composite Proceeding to recoup Debtor Soundview Elite's investment in Composite by preparing and filing a complaint seeking a turnover, and an accounting, of estate property and attorneys' fees.¹⁴ Since that time, the Chapter Trustee 11 has continued her efforts in the Composite Proceeding against Composite to recover Debtor Soundview Elite's significant investment in Composite. See Amended Status Report, Sec. I. On January 4, 2016, the Court entered an order granting partial summary judgment in favor of the Chapter 11 Trustee and a preliminary injunction freezing Composite's assets until full determination of the issues in the case.¹⁵ On November 28, 2016, the Court issued a decision¹⁶ granting the Chapter 11 Trustee's motion for summary judgment against Composite and certain Insiders and the Chapter 11 Trustee's request for a ruling that she may recover, on behalf of Debtor Soundview Elite, all of the remaining assets held by Composite in its account at Wilmington Trust (the "**Composite Decision**"). On February 6, 2017, the District Court for the Southern District of New York affirmed the Composite Decision.¹⁷ The deadline to file an appeal of the District Court for the Southern District of New York's affirmance of the Composite Decision has since lapsed.

D. Interfund Settlement

On August 24, 2015, the Chapter 11 Trustee entered into the Interfund Settlement, which settles a major claim which the Chapter 11 Trustee prepared against FILB, in exchange for the release by FILB of major claims that FILB had filed against the BVI Funds, the payment of \$1 million by the BVI JLs at the direction of the Chapter 11 Trustee for the benefit of Soundview Elite,¹⁸ and the release by FILB, Alpha, Leveraged and Arbitrage of claims in excess of \$19 million asserted by them against the Limited Debtors and the Richcourt Funds.

¹⁴ See Composite Proceeding, Docket No. 1.

¹⁵ See id., Docket No. 88.

¹⁶ See id., Docket No. 134.

¹⁷ See id., Docket No. 153.

¹⁸ This payment constituted compensation of Soundview Elite's settling of claims owned by Soundview Elite for the benefit of all Debtors. See Docket No. 769, ¶ 2.

The Interfund Settlement was approved by Order of the Bankruptcy Court dated September 23, 2015 (Docket No. 816) and the Cayman Islands Court as part of the winding up proceedings of Leveraged and Arbitrage on October 13, 2015. On January 8, 2016, the Cayman Islands Court approved the Interfund Settlement in the winding up proceedings of the Limited Debtors. Finally, on January 18, 2016, the Eastern Caribbean Supreme Court in the High Court of Justice, British Virgin Islands, Commercial Division, entered an order approving the Interfund Settlement in the winding up proceedings of the BVI Funds. The Interfund Settlement is now effective. On March 8, 2016, the Chapter 11 Trustee received \$1 million from the BVI JLs. On March 9, 2016, the Chapter 11 Trustee transferred \$500,000 thereof to the Soundview JOLs.

E. Liquidation of Designated Debtors' Non-Cash Assets

On December 14, 2015, the Bankruptcy Court entered an Order (Docket No. 921) approving procedures to liquidate the Designated Debtors' Non-Cash Assets. These procedures apply to both (1) the sale or transfer of Non-Cash Assets in any one transaction or in a series of related transactions and (2) the abandonment of Non-Cash Assets, and require the Chapter 11 Trustee to serve a sale notice or abandonment notice on the U.S. Trustee and all entities that have formally appeared and requested service in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002, in the event that the Chapter 11 Trustee seeks a sale or abandonment of Non-Cash Assets of the Designated Debtors, as applicable.

The Chapter 11 Trustee's financial consultant has run a process to market these Non-Cash Assets. Specifically, the financial consultant has reached out to fourteen parties, four of which signed a non-disclosure agreement. Three parties completed due diligence. The Chapter 11 Trustee is currently negotiating the terms of the sale with the winning bidder and expects to file a notice of the sale with the Bankruptcy Court in the near future.

F. Reallocation of Postpetition Fees and Expenses among Debtors

As a result of the Chapter 11 Trustee's continued Investigation into the actions of the Debtors' former management, it became necessary to realign the extent to which the Debtors' estates benefit from professional services rendered after the Petition Date with the extent to which each Debtor's estate pays for those services. Specifically, discovery of certain documents in 2015 that had not been previously disclosed to the Chapter 11 Trustee illustrated, together with documents that had been previously disclosed, how the Non-Cash Assets of Soundview Premium and Soundview Star had been consolidated into Soundview Elite for the benefit of management and to the detriment of investors. As a consequence of this consolidation, investors in Soundview Premium and Soundview Star became mere indirect investors in Soundview Elite without an accompanying benefit.

Therefore, the Chapter 11 Trustee proposed, and the Bankruptcy Court approved on April 15, 2015, the Reallocation Order, which provides that: (1) for the purposes of expenses, Soundview Premium and Soundview Star are treated like other investors in Soundview Elite; and (2) pursuant to the Protocol Addendum, the distribution of Soundview Premium's assets is an additional event terminating the Soundview Premium Holdback. Specifically, the Reallocation Order provides that all payments made by the Chapter 11 Trustee other than for services rendered

solely to the Designated Debtors or the Limited Debtors, shall be allocated between the Debtors, as follows:

DEBTOR	PERCENTAGE
Soundview Elite	42%
Soundview Premium	2% ¹⁹
Soundview Star	10%
Elite Designated	18%
Premium Designated	13%
Star Designated	15%

Fees for services rendered solely to the Limited Debtors shall be allocated between the Limited Debtors, as follows:

LIMITED DEBTOR	PERCENTAGE
Soundview Elite	79%
Soundview Premium	3%
Soundview Star	18%

Fees for services rendered solely to the Designated Debtors shall be allocated between the Designated Debtors, as follows:

DESIGNATED DEBTOR	PERCENTAGE
Elite Designated	39%
Premium Designated	29%
Star Designated	32%

Finally, the Reallocation Order provides that the Chapter 11 Trustee is permitted to pay the fees and expenses allocated to Soundview Premium upon the recovery of funds in the Composite Proceeding.

G. Settlement between Limited Debtors and Designated Debtors Regarding Prepetition Expenses

The Chapter 11 Trustee's Investigation has shown that, prior to the Petition Date, significant legal fees that were due by the Designated Debtors were actually paid by the Soundview Elite and, to a lesser extent, Soundview Premium. The Chapter 11 Trustee first sought to recover these fees from third parties. Based on the results of the litigation brought by the Chapter 11 Trustee in connection with her Investigation, \$1,453,737.80 has already been recovered. Under the Plan, Holders of Allowed General Unsecured Claims receive 99% of the amount of their Allowed Claim in Cash. Therefore, the Chapter 11 Trustee is proposing a settlement between the six Debtors, based on the prepetition fees that were actually paid, and the

¹⁹ All amounts paid by Soundview Premium are subject to the Soundview Premium Holdback.

fees that should have been paid, by each Debtor. Specifically, the schedule below sets forth: (1) the actual, paid fees by each Debtor; (2) these fees as reallocated between the Debtors pursuant to the allocation percentages set forth in the Reallocation Order; (3) the difference between (1) and (2); (4) the amounts recovered by the Chapter 11 Trustee in the adversary proceedings commenced by her special litigation counsel, and (5) the net amounts overpaid or underpaid by each Debtor.

Description	Soundview Elite Ltd.	Soundview Premium Ltd.	Soundview Star Ltd.	Elite Designated	Premium Designated	Star Designated	Grand Total
Legal Fees – Actual/Paid	(2,594,558.19)	(56,969.85)	(89,077.43)	(16,000.82)	(2,123.38)	(2,123.38)	(2,760,853.05)
Legal Fees - Reallocated	(1,159,558.28)	(55,217.06)	(276,085.30)	(496,953.55)	(358,910.90)	(414,127.96)	(2,760,853.05)
Difference between Actual/Paid and Reallocated	1,434,999.91	1,752.79	(187,007.87)	(480,952.73)	(356,787.52)	(412,004.58)	-
Legal Fees – Recovered in Adversary Proceedings	526,890.00	25,090.00	125,450.00	225,810.00	163,085.00	188,175.00	1,254,500.00
Amounts to be Settled	707,389.91	26,842.79	(61,557.87)	(255,142.73)	(193,702.52)	(223,829.58)	-

In light of the foregoing, the Chapter 11 Trustee proposes the following settlement between the Debtors:

- (1) Soundview Elite has an Allowed General Unsecured Claim of \$34,715.08 against Soundview Star.
- (2) Soundview Elite has an Allowed General Unsecured Claim of \$255,142.73 against Elite Designated.
- (3) Soundview Elite has an Allowed General Unsecured Claim of \$193,702.52 against Premium Designated.
- (4) Soundview Elite has an Allowed General Unsecured Claim of \$223,829.58 against Star Designated.
- (5) Soundview Premium has an Allowed General Unsecured Claim of \$26,842.79 against Soundview Star.

III. EVENTS LEADING UP TO THE COMMENCEMENT OF THE DESIGNATED DEBTORS' CHAPTER 11 CASES

A. Master Chronology of Events

A chronology of certain key events concerning the Debtors is attached to the Second Status Report as Exhibit B and incorporated herein by reference. See Exhibit B.

B. The Chapter 11 Filings of FILB, Leveraged and Arbitrage

On June 29, 2012, FILB, an affiliate of the Debtors, filed a petition for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court. After failing to negotiate a

resolution with respect to parallel proceedings initiated by investors of Leveraged and Arbitrage in the Bahamas, on September 7, 2012, the Bankruptcy Court directed the appointment of the FILB Trustee. Upon the Chapter 11 Trustee's appointment in the Debtors' Chapter 11 Cases, the FILB disclosure statement had already been approved by the Bankruptcy Court and two versions of the proposed FILB plan of liquidation were on file. As set forth in the Amended Status Report, the Chapter 11 Trustee worked diligently to preserve the Debtors' claims against FILB, among other parties. See Trustee's Amended Status Report, Sec. IV.A. The Chapter 11 Trustee subsequently secured key amendments to the FILB plan, which, among other things, extended the bar date to bring claims against the FILB estate, amended certain release provisions in favor of the Debtors and the BVI Funds and changed the classification of claims of the Debtors, the BVI Funds and certain of their affiliates against FILB. See id. at Sec. IV.C (2).²⁰ As set forth above, the Debtors' claims against FILB were settled in the Interfund Settlement.

Earlier, on January 31, 2012, the Louisiana Pension Funds had filed a winding-up petition against Leveraged in the Cayman Islands. On May 9, 2012, Gregoreuo Ltd., successor to the MBTARF, in its capacity as sole shareholder of Alpha, caused Alpha to enter into a voluntary liquidation. Subsequently on June 29, 2012, Alpha and Leveraged, as the two shareholders of Arbitrage, elected to place Arbitrage into a voluntary liquidation in the Cayman Islands. The Arbitrage JOLs were appointed to liquidate Leveraged and Arbitrage. The claims between the Debtors, Alpha, Leveraged and Arbitrage were also settled in the Interfund Settlement.

C. Wilmington Trust's Interpleader

On June 17, 2013, Wilmington Trust, seeking clarification with respect to the distribution of funds held in the Debtors' custodial accounts, brought the Wilmington Trust Interpleader, which froze the Debtors' custodial accounts at Wilmington Trust. The Wilmington Trust Interpleader was stayed with respect to the Debtors as a result of the Debtors' Chapter 11 Cases.

On February 20, 2014, the Bankruptcy Court entered the Wilmington Trust Consent Order, authorizing Wilmington Trust to transfer all of the funds held in custody for the Debtors to the Chapter 11 Trustee's checking accounts at Citibank, except with respect to \$92,963.24 deducted by Wilmington Trust on a pro rata basis from the Debtors' accounts to pay for attorneys' fees, custodian fees and costs associated with the maintenance of accounts through January 31, 2014. See Amended Status Report, Sec. III.A(1).

IV. THE CHAPTER 11 CASES

On the Petition Date, each of the Designated Debtors filed a petition for relief pursuant to chapter 11 of the Bankruptcy Code with the Bankruptcy Court. The Chapter 11 Cases were initially assigned to Judge Robert E. Gerber. On February 1, 2016, the Chapter 11 Cases were reassigned to Chief Judge Cecelia Morris and thereafter, on or about April 11, 2016, to Judge Mary Kay Vyskocil.

²⁰ On March 28, 2014, the Bankruptcy Court entered its Findings of Fact, Conclusions of Law and Order Confirming the Trustee's Second Amended Plan of Liquidation pursuant to Chapter 11 of the Bankruptcy Code (FILB Docket No. 490), confirming the FILB Plan with the changes sought by the Chapter 11 Trustee.

A. Events Described in the Chapter 11 Trustee's Reports

On November 5, 2014, the Chapter 11 Trustee filed the Status Report that was amended and revised by her Amended Status Report dated June 15, 2015. On November 23, 2015, the Chapter 11 Trustee filed her Second Status Report. These Reports contain a detailed overview of the developments in the Debtors' Chapter 11 Cases and are incorporated herein by reference. See also Section II of this Disclosure Statement, Exhibits A and B.

B. Events that Occurred with Respect to the Debtors after the Chapter 11 Trustee's Second Status Report²¹

(1) Pending Litigation Other Than Citco/Fletcher Adversary Proceeding

(a) Adversary Proceedings Other Than Citco/Fletcher Adversary Proceeding

The following chart summarizes the litigation, other than the Citco/Fletcher Adversary Proceeding, brought by the Chapter 11 Trustee through her special litigation counsel on behalf of the Debtors over the course of the Chapter 11 Cases and the status of such litigation:

THIRD PARTY DEFENDANT AND ADVERSARY PROCEEDING NO.	STATUS	TOTAL AMOUNT OF SETTLEMENT OR DEFAULT JUDGMENT	DEBTORS' ACTUAL RECOVERY
Brown Rudnick LLP No. 15-01328	Settlement approved by Bankruptcy Court on April 22, 2016.	\$112,500	\$112,500
Collas Crill No. 15-01320	Default judgment entered by the Bankruptcy Court on March 13, 2017.	\$51,471.07 default judgment	None yet
Cohen & Gresser LLP No. 15-01333	Settlement approved by Bankruptcy Court on February 25, 2016.	\$355,000	\$355,000
De Feis O'Connell & Rose, P.C. No. 15-01316	Settlement approved by Bankruptcy Court on April 22, 2016.	\$2,000	\$2,000
DMS Corporate Services Ltd. et al. No. 15-01315	Settlement approved by the Bankruptcy Court on August 22, 2016.	\$12,000	\$12,000
Empire Valuation Consultants, LLC No. 15-01313	Settlement approved by Bankruptcy Court on May 20, 2016.	\$2,000	\$2,000
Forbes Hare No. 15-01314	Default judgment entered by the	\$36,280.91 default judgment	None yet

²¹ See also Section II hereof.

THIRD PARTY DEFENDANT AND ADVERSARY PROCEEDING NO.	STATUS	TOTAL AMOUNT OF SETTLEMENT OR DEFAULT JUDGMENT	DEBTORS' ACTUAL RECOVERY
	Bankruptcy Court on March 13, 2017.		
Giacomo LaFata Jr. No. 15-01317	Settlement approved by Bankruptcy Court on April 22, 2016.	\$16,500	\$16,500
GM Cap. Mgmt, Inc No. 15-01332	Default judgment entered by Bankruptcy Court on October 14, 2016.	\$557,000	\$49,966.29 ²²
James Crosson No. 15-01312	Settlement approved by Bankruptcy Court on August 22, 2016. No payment received to date.	\$3,000	None yet
James Mintz Group, Inc., No. 15-01319	Settlement approved by Bankruptcy Court on February 25, 2016.	\$5,500	\$5,500
Kirkland & Ellis LLP No. 15-01331	Settlement approved by Bankruptcy Court on April 22, 2016.	\$210,000	\$210,000
KPMG N.V. the Netherlands No. 15-01324	Settlement approved by the Bankruptcy Court on April 22, 2016.	\$7,500	\$7,500
Lampost Financial Group No. 15-01327	Settlement approved by Bankruptcy Court on April 22, 2016.	\$43,500 plus \$1,460,000 in claims asserted by defendant against Debtors' estates waived	\$43,500
Petrillo Klein & Boxer LLP No. 15-01322	Settlement approved by Bankruptcy Court on May 20, 2016	\$25,000	\$25,000
Pinnacle Fund Administration LLC No. 15-01311	Settlement approved by the Bankruptcy Court on February 25, 2016.	\$65,400 in claims asserted by defendant against Debtors' estates waived	-
Quantal Int'l No. 15-01318	Settlement approved by Bankruptcy Court on February 25, 2016.	\$25,000	\$25,000

²²

The amount set forth above represents the amounts recovered by the U.S. Marshall in connection with the Chapter 11 Trustee's enforcement of the default judgment entered by the Bankruptcy Court.

THIRD PARTY DEFENDANT AND ADVERSARY PROCEEDING NO.	STATUS	TOTAL AMOUNT OF SETTLEMENT OR DEFAULT JUDGMENT	DEBTORS' ACTUAL RECOVERY
RF Services, LLC No. 15-01330	Default judgment entered by Bankruptcy Court on October 14, 2016.	\$303,000	None yet
Ritch & Conolly. No. 15-01323	Settlement approved by Bankruptcy Court on May 20, 2016.	\$15,000, plus \$106,000 in claims asserted by defendant against Debtors' estates waived	\$15,000
Skadden, Arps, Slate, Meagher & Flom LLP No. 15-01235	Settlement approved by the Bankruptcy Court on October 6, 2016.	\$250,000	\$250,000
Solon Group No. 15-01310	Settlement approved by the Bankruptcy Court on April 22, 2016	\$82,296 in claims asserted by defendants against Debtors' estates waived	-
Tower Legal Staffing No. 15-01329	Settlement approved by Bankruptcy Court on February 25, 2016.	\$135,000	\$135,000
Transperfect Doc. Center Mgmt. No. 15-01321	Settlement approved by Bankruptcy Court on February 25, 2016.	\$32,637.80	\$37,637.80
Walkers Global a/k/a Walkers No. 15-01309	Settlement approved by the Bankruptcy Court on January 6, 2017.	\$135,000	\$135,000
Weil, Gotshal & Manges LLP No. 15-01326	Settlement approved by Bankruptcy Court on May 20, 2016.	\$75,000	\$75,000

(b) Other Pending Litigation Involving the Debtors

On July 7, 2014, Mr. Muho filed a motion to, among other things, remove the Chapter 11 Trustee and dismiss these Chapter 11 Cases (Docket No. 291) (the "**Muho Removal Motion**"), a motion which Mr. Fletcher joined (Docket No. 302). After the Bankruptcy Court denied the Muho Removal Action (Docket No. 306) on August 7, 2014, Messrs. Muho and Fletcher separately appealed the Bankruptcy Court's order to the District Court for the Southern District of New York (the "**Removal Appeals**"). The District Court denied the Removal Appeals on December 12, 2014 (the "**Removal Order**").²³

²³ Muho v. Ball, as Ch. 11 Trustee, Case No. 14-cv-7045 (JPO) (S.D.N.Y. Dec. 12, 2014) (Docket No. 12); Fletcher v. Ball, as Ch. 11 Trustee, Case No. 14-cv-7666 (JPO) (S.D.N.Y. Dec. 12, 2014) (Docket No. 20).

Although the Chapter 11 Trustee obtained consolidation of the Removal Appeals in the District Court, Messrs. Muho and Fletcher then separately appealed the Removal Order to the Court of Appeals for the Second Circuit.²⁴ On May 4, 2015, the Second Circuit dismissed the portion of Mr. Muho's appeal that sought to dismiss these Chapter 11 Cases.²⁵ The Chapter 11 Trustee drafted a letter requesting consolidation of the Removal Appeals that was filed with the Second Circuit on July 2, 2015.²⁶ On July 23, 2015, the Second Circuit dismissed the remainder of Mr. Muho's appeal when Mr. Muho failed to file a scheduling notification letter.²⁷ Mr. Fletcher filed his brief in support of his appeal on September 8, 2015,²⁸ to which the Chapter 11 Trustee responded on December 8, 2015.²⁹ The Second Circuit affirmed the District Court's opinion with respect to Mr. Fletcher's appeal seeking to remove the Chapter 11 Trustee on April 14, 2016.³⁰

In addition to the Muho Removal Action (and related appeals), Mr. Muho filed a complaint against the Chapter 11 Trustee in the District Court for the Southern District of Florida (the "**Florida Action**").³¹ In the Florida Action, Mr. Muho principally brought claims under the Racketeer Influenced and Corrupt Organizations Act, 28 U.S.C. § 1961 against the Chapter 11 Trustee and her counsel in these Chapter 11 Cases, Jones Day, among others.³² On June 5, 2015, the Chapter 11 Trustee and Jones Day filed a motion to dismiss the Florida Action as against them.³³ On January 5, 2016, the District Court for the Southern District of Florida granted the Chapter 11 Trustee and Jones Day's motion to dismiss.³⁴ On January 28, 2016, Mr. Muho filed an appeal to the Eleventh Circuit.³⁵ On March 28, 2016, the Eleventh Circuit dismissed the appeal for failure to prosecute.³⁶ The Chapter 11 Trustee and Jones Day split the fees and expenses incurred in defending the Florida Action, approximately \$86,000, evenly as between them.

(2) Disallowance and Subordination of Claims

On October 21, 2015, the Chapter 11 Trustee filed the Subordination Notice.

²⁴ Muho v. Ball, as Ch. 11 Trustee, Case No. 14-4675 (2d Cir.). Mr. Fletcher had filed a motion for reconsideration of the Removal Order. Fletcher v. Ball, as Ch. 11 Trustee, Case No. 14-cv-7666 (JPO) (S.D.N.Y.). After denial of such motion for reconsideration, Mr. Fletcher appealed to the Second Circuit. Fletcher v. Ball, as Ch. 11 Trustee, Case No. 15-1559 (2d Cir.).

²⁵ Muho v. Ball, as Ch. 11 Trustee, Case No. 14-4675 (2d Cir.) (Docket No. 29).

²⁶ Id. (Docket No. 42).

²⁷ Id. (Docket No. 47).

²⁸ Fletcher v. Ball, as Ch. 11 Trustee, Case No. 15-1559 (2d Cir.) (Docket No. 46)

²⁹ Id. (Docket No. 59).

³⁰ Id. (Docket No. 74).

³¹ See Muho v. Fletcher et al., No. 15-CV-21396 (S.D. Fla. Apr. 13, 2015) (Docket No. 1).

³² See id.

³³ See id. at Docket No. 16.

³⁴ See id. at Docket No. 58.

³⁵ See id. at Docket No. 60.

³⁶ See Muho v. Fletcher, et al., No. 16-10377-FF (11th Cir. Mar. 28, 2016) (Docket No. 8).

On May 20, 2016, the Court entered the Claims Objection Order that expunged, disallowed, subordinated, waived or settled certain claims, including the Claims of certain Investors in the Debtors. Specifically, certain (i) duplicate claims were expunged and disallowed (the "**Duplicate Claims**"), (ii) late filed claims were expunged and disallowed (the "**Late Filed Claims**"), (iii) satisfied claims were expunged in their entirety (the "**Satisfied Claims**"), (iv) waived, amended, withdrawn and/or no prima facie claims were expunged and disallowed (the "**Waived Claims**") or (v) insider claims were subordinated (the "**Subordinated Claims**"), as follows:³⁷

DEBTOR	DUPLICATE CLAIMS	LATE FILED CLAIMS	SATISFIED CLAIMS	WAIVED CLAIMS	SUBORDINATED CLAIMS
SOUNDVIEW ELITE	\$453,142.31 €243,350.34	\$24,016.53	\$181,540.61	\$691,586.26	\$196,747.30
SOUNDVIEW PREMIUM	\$453,142.31	\$24,016.53	-	\$527,107.48	-
SOUNDVIEW STAR	\$453,142.31	\$24,016.53	-	\$527,091.48	-
ELITE DESIGNATED	\$453,142.31	-	-	\$522,321.73	-
PREMIUM DESIGNATED	-	-	-	\$521,823.73	-
STAR DESIGNATED	\$453,142.31	-	-	\$522,423.73	-

(3) Certification Order for Designated Debtors

On September 20, 2016, the Bankruptcy Court entered the Certification Order, pursuant to which all Qualifying Investors in the Designated Debtors were directed to submit a certification under the penalty of perjury by November 3, 2016, certifying that the Investor is not an Insider.³⁸ The Certification Order also provides that the Chapter 11 Trustee may allow any Claim of a Qualifying Investor that has not submitted the certification by November 3, 2016, in case the Chapter 11 Trustee, through (i) a proof of Claim filed by such Qualifying Investor, (ii) communications between such Qualifying Investors and the Chapter 11 Trustee or (iii) otherwise has sufficient information, to determine that such Qualifying Investor is not an Insider. Finally, the Certification Order provides that any Claim of a Qualifying Investor in the Designated Debtors (x) who fails to return the certification by November 3, 2016 or (y) whose Claims are not otherwise allowed by the Chapter 11 Trustee, shall be subordinated to all other Claims against the applicable Designated Debtor pursuant to section 510(c) of the Bankruptcy Code.

The Chapter 11 Trustee received 39 certifications from Investors or their custodian. Specifically, the Chapter 11 Trustee has received (i) 14 certifications from Investors in Elite Designated or their custodian, (ii) 10 certifications from Investors in Premium Designated or their custodian and (iii) 11 certifications from Investors in Star Designated or their custodian. Four of

³⁷ The claims that were ultimately disallowed, subordinated, waived or settled pursuant to the Subordination Notice are included in the amounts set forth in this chart.

³⁸ The Chapter 11 Trustee extended the deadline to submit certifications for two parties to November 18, 2016.

the certifications that the Chapter 11 Trustee received are from Investors or their custodian that (i) the Chapter 11 Trustee believes received a full distribution of their respective positions based on the books and records in the Chapter 11 Trustee's possession or (ii) the Chapter 11 Trustee has not yet been able to reconcile or identify with such books and records.³⁹

V. CERTAIN RISK FACTORS TO BE CONSIDERED

As discussed in detail in section II.A, the Chapter 11 Trustee's investigation has uncovered potential claims against certain Insiders, including the claims brought by the Chapter 11 Trustee in the Citco/Fletcher Adversary Proceeding. While the Chapter 11 Trustee believes that these claims have merit, there are significant risks associated with these claims and the Chapter 11 Trustee cannot guarantee success on the merits or any recovery. For example, the Citco/Fletcher Adversary Proceeding defendants have raised numerous defenses which may affect the Chapter 11 Trustee's ability to maintain that action, which in turn may affect potential recoveries. Moreover, some of the claims brought in the Citco/Fletcher Adversary Proceeding intertwine with the claims brought by Pasig and the Cormans in the California Action. While the Chapter 11 Trustee has continued her efforts to enforce the stay with respect to the California Action, there is no guarantee that the Bankruptcy Court will ultimately rule in the Chapter 11 Trustee's favor. Even if the Chapter 11 Trustee is able to maintain these claims, some of the Citco/Fletcher Adversary Proceeding defendants may have insufficient assets to satisfy the claims against them. In addition, certain of the defendants in the Citco/Fletcher Adversary Proceeding asserted counterclaims in their answer to the Chapter 11 Trustee's complaint, which, were the Bankruptcy Court to rule in such defendants' favor, may reduce recoveries.

Furthermore, there is a risk that the contemplated sale of the Non-Cash Assets does not close. In that case, the Designated Debtors' estates will not receive the potential proceeds from such sale, which would potentially affect creditor recoveries.

VI. THE PLAN

A. Classification of Claims Against and Interests in the Designated Debtors and General Provisions

(1) General Rules of Classification.

Generally, a Claim or Interest against a Designated Debtor is classified in a particular class for voting and distribution purposes only to the extent the Claim or Interest qualifies within the description of that class, and is classified in another class or classes to the extent the Claim or Interest qualifies within the description of such other class or classes. Unless otherwise provided, to the extent a Claim or Interest against a Designated Debtor qualifies for inclusion in a more specifically defined class and a more generally defined class, it shall be included in the more specifically defined class. A Claim or Interest against a Designated Debtor is classified in a particular class only to the extent that the Claim or Interest is an Allowed Claim or Interest in that class and has not been paid, released or otherwise satisfied before the Effective Date.

³⁹ With respect to the Limited Debtors, investors who are Insiders are governed by the Protocol Addendum.

(2) Administrative Claims and Priority Tax Claims against the Designated Debtors.

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims against the Designated Debtors have not been classified and are excluded from the classes set forth in Article V of the Plan.

(3) Satisfaction of Claims against the Designated Debtors.

The treatment to be provided for respective Allowed Claims against the Designated Debtors pursuant to the Plan shall be in full satisfaction, settlement, release and discharge of such Allowed Claims.

B. Classification and Treatment of Unclassified Claims against and Interests in the Designated Debtors

(1) Treatment of Allowed Administrative Claims against the Designated Debtors.

Unless otherwise provided for in the Plan, each Holder of an Allowed Administrative Claim against a Designated Debtor shall be paid by the applicable Designated Debtor 100% of the unpaid allowed amount of such Administrative Claim in Cash on or as soon as reasonably practicable after the later of: (i) the Effective Date; and (ii) the first Business Day after the date that is 30 calendar days after the date such Administrative Claim becomes an Allowed Administrative Claim. Notwithstanding the immediately preceding sentence, (i) Administrative Claims for services rendered representing liabilities incurred by the Designated Debtors' Estates in the ordinary course of business during the Designated Debtors' Chapter 11 Cases, subject to compliance with any applicable Bar Date, shall be paid in accordance with the terms and conditions of any agreements relating thereto; and (ii) the Holder of an Allowed Administrative Claim against a Designated Debtor may receive such other, less favorable treatment as may be agreed upon by the Holder and the Chapter 11 Trustee or the Plan Administrator, as the case may be.

(2) Bar Date for Administrative Claims against the Designated Debtors.

Proofs of Administrative Claims against the Designated Debtors and requests for payment of Administrative Claims against the Designated Debtors which have arisen on or after the Petition Date must be filed and served on the Chapter 11 Trustee (and the Plan Administrator after the Effective Date), pursuant to the procedures set forth in the Administrative Bar Date Order. Objections to proofs of Claim or applications for payment of Administrative Claims against a Designated Debtor must be filed and served on the Chapter 11 Trustee (and the Plan Administrator after the Effective Date) and the applying party by the later of: (a) one (1) day prior to the Initial Distribution Date for the Designated Debtors, and (b) 60 days after the Filing of the applicable proof of Claim or request for payment of Administrative Claim, unless otherwise ordered or extended by the Bankruptcy Court. Notwithstanding anything to the contrary herein, no proof of Claim or application for payment of an Administrative Claim against a Designated Debtor need be filed for the allowance of any: (a) Administrative Claims of Jones Day, Duff & Phelps LLC (formerly Kinetic Partners US LLP) or DiConza Taurig Kadish LLP constituting a Fee Claim against a Designated Debtor; (b) Administrative Claims of Porzio, Bromberg & Newman, P.C. constituting a Fee Claim that were previously allowed by order of the Bankruptcy

Court (Docket Nos. 329 and 494); or (c) fees of the United States Trustee arising under 28 U.S.C. § 1930. All Claims described in clause (c) of the immediately preceding sentence shall be paid by the Chapter 11 Trustee on behalf of the applicable Designated Debtor when due. Fee Claims shall be paid in accordance with section 4.3 of the Plan. The Chapter 11 Trustee and, after the Effective Date, the Plan Administrator may extend the Administrative Bar Date without further order of the Bankruptcy Court.

(3) Bar Date for Fee Claims against the Designated Debtors.

Any Person or entity (including a Professional other than Jones Day, Duff & Phelps LLC, DiConza Traurig Kadish LLP or Porzio, Bromberg & Newman, P.C.) that fails to file a proof of Claim, application or compensation estimate on account of a Fee Claim against a Designated Debtor as and to the extent required by the Bankruptcy Court shall be forever barred from asserting such Claim against a Designated Debtor, its Estate, or its property, and the Holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset or recover such Claim against such Designated Debtor, subject to allowance of such Fee Claim by Final Order of the Bankruptcy Court.

(4) Treatment of Allowed Priority Tax Claims against the Designated Debtors.

Each Holder of an Allowed Priority Tax Claim against a Designated Debtor shall be paid, at the sole option of the Chapter 11 Trustee or Plan Administrator, by the Chapter 11 Trustee or Plan Administrator on behalf of the applicable Designated Debtor:

(i) equal Cash payments made on the last Business Day of every three month period following the Effective Date, over a period not exceeding six years after the assessment of the tax on which such Claim is based, totaling the principal amount of such Claim plus simple interest on any outstanding balance from the Effective Date, calculated at the interest rate available on 90 day United States Treasuries on the Effective Date;

(ii) such other treatment authorized by the Bankruptcy Court; or

(iii) 100% of the unpaid amount of such Allowed Claim in Cash on or as soon as reasonably practicable after the later of: (a) the Effective Date and (b) the first Business Day after the date that is 30 calendar days after the date such Priority Tax Claim becomes an Allowed Priority Tax Claim.

Any claim or demand for penalty shall be disallowed pursuant to the Plan, and the Holder of an Allowed Priority Tax Claim shall not assess or attempt to collect such penalty from a Designated Debtor, its Estate or its property.

C. Classification and Treatment of Classified Claims against and Interests in the Designated Debtors

(1) Summary of Classification and Treatment of Classified Claims against and Interests in the Designated Debtors

(i) Pursuant to §§ 1122 and 1123 of the Bankruptcy Code, Claims and Interests are classified for all purposes, including, without limitation, voting, Confirmation and distribution pursuant to the Plan, as set forth in the Plan. A Claim or Interest shall be deemed classified in a particular class only to the extent that the Claim or Interest qualifies within the description of that class and shall be deemed classified in a different class to the extent that any remainder of such Claim or Interest qualifies within the description of such other class.

(ii) Except as otherwise specifically provided for in the Plan, the Confirmation Order or other order of the Bankruptcy Court that is a Final Order, or required by applicable bankruptcy law, in no event shall any Holder of an Allowed Claim against a Designated Debtor be entitled to receive payments under the Plan that, in the aggregate, exceed the Allowed amount of such Holder's Claim.

(iii) The Plan constitutes a joint chapter 11 plan of liquidation for each Designated Debtor. For convenience, the Plan assigns a letter to each Designated Debtor and a number to each of the classes of Claims against or Interests in the Designated Debtors. For consistency, similarly designated classes of Claims and Interests are assigned the same number across each of the Designated Debtors. Claims against and Interests in the Designated Debtors are classified in separate classes as follows:

Class Number	Designation	Description
1.	Other Priority Claims	<u>See</u> Section 2.80 of the Plan
2.	Secured Claims	<u>See</u> Section 2.97 of the Plan
3.	General Unsecured Claims	<u>See</u> Section 2.57 of the Plan
4.	Investor Tort Claims	<u>See</u> Section 2.71 of the Plan
5.	Insider Claims	Claims held by Insiders of the Designated Debtors
6.	Equity Interests	Interests held by Investors in the Designated Debtors

Designated Debtor Name	Designated Debtor Letter
Elite Designated	A.
Premium Designated	B.
Star Designated	C.

(a) **Identification of Classes of Claims Against and Interests in Elite Designated (Designated Debtor A).** The following table designates the classes of Claims against and Interests in Elite Designated and specifies which classes are (i) impaired or unimpaired under the Plan, (ii) entitled to vote to accept or reject the Plan in accordance with § 1126 of the Bankruptcy Code or (iii) deemed to accept or reject the Plan.

Class	Designation	Impairment/Voting
1A	Other Priority Claims	Unimpaired/Non-Voting (deemed to accept)
2A	Secured Claims	Unimpaired/Non-Voting (deemed to accept)
3A	General Unsecured Claims	Impaired/Voting
4A	Investor Tort Claims	Impaired/Non-Voting (deemed to reject)
5A	Insider Claims	Impaired/Non-Voting (deemed to reject)
6A	Equity Interests	Impaired/Non-Voting (deemed to reject)

(b) **Identification of Classes of Claims Against and Interests in Premium Designated (Designated Debtor B).** The following table designates the classes of Claims against and Interests in Premium Designated and specifies which classes are (i) impaired or unimpaired under the Plan, (ii) entitled to vote to accept or reject the Plan in accordance with § 1126 of the Bankruptcy Code or (iii) deemed to accept or reject the Plan.

Class	Designation	Impairment/Voting
1B	Other Priority Claims	Unimpaired/Non-Voting (deemed to accept)
2B	Secured Claims	Unimpaired/Non-Voting (deemed to accept)
3B	General Unsecured Claims	Impaired/ Voting
4B	Investor Tort Claims	Impaired/Non-Voting (deemed to reject)
5B	Insider Claims	Impaired/Non-Voting (deemed to reject)
6B	Equity Interests	Impaired/Non-Voting (deemed to reject)

(c) **Identification of Classes of Claims Against and Interests in Star Designated (Debtor C).** The following table designates the classes of Claims against and Interests in Star Designated and specifies which classes are (i) impaired or unimpaired under the Plan, (ii) entitled to vote to accept or reject the Plan in accordance with § 1126 of the Bankruptcy Code, or (iii) deemed to accept or reject the Plan.

Class	Designation	Impairment/Voting
1C	Other Priority Claims	Unimpaired/Non-Voting (deemed to accept)
2C	Secured Claims	Unimpaired/Non-Voting (deemed to accept)
3C	General Unsecured Claims	Impaired/ Voting
4C	Investor Tort Claims	Impaired/Non-Voting (deemed to reject)

Class	Designation	Impairment/Voting
5C	Insider Claims	Impaired/Non-Voting (deemed to reject)
6C	Equity Interests	Impaired/Non-Voting (deemed to reject)

(2) Treatment of Claims against and Interests in the Designated Debtors

(i) Other Priority Claims against the Designated Debtors (Classes 1A-1C).

(a) Classification: Classes 1A, 1B and 1C consist of all Other Priority Claims against the applicable Designated Debtor.

(b) Treatment: Unless otherwise agreed to by the Holder of an Allowed Other Priority Claim and the Chapter 11 Trustee or the Plan Administrator, as the case may be, each Holder of an Allowed Other Priority Claim against the applicable Designated Debtor shall be paid 100% of the unpaid amount of such Allowed Claim in Cash by the appropriate Designated Debtor on or as soon as reasonably practicable after the later of: (1) the Effective Date or (2) the first Business Day after the date that is 30 calendar days after the date such Other Priority Claim becomes an Allowed Other Priority Claim.

(c) Impairment and Voting: Classes 1A, 1B and 1C are unimpaired. Holders of the Allowed Class 1A, 1B and 1C Claims shall be conclusively presumed to have accepted the Plan pursuant to § 1126(f) of the Bankruptcy Code and, therefore, are not entitled to vote to accept or reject the Plan.

(ii) Secured Claims against the Designated Debtors (Classes 2A-2C).

(a) Classification: Classes 2A, 2B and 2C consist of all Secured Claims against the applicable Designated Debtor.

(b) Treatment: Unless otherwise agreed to by the Holder of an Allowed Secured Claim against a Designated Debtor and the Chapter 11 Trustee or the Plan Administrator, as the case may be, each Holder of an Allowed Secured Claim against a Designated Debtor shall be paid 100% of the unpaid amount of such Allowed Claim in Cash by the appropriate Designated Debtor on or as soon as reasonably practicable after the later of: (1) the Effective Date or (2) the first Business Day after the date that is 30 calendar days after the date such Secured Claim against a Designated Debtor becomes an Allowed Secured Claim against a Designated Debtor.

(c) Impairment and Voting: Classes 2A, 2B and 2C are unimpaired. Holders of the Allowed Class 2A, 2B and 2C Claims shall be conclusively presumed to have accepted the Plan pursuant to § 1126(f) of the Bankruptcy Code and, therefore, are not entitled to vote to accept or reject the Plan.

(iii) General Unsecured Claims against the Designated Debtors (Classes 3A-3C).

(a) Classification: Classes 3A, 3B and 3C consist of all General Unsecured Claims against the applicable Designated Debtor.

(b) Treatment: Except to the extent that a Holder of an Allowed Class 3A, 3B and 3C Claim agrees to less favorable treatment, each Holder of an Allowed Class 3A, 3B and 3C Claim shall receive on or as soon as reasonably practicable after the Effective Date, and from time to time thereafter, 99% of the amount of its Allowed Claim from the applicable Designated Debtor's Available Cash.

(c) Impairment and Voting: Classes 3A, 3B and 3C are impaired. Each Holder of an Allowed Class 3A, 3B and 3C Claim (or a Class 3A, 3B and 3C Claim temporarily Allowed for voting purposes only pursuant to Bankruptcy Rule 3018) is entitled to vote to accept or reject the Plan.

(iv) Investor Tort Claims against the Designated Debtors (Classes 4A-4C).

(a) Classification: Classes 4A, 4B and 4C consist of all Investor Tort Claims against the applicable Designated Debtor.

(b) Treatment: Each Allowed Class 4A, 4B and 4C Claim will be compromised and settled and each Holder of an Allowed Class 4A, 4B and 4C Claim shall receive its Pro Rata Share of the remaining Available Cash of the applicable Designated Debtor.

(c) Impairment and Voting: Classes 4A, 4B and 4C are impaired and are deemed to have voted to reject the Plan.

(v) Insider Claims against the Designated Debtors (Classes 5A-5C).

(a) Classification: Classes 5A, 5B and 5C consist of all Claims by Insiders against the applicable Designated Debtor.

(b) Treatment: Unless otherwise agreed by the Chapter 11 Trustee or ordered by the Bankruptcy Court, all Insider Claims against the Designated Debtors will be subordinated, cancelled or extinguished.

(c) Impairment and Voting: Classes 5A, 5B and 5C are impaired and are deemed to have voted to reject the Plan.

(vi) Equity Interests in the Designated Debtors (Classes 6A-6C).

(a) Classification: Classes 6A, 6B and 6C consist of all Interests in the applicable Designated Debtor.

(b) Treatment: Unless otherwise agreed by the Chapter 11 Trustee or ordered by the Bankruptcy Court, all Interests in the Designated Debtors will be subordinated, cancelled or extinguished.

(c) Impairment and Voting: Classes 6A, 6B and 6C are impaired and are deemed to have voted to reject the Plan.

D. Claims against and Interests in the Limited Debtors

(1) Classification and Treatment of Claims.

The provisions of the Protocol and the Protocol Addendum apply to the classification and treatment of Claims against and Interests in the Limited Debtors.

(2) Bar Date for Administrative Claims against Limited Debtors.

Proofs of Administrative Claims against the Limited Debtors and requests for payment of Administrative Claims which have arisen on or after the Petition Date must be filed and served on the Chapter 11 Trustee (and the Plan Administrator after the Effective Date), pursuant to the procedures set forth in the Administrative Bar Date Order with respect to the Limited Debtors. Notwithstanding anything contrary in the Administrative Bar Date Order that applies to the Limited Debtors, objections to proofs of Claim or applications for payment of Administrative Claims must be filed and served on the Chapter 11 Trustee (and the Plan Administrator after the Effective Date) and the applying party by the later of: (i) one (1) day prior to the Initial Distribution Date for the Limited Debtors, and (ii) 60 days after the Filing of the applicable proof of Claim or request for payment of Administrative Claim, unless otherwise ordered or extended by the Bankruptcy Court. Notwithstanding anything to the contrary herein, no proof of Claim or application for payment of an Administrative Claim need be filed for the allowance of any: (i) Administrative Claims of Jones Day, Duff & Phelps LLC (formerly Kinetic Partners US LLP) or DiConza Traurig Kadish LLP constituting a Fee Claim; (ii) Administrative Claims of Porzio, Bromberg & Newman, P.C. and CohnReznick constituting a Fee Claim that were previously allowed by order of the Bankruptcy Court (Docket Nos. 329, 494 and 774); and (iii) fees of the United States Trustee arising under 28 U.S.C. § 1930. All Claims described in clause (iii) of the immediately preceding sentence shall be paid by the Chapter 11 Trustee on behalf of the applicable Limited Debtor when due. Fee Claims shall be paid in accordance with section 6.3 of the Plan and, for the avoidance of doubt, Fee Claims against the Limited Debtors will be paid in full upon their approval pursuant to a Final Order of the Bankruptcy Court. The Chapter 11 Trustee and, after the Effective Date, the Plan Administrator may extend the Administrative Bar Date without further order of the Bankruptcy Court.

(3) Bar Date for Fee Claims against Limited Debtors.

Any Person or entity (including a Professional other than Jones Day, Duff & Phelps LLC, DiConza Traurig Kadish LLP or Porzio, Bromberg & Newman, P.C.) that fails to timely file a proof of Claim, application or compensation estimate on account of a Fee Claim against a Limited Debtor as and to the extent required by the Bankruptcy Court shall be forever barred from asserting such Claim against a Limited Debtor, its Estate, or its property, and the Holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to

collect, offset or recover such Claim against such Limited Debtor, subject to the allowance of such Fee Claim by Final Order of the Bankruptcy Court.

E. Plan Consummation

In addition to the provisions set forth elsewhere in the Plan, the following shall constitute the means of implementing and consummating the Plan.

(1) Fund of Reserves.

(i) With respect to the Designated Debtors, to the extent not otherwise provided for herein or ordered by the Bankruptcy Court, the Chapter 11 Trustee or the Plan Administrator, as the case may be, shall estimate appropriate reserves of Cash to be set aside in order to (a) fund the Operating Reserve and (b) pay or reserve for the payment of expenses which accrued prior to the Effective Date, including Fee Claims, Administrative Claims, Priority Tax Claims, Other Priority Claims and Secured Claims. Such reserves shall be in the initial amounts of \$1,103,188 for Elite Designated, \$751,929 for Premium Designated and \$937,926 for Star Designated. Such reserves shall be in Cash, subject to change at the Chapter 11 Trustee or Plan Administrator's discretion. Subject to the terms and conditions of the Plan, the Plan Administrator shall release Available Cash, to the extent available, to fund distributions.

(ii) With respect to the Limited Debtors, the Reserves provisions and guidelines for the Limited Debtors' Chapter 11 Cases and the Cayman Islands Proceedings, set forth in section IV of the Protocol Addendum, shall apply.

(2) No Segregation of Available Cash.

The Chapter 11 Trustee or Plan Administrator, as the case may be, shall not be obligated to physically segregate and maintain separate accounts for reserves. Reserves may be merely bookkeeping entries or accounting methodologies, which may be revised from time to time, to enable the Chapter 11 Trustee or Plan Administrator to determine Available Cash and amounts to be distributed to Holders of Allowed Claims pursuant to the Plan.

(3) Post Consummation Management by Plan Administrator.

(i) Appointment of Plan Administrator and Discharge of Chapter 11 Trustee. Corinne Ball, Esq. shall be appointed as the Plan Administrator pursuant to the terms set forth in the Plan. The Chapter 11 Trustee shall be deemed discharged as of the Effective Date, including with respect to the Investigation of the Debtors.

(ii) Powers. On the Effective Date, and except to the extent otherwise ordered by the Bankruptcy Court, the Plan Administrator shall be deemed the sole Interest Holder (for all purposes other than with respect to any rights of the Interest Holders established under the Plan), officer and director of the Designated Debtors. With respect to the Limited Debtors, the Plan Administrator shall have all the powers given to the Chapter 11 Trustee pursuant to the Protocol and the Protocol Addendum.

The Plan will be administered and actions will be taken in the name of the Debtors through the Plan Administrator, irrespective of whether the Debtors are dissolved. In general, the Plan Administrator shall act for the Debtors and their Estates in a fiduciary capacity as applicable to a board of directors, subject to the provisions hereof.

Subject to the provisions of the Protocol and the Protocol Addendum with respect to the Limited Debtors, the duties and powers of the Plan Administrator shall include the following:

(a) To exercise all power and authority that may be exercised, commence or continue all Proceedings that may be commenced or continued, and take all actions that may be taken, by any officer, director or Interest Holder of the Debtors with like effect as if authorized, exercised and taken by unanimous action of such officers, directors and Interest Holder, including, without limitation, the amendment of the certificate of incorporation, by-laws or other applicable organizational document of the Debtors and the dissolution of the Debtors;

(b) To take all reasonable steps to maximize Liquidation Recoveries including, without limitation, commencing, settling or otherwise resolving all Claims and Proceedings;

(c) To continue to maintain accounts, make distributions and take other actions consistent with the Plan, including the establishment, re-evaluation, adjustment and maintenance of appropriate reserves and Operating Reserve and the Reserves, in the name of the applicable Debtors, even in the event of the dissolution of the Debtors;

(d) To collect and liquidate all assets of the Debtors and their Estates, make distributions, wind-up the affairs of the Debtors and make decisions regarding the retention or destruction of the books and records, including the Books and Records;

(e) To make decisions regarding the retention or engagement of professionals and consultants by the Estates, including a Disbursing Agent, and to pay their fees and expenses;

(f) To take such steps to safeguard Estate funds or investments as the Plan Administrator, in her discretion, deems prudent; and

(g) To take all other actions not inconsistent with the provisions of the Plan which the Plan Administrator deems reasonably necessary or desirable with respect to administering the Plan.

(iii) Compensation and Reimbursement. The Plan Administrator shall be entitled to compensation at 3% of the amounts recovered by the Plan Administrator as otherwise calculated as if section 326(a) of the Bankruptcy Code applies. The Plan Administrator shall be reimbursed for all out-of-pocket expenses.

(iv) Resignation, Death or Removal. The Plan Administrator may resign at any time upon written notice to the United States Trustee and the Bankruptcy Court. In the event of any such resignation, or the death or incapacity of a Plan Administrator, the Bankruptcy Court shall select a replacement. No successor Plan Administrator hereunder shall in any event have

any liability or responsibility for the acts or omissions of any of his predecessors. Every successor Plan Administrator appointed pursuant hereto shall execute, acknowledge and deliver to his predecessor and to the Debtors an instrument in writing accepting such appointment hereunder, and thereupon such successor Plan Administrator, without any further act, shall become fully vested with all of the rights, powers, duties and obligations of his or her predecessor.

(v) Reports. Unless otherwise ordered by the Bankruptcy Court, the Plan Administrator shall file semi-annual status reports until such time as the Chapter 11 Cases have been closed. The Plan Administrator shall not be required to file monthly operating reports for the Debtors.

(4) Investments.

With respect to the Designated Debtors, all Cash and Available Cash shall be invested in accordance with section 345 of the Bankruptcy Code or as otherwise permitted by the Bankruptcy Court. With respect to the Limited Debtors, section 4.3 of the Protocol Addendum shall apply.

(5) Indemnification and Insurance.

(i) With Respect to the Designated Debtors:

(a) The Estates shall indemnify and hold harmless any Indemnified Person who was or is made a party or is threatened to be made a party to, or is otherwise involved in, any Proceeding or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding against any and all expenses, liability and loss (including attorneys' fees, judgments, excise and similar taxes and punitive damages, fines or penalties and amounts paid in settlement) actually incurred or suffered by him or her in connection with the investigation, defense, appeal or settlement of any such Proceeding, provided that such Indemnified Person acted in good faith and in a manner the Indemnified Person reasonably believed to be in, or not opposed to, the best interests of the Estates and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Indemnified Person did not act in good faith and in a manner which is reasonably believed to be in or not opposed to the best interests of the Estates or, with respect to any criminal action or proceeding, that the Indemnified Person had reasonable cause to believe that the conduct was unlawful.

(b) The right to indemnification conferred in section 7.5 of the Plan shall be a contractual right, and shall include the right to be paid or reimbursed by the Estates for any expenses incurred in investigating, defending, appealing or settling, being a witness in or participating in any such Proceeding in advance of the final disposition of such Proceeding and without any determination as to the Indemnified Person's ultimate entitlement to indemnification. Expenses (including attorneys' fees) incurred by an Indemnified Person in defending a Proceeding shall be paid by the Estates in advance of the final disposition of such Proceeding upon receipt of a written undertaking, by or on behalf of such Indemnified Person, to repay all amounts so

advanced if it shall ultimately be determined that he or she is not entitled to be indemnified by the Estates under section 7.5 of the Plan or otherwise.

(c) The Plan Administrator is authorized to purchase commercially reasonable liability insurance respecting the implementation of her duties and obligations under the Plan.

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including Appendix B thereof, shall apply.

(6) No Revesting of Assets.

Except as is otherwise expressly provided herein, on the Effective Date, title to all property and assets of the Estates including, without limitation, any claims, rights and causes of action of any Debtor and its Estate and any moneys held in escrow or separate segregated accounts during the pendency of the Chapter 11 Cases, shall not revert in the applicable Debtor, shall not be released or waived and shall remain property of the applicable Estate.

(7) Exoneration.

Neither the Chapter 11 Trustee, the Plan Administrator, nor any of their agents, Professionals, attorneys, financial consultants, accountants, or other professionals employed by any of them, shall have or incur any liability to any Person for any act taken or omission occurring in good faith in connection with or related to (i) formulating, implementing, confirming or consummating the Plan (including soliciting acceptances or rejections thereto), (ii) this Disclosure Statement or any contract, instrument, release or other agreement or document entered into in connection with the Plan, (iii) any act or omission during these Chapter 11 Cases or (iv) any distributions made pursuant to the Plan, except for acts constituting willful misconduct or gross negligence, and in all respects such parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan. The entry of the Confirmation Order shall constitute the determination by the Bankruptcy Court that such parties shall have acted in good faith and in compliance with the applicable provisions of the Bankruptcy Code, pursuant to section 1125(e) and 1129(a)(3) of the Bankruptcy Code, with respect to the foregoing.

(8) Setoffs.

(i) With respect to the Designated Debtors: Except as otherwise provided in (a) the Plan, (b) agreements entered into in connection therewith, (c) the Confirmation Order or (d) agreements previously approved by Final Order of the Bankruptcy Court, the Plan Administrator may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, offset against the distribution on any Allowed Claim against a Designated Debtor, before any distribution is made on account of such Claim, any and all of the claims, rights and causes of action of any nature that a Designated Debtor or its Estate may hold against the Holder of such Claim; provided, however, that neither the failure to effect such a setoff, the allowance of any Claim hereunder, any other action or omission of the Chapter 11 Trustee or Plan Administrator, nor any provision of the Plan, shall constitute a waiver or release by a Designated Debtor, its Estate, the Chapter 11 Trustee or Plan Administrator of any such claims, rights and causes of

action that a Designated Debtor or its Estate may possess against such Holder. To the extent the Chapter 11 Trustee or Plan Administrator fails to set off against a Holder and seeks to collect a Claim from such Holder after a distribution is made pursuant to the Plan, the Plan Administrator shall be entitled to full recovery on the Claim against such Holder.

(ii) With respect to the Limited Debtors: The Protocol Addendum, including section 5.5 thereof, applies.

(9) Avoidance Actions.

(i) With Respect to the Designated Debtors: Except as expressly set forth in the Plan, Confirmation shall not constitute the waiver of any right, claim or cause of action belonging to a Designated Debtor or its Estate against any Person, including, but not limited to, any right, claim or cause of action respecting the avoidance of a transfer under section 544, 547, 548, 549 or 553(b) of the Bankruptcy Code or otherwise described or referenced in this Disclosure Statement. All such rights, claims and causes of action shall remain property of the Estates under the Plan, to be preserved and prosecuted subject to the direction and control of the Plan Administrator.

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including section 7.3 thereof, shall apply.

(10) Maintenance of Principal Office of Designated Debtors.

(i) The Designated Debtors retain the right to maintain their principal office in the Cayman Islands which may perform the functions described in Treas. Reg. sec. 1.864-2(c)(2)(iii), including but not limited to, maintenance of their principal corporate records and books of accounts, auditing their books of accounts, disbursements of dividends, certain legal and accounting fees, directors' fees, if any, conducting meetings of their shareholders and board of directors, and making distributions with respect to their stock. In the event that the Plan Administrator has custody of any funds of the Designated Debtors which would be distributable to the shareholders of such corporations, the Plan Administrator retains the right to remit such funds to the applicable principal office for distribution to such shareholders.

(ii) The Designated Debtors and each of their respective directors and shareholders hereby acknowledge and confirm that, notwithstanding any agreement or understanding to the contrary, the Plan Administrator shall have such power and authority, as set forth in the Plan, to prosecute, settle or otherwise resolve any and all claims and causes of action on behalf of and in the name of the Designated Debtors, and the Plan Administrator shall take any other action required or appropriate in connection with the Plan.

F. Claims Litigation and Settlements

(1) Insider Claims, Affiliate Claims, Equity Interests.

(i) For the reasons set forth in this Disclosure Statement, the Chapter 11 Trustee objects to all Claims against the Designated Debtors by Insiders and Affiliates, and to

Interests in Classes 6A, 6B and 6C. The Chapter 11 Trustee will seek to subordinate or disallow all such Claims and Interests as part of the Confirmation.

(ii) With respect to the Limited Debtors, the Protocol and Protocol Addendum shall apply.

(2) Settlement between the Limited Debtors and the Designated Debtors Regarding Prepetition Expenses.

The Plan contains a settlement between the Limited Debtors and the Designated Debtors with respect to prepetition expenses paid by certain Debtors while due by other Debtors. Specifically, the Plan reallocates such prepetition expenses in accordance with the allocation percentages between all six Debtors that were approved in the Reallocation Order. Confirmation of the Plan shall be deemed to constitute approval of this settlement. Pursuant to such settlement,

(i) Soundview Elite has an Allowed General Unsecured Claim of \$34,715.08 against Soundview Star;

(ii) Soundview Elite has an Allowed General Unsecured Claim of \$255,142.73 against Elite Designated;

(iii) Soundview Elite has an Allowed General Unsecured Claim of \$193,702.52 against Premium Designated;

(iv) Soundview Elite has an Allowed General Unsecured Claim of \$223,829.58 against Star Designated; and

(v) Soundview Premium has an Allowed General Unsecured Claim of \$26,842.79 against Soundview Star.

(3) Incorporation of Settlements.

The terms of the Interfund Settlement, which was previously approved by the Bankruptcy Court, the Cayman Islands Court and the Eastern Caribbean Supreme Court in the High Court of Justice, Virgin Islands, Commercial Division and which has become effective, shall be deemed incorporated into and made a part of the Plan as if set forth therein, in full.

(4) Implementation of Protocol and Protocol Addendum.

The Plan implements the terms of the Protocol and the Protocol Addendum, which were previously approved by the Bankruptcy Court and the Cayman Islands Court and which both have become effective.

(5) Compromise of Controversies.

Pursuant to Bankruptcy Rule 9019, and in consideration for the classification, distribution and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims or controversies resolved pursuant to the Plan. The

entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of each such compromise or settlement, and all other compromises and settlements provided for in the Plan, and the Bankruptcy Court's findings shall constitute its determination that such compromises and settlements are in the best interests of the Debtors, the Estates, and any Person holding Claims against a Debtor, and are fair, equitable and within the range of reasonableness.

G. Executory Contracts and Unexpired Leases

(1) Assumption or Rejection of Executory Contracts and Unexpired Leases.

(i) With respect to the Designated Debtors: On the Effective Date, all executory contracts and unexpired leases of the Designated Debtors shall be rejected pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code, except: (a) any executory contract or unexpired lease that is the subject of a separate motion to assume such executory contract or unexpired lease filed pursuant to section 365 of the Bankruptcy Code before the entry of the Confirmation Order, which motion is not thereafter withdrawn or denied; (b) all executory contracts or unexpired leases assumed by order of the Bankruptcy Court entered before the Confirmation Date and not subsequently rejected pursuant to an order of the Bankruptcy Court; or (c) any agreement, obligation, security interest, transaction or similar undertaking that the Chapter 11 Trustee or Plan Administrator, as the case may be, believes is not an executory contract or lease that is later determined by the Bankruptcy Court to be an executory contract or unexpired lease under section 365 of the Bankruptcy Code, which agreements shall be subject to assumption or rejection within 30 days of any such determination. Any order entered after the Confirmation Date by the Bankruptcy Court, after notice and hearing, authorizing the rejection of an executory contract or unexpired lease even if such rejection takes place after the Effective Date as provided above, shall cause such rejection to be a prepetition breach under sections 365(g) and 502(g) of the Bankruptcy Code, as if such relief were granted and such order were entered prior to the Confirmation Date.

(ii) With respect to the Limited Debtors: The Protocol Addendum, including section 5.8 thereof, shall apply.

(2) Bar Date for Rejection Damages.

Any Claim arising from the rejection of any executory contract or unexpired lease under the Plan shall be forever barred and shall not be enforceable against a Debtor or its Estate unless a proof of Claim is filed and served on the Plan Administrator and the Chapter 11 Trustee within 30 days after the date of notice of the entry of the order of the Bankruptcy Court rejecting the executory contract or unexpired lease (which may include, if applicable, the Confirmation Order) or such other date established by the Bankruptcy Court.

H. Waivers, Releases and Indemnification

(1) Waiver of Claims.

(i) With Respect to the Designated Debtors: As of the Confirmation Date, but subject to the occurrence of the Effective Date, and except as otherwise expressly provided in the Confirmation Order or the Plan, all Persons who have held, hold or may hold Claims against or

Interests in the Designated Debtors shall be deemed, by virtue of their receipt of distributions and other treatment contemplated under the Plan, to have forever covenanted with the Designated Debtors and the Chapter 11 Trustee and with each of their present agents, employees, representatives, financial advisors, accountants and attorneys, to waive and not to (a) sue, or otherwise seek any recovery from the Designated Debtors, the Estates, or the Chapter 11 Trustee, or any of their present agents, employees, representatives, financial advisors, accountants or attorneys, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, based upon any act or occurrence or failure to act taken before the Effective Date arising out of the business or affairs of the Designated Debtors, or (b) assert any Claim, obligation, right or cause of action and liability which any such Holder of a Claim against or Interest in the Designated Debtors may be entitled to assert against any such Person, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, based in whole or in part upon any act or omission, transaction or occurrence taking place on or before the Effective Date in any way relating to the Designated Debtors, their Chapter 11 Cases, or the Plan, to the fullest extent permitted by applicable law.

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including Appendix B thereof, shall apply.

(2) **Releases.**

(i) With Respect to the Designated Debtors: As of the Confirmation Date, but subject to the occurrence of the Effective Date, and except as otherwise expressly provided in the Confirmation Order or the Plan, all Persons who, directly or indirectly, hold or who have held any Claim against or Interest in the Designated Debtors shall hereby release the Designated Debtors, their Estates, the Chapter 11 Trustee, and their present employees, agents, representatives, financial consultants, attorneys, accountants and Professionals from (a) any and all claims or liabilities arising from actions taken in their capacity as such; and (b) any and all claims, obligations, rights, causes of action and liabilities which any Holder of a Claim against or Interest in a Designated Debtor may be entitled to assert, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, based in whole or in part upon any act or omission, transaction or occurrence taking place on or before the Effective Date in any way relating to the Designated Debtors, their Chapter 11 Cases, or the Plan, to the fullest extent permitted by applicable law.

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including Appendix B thereof, shall apply.

(3) **Injunction.**

(i) With Respect to the Designated Debtors. Except as otherwise provided in the Plan or the Confirmation Order, and subject to the occurrence of the Effective Date, all Persons who have held, hold or may hold Claims against or Interests in the Designated Debtors are, with respect to any such Claims or Interests, permanently enjoined from and after the Confirmation Date from:

(a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind (including, without limitation, any proceeding in any judicial, arbitral, administrative or other forum, wherever located) against or affecting the Designated Debtors, their Estates, or the Chapter 11 Trustee, or any of their property, or any direct successor in interest to the Designated Debtors or their Estates, or any property of any such successor;

(b) enforcing, levying, attaching (including, without limitation, any pre-judgment attachment), collecting or otherwise recovering by any manner or means, whether directly or indirectly, of any judgment, award, decree or order against the Designated Debtors, their Estates, or the Chapter 11 Trustee, or any of their property, or any direct successor in interest to the Designated Debtors or their Estates, or any property of any such successor;

(c) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Designated Debtors, their Estates, or the Chapter 11 Trustee, or any of their property, or any direct successor in interest to the Designated Debtors or their Estates, or any property of any such successor;

(d) asserting any right of setoff, subrogation or recoupment of any kind, directly or indirectly, against any obligation due the Designated Debtors, their Estates, or the Chapter 11 Trustee, or any of their property, or any direct successor in interest to the Designated Debtors or their Estates, or any property of any such successor; and

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

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including Appendix B thereof, shall apply.

(4) Indemnification.

Notwithstanding anything to the contrary in the Plan, the obligations of the Debtors and their Estates to indemnify the Chapter 11 Trustee or the professional Persons (including the Professionals) retained by the Chapter 11 Trustee, pursuant to the Debtors' certificate of incorporation, by-laws, or other organizational documents, applicable statutes and pre-confirmation agreements with respect to all present and future actions, suits and Proceedings against any of such indemnified Persons, based upon any act or omission related to service with, for, or on behalf of any such Debtor at any time, as such obligations were in effect at the time of any such act or omission, in all cases net of applicable insurance proceeds, shall not be discharged or impaired by Confirmation or consummation of the Plan but shall survive unaffected by Confirmation and the consummation of the Plan.

(5) Exculpation.

(i) With Respect to the Designated Debtors: The Chapter 11 Trustee, the Plan Administrator and the professional Persons retained by them (including the Professionals) shall have no liability to any Holder of a Claim against or Interest in the Designated Debtors for any act or omission in connection with or arising out of their administration of the Chapter 11 Cases, the

Plan or the property to be distributed under the Plan except for willful misconduct or gross negligence and, in all respects, shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including Appendix B thereof, shall apply.

(6) Existing or Future Claims.

(i) With Respect to the Designated Debtors: Notwithstanding anything to the contrary in the Confirmation Order or the Plan, the waiver of claims, releases and injunctions provided for herein shall not operate to waive, release, enjoin or in any way determine or limit as to quantum or measure of damages any claims against any Person or entity other than against the Designated Debtors, their Estates and the Chapter 11 Trustee.

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including Appendix B thereto, shall apply.

(7) Reservation of Rights.

Notwithstanding anything to the contrary in the Confirmation Order or the Plan, it is expressly recognized and accepted that the value ascribed to any Claim in the Plan shall not be determinative of the actual value of any such Claim or of any other issue in any other Proceeding.

(8) Government Enforcement Actions.

(i) With Respect to the Designated Debtors: Notwithstanding anything to the contrary contained in the Plan, the waiver of claims, releases and injunctions provided for herein shall not operate to waive, release or enjoin any pending or future enforcement actions of the United States Securities and Exchange Commission or any other governmental enforcement agency against any Person other than against the Designated Debtors, the Estates, the Chapter 11 Trustee and her present financial advisors, attorneys, accountants, consultants and Professionals.

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including Appendix B thereto, shall apply.

(9) Pre-Confirmation Settlement Agreements.

Notwithstanding anything to the contrary contained herein, the waiver of Claims, releases and injunctions provided for herein shall not affect any pre-Confirmation settlement agreements, including the Protocol and the Protocol Addendum, entered into by the Chapter 11 Trustee and approved by Final Order of the Bankruptcy Court or operate to expand, diminish or otherwise have any effect on any party to those agreements' rights, claims or defenses.

I. Distributions

(1) Distributions

(i) With Respect to the Designated Debtors: Except as otherwise provided in the Plan, on the Effective Date or as soon as practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim against a Designated Debtor shall receive the Distribution that the Plan provides for Allowed Claims in the applicable class.

(ii) With Respect to the Limited Debtors: The Protocol Addendum, including section 5.1 thereof, shall apply.

(2) Objections to Claims and Interests.

An objection to a Claim (other than an Administrative Claim) or Interest shall be in writing and may only be filed (i) by the Chapter 11 Trustee or the Plan Administrator, as the case may be, at any time on or before the Objection Bar Date; and (ii) as to any other appropriate party in interest, at any time prior to the Effective Date (to the extent such party is entitled to do so under applicable law, as a result of the Chapter 11 Trustee's consent or otherwise). The objecting party shall serve a copy of such objection upon the Holder of the Claim or Interest to which it pertains and the Chapter 11 Trustee or Plan Administrator, as the case may be.

(3) Amendments to Claims against the Designated Debtors or their Estates.

A Claim may be amended prior to the Confirmation Date only as agreed upon by the Chapter 11 Trustee and the Holder of such Claim, or as otherwise permitted by the Bankruptcy Court, the Bankruptcy Rules or applicable law. After the Confirmation Date, a Claim may not be filed or amended without the authorization of the Bankruptcy Court. Any new or amended Claim filed after the Confirmation Date shall be deemed disallowed in full and expunged without any action by the Chapter 11 Trustee or Plan Administrator, as the case may be, unless the Claim Holder has obtained prior Bankruptcy Court authorization for the filing.

(4) Estimation of Disputed Claims.

The Chapter 11 Trustee or Plan Administrator, as the case may be, and any other appropriate party in interest (to the extent such party is entitled to do so under applicable law, as a result of the Chapter 11 Trustee's or Plan Administrator's consent or otherwise) shall have the right to seek an order or orders from the Bankruptcy Court, which may be the Estimation Order, estimating the maximum dollar amount of Allowed Claims and Disputed Claims. This estimate shall be used to calculate and fix distributions to Holders of Allowed Claims. Such a procedure may also be utilized, in the sole discretion of the Chapter 11 Trustee or Plan Administrator, for Administrative Claims, Other Priority Claims, Priority Tax Claims or other Claims. No distributions on account of a Claim shall be made unless and until such Claim becomes an Allowed Claim.

(5) Funding of the Plan.

(i) With respect to the Designated Debtors: The Cash distributions to be made pursuant to the Plan and the Cash necessary to fund reserves for Other Priority Claims against the Designated Debtors, Priority Tax Claims against the Designated Debtors, Administrative Claims against the Designated Debtors and the Operating Reserve of the Designated Debtors will be available from funds realized in connection with past operations of the Designated Debtors and the liquidation of the non-Cash assets of the Designated Debtors, including the Liquidation Recoveries.

(ii) With respect to the Limited Debtors: The Protocol Addendum, including sections 5.2 and 5.3 thereof, shall apply.

(6) Transmittal of Distributions and Notices.

(i) Any property or notice which a Person is or becomes entitled to receive pursuant to the Plan shall be delivered by regular mail, postage prepaid, in an envelope addressed to that Person at the address indicated on any notice of appearance filed by that Person or his authorized agent prior to the Effective Date. If no notice of appearance has been filed, notice shall be sent to the address indicated on a properly filed proof of Claim or certificate of non-insider status or, absent such a proof of Claim or certification, the address that is Scheduled for that Person. The date of distribution shall be the date of mailing, and property distributed in accordance with section 11.6(a) of the Plan shall be deemed delivered to such Person regardless of whether such property is actually received by that Person. Distributions shall only be made to Holders of Record, unless otherwise ordered by the Bankruptcy Court.

(ii) A Holder of a Claim or Interest may designate a different address or beneficiary for notices and distributions (if applicable) by notifying the Chapter 11 Trustee or the Plan Administrator of that address in writing. The new address shall be effective only upon *receipt*.

(iii) Except to the extent otherwise provided herein, payments under the Plan shall commence on the Initial Distribution Date and thereafter shall be made on the applicable Distribution Date. Payments may be made, at the sole option of the Chapter 11 Trustee or Plan Administrator, as the case may be, by wire transfer or check.

(7) Nontransferability and Abandonment of Interests.

Unless otherwise ordered by the Bankruptcy Court, the Designated Debtors shall not be required to honor any:

(i) transfer of an Interest made in violation or contravention of an agreement with any Designated Debtor or the Chapter 11 Trustee, or applicable law, including Bankruptcy Rule 3001, governing such transfer; or

(ii) request for or notice of abandonment, whether given on or after the Petition Date or prior to the Petition Date unless, with respect to section 11.7(b) of the Plan, such request or notice:

(a) has been given in accordance with applicable law and agreement,
and

(b) is confirmed in writing to the Plan Administrator prior to the Initial Distribution Date of the Designated Debtors.

(8) No *De Minimis* Distributions.

Except as otherwise directed by the Plan Administrator, no distribution shall be made to the Holder of an Allowed Claim if the total aggregate amount of Cash to be distributed on account of such Claim is less than \$25. Any holder of an Allowed Claim on account of which the total aggregate amount of Cash to be distributed is less than \$25 shall have its Claim for such distribution deemed satisfied, waived and released and shall be forever barred from asserting any such Claim against the Designated Debtors, the Estates, the Chapter 11 Trustee or the Plan Administrator, or their respective assets or property. Any Available Cash not distributed pursuant to section 11.8 of the Plan will be returned to the Available Cash subject to treatment pursuant to the Plan.

(9) Fractional Dollars.

Notwithstanding anything to the contrary herein, the Plan Administrator shall not be required to make distributions or payments of fractions of dollars. Whenever any payment of a fraction of a dollar otherwise would be required hereunder, the actual payment shall be rounded to the nearest whole dollar (up or down), with half dollars being rounded down.

(10) Unclaimed Property.

If any distribution remains unclaimed for a period of one year after it has been delivered (or attempted to be delivered) in accordance with the Plan to the Holder entitled thereto, such Unclaimed Property shall be forfeited by such Holder whereupon all right, title and interest in and to the Unclaimed Property shall immediately and irrevocably be available for future distributions to Holders of Allowed Claims against the applicable Debtor and the Holder previously entitled to such Unclaimed Property shall cease to be entitled thereto.

(11) Withholding Taxes.

In connection with the Plan and distributions thereunder, to the extent applicable, each of the Disbursing Agent or any other party making any distributions under the Plan will comply with all applicable Tax withholding and reporting requirements imposed on it by any Governmental Unit, and all distributions pursuant to the Plan and all related agreements will be subject to applicable withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, each of the Disbursing Agent or any other party making any distributions under the Plan, as applicable, will be authorized to take any actions that may be necessary or appropriate to comply with such withholding and reporting requirements, including, without limitation, applying a portion of any Cash distribution to be made under the Plan to pay applicable withholding Taxes. Any amounts withheld pursuant to the immediately preceding sentence will be deemed to have been distributed and received by the applicable recipient for all purposes of the Plan. The Disbursing Agent or any party making any distribution pursuant to the Plan has the right, but not

the obligation, to not make a distribution until the applicable recipient has made arrangements satisfactory to the disbursing party for the payment of any Tax obligations.

Notwithstanding any other provision of the Plan, each Holder of an Allowed Claim receiving a distribution pursuant to the Plan will have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed on it by any Governmental Unit on account of the distribution, including income, withholding and other Tax obligations.

Any party entitled to receive any distribution from Disbursing Agent or any party making any distribution pursuant to the Plan will be required, if so requested, to deliver to the Disbursing Agent (or such other entity designated by the Plan Administrator, which entity will subsequently deliver to the Disbursing Agent) an appropriate Internal Revenue Service Form W-9 (if the party entitled to receive such distribution is a "United States person" within the meaning of section 7701(a)(30) of the Internal Revenue Code) or an Internal Revenue Service Form W-8 (if the party entitled to receive such distribution is not a "United States person" within the meaning of section 7701(a)(30) of the Internal Revenue Code), and any other tax forms, documentation or certifications that may be requested by the Disbursing Agent to establish the amount of withholding or exemption therefrom. Unless a properly completed Internal Revenue Service Form W-9 or Internal Revenue Service Form W-8, as appropriate, and such other requested tax forms, documentation or certifications are delivered to the Disbursing Agent (or such other entity), the Disbursing Agent, in its sole discretion, may (i) make a distribution net of any applicable withholding, including backup withholding or (i) reserve such distribution.

If the Disbursing Agent or any party making any distribution pursuant to the Plan reserves a distribution and the Holder fails to either establish an exemption from withholding to the satisfaction of the disbursing party or make arrangements satisfactory to the disbursing party for the payment of any Tax obligations within 180 days after the Effective Date, such distribution will be deemed to be Unclaimed Property subject to section 11.10 of the Plan.

(12) Disputed Payment.

If any dispute arises as to the identity of a Holder who is to receive any distribution, the Disbursing Agent or any party making any distribution pursuant to the Plan may, in lieu of making such distribution to such Person, make such distribution into an escrow account until the disposition thereof shall be determined by Bankruptcy Court order or by written agreement among the interested parties to such dispute.

(13) Application of Distributions.

To the extent applicable, all distributions to a Holder of an Allowed Claim will apply first to the principal amount of such Claim until such principal amount is paid in full and then to any interest accrued on such Claim prior to the Petition Date, and the remaining portion of such distributions, if any, will apply to any interest accrued on such Claim after the Petition Date.

J. Effective Date

(1) Conditions to Confirmation.

The following conditions shall be met prior to the occurrence of Confirmation:

(i) The Bankruptcy Court shall have entered an order finding that this Disclosure Statement contains adequate information pursuant to section 1125 of the Bankruptcy Code.

(ii) The Composite Proceeding shall be resolved and the funds pursued therein released to the Chapter 11 Trustee or the Estates.

(2) Conditions to the Effective Date.

The following conditions shall be met prior to the occurrence of the Effective Date:

(i) The Bankruptcy Court shall have entered an order confirming the Plan, as such Plan may have been modified by the Proponent.

(ii) The Confirmation Order shall be in full force and effect, and no stay thereof shall be in effect.

(iii) The objections to the Subordination Notice filed by the Citco International Pension Plan (Docket No. 871) and Mr. Floyd Saunders (Docket No. 869) shall be fully and finally resolved and adjudicated by Final Order of the Bankruptcy Court.

(3) Waiver of Conditions.

(i) General. The Chapter 11 Trustee, in her sole discretion, shall have the right to waive any conditions to Confirmation or the Effective Date.

(ii) Mootness. The Chapter 11 Trustee and the Plan Administrator shall enjoy the benefit of the mootness doctrine with respect to any conditions waived by the Chapter 11 Trustee.

(4) Non-Consensual Confirmation.

In the event that any Impaired Class of Claims rejects the Plan, the Chapter 11 Trustee reserves the right, without any delay in the occurrence of the Confirmation Hearing or Effective Date, to (i) request that the Bankruptcy Court confirm the Plan in accordance with section 1129(b) of the Bankruptcy Code with respect to such non-accepting Class, in which case the Plan shall constitute a motion for such relief and/or (ii) amend the Plan in accordance with section 14.1 of the Plan.

K. Retention of Jurisdiction

(1) With Respect to the Designated Debtors.

Following Confirmation and until such time as all payments and distributions required to be made and all other obligations required to be performed under the Plan have been made and performed by the Plan Administrator, the Bankruptcy Court shall retain jurisdiction as is legally permissible, including, without limitation, for the following purposes:

(i) Claims and Interests: To determine the allowability, classification, or priority of Claims against and Interests in any of the Designated Debtors;

(ii) Distributions: To ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

(iii) Injunctions: (a) To issue injunctions or take such other actions or make such other orders as may be necessary or appropriate to restrain interference with the Plan, its execution or implementation by any Person or the Confirmation Order, (b) to construe and to take any other action to enforce and execute the Plan, the Confirmation Order or any other order of the Bankruptcy Court, (c) to issue such orders as may be necessary for the implementation, execution, performance and consummation of the Plan, all matters referred to herein and the Confirmation Order, and (d) to determine all matters that may be pending before the Bankruptcy Court in the Chapter 11 Cases on or before the Effective Date with respect to any Person;

(iv) Fees: To grant or deny any and all applications for allowance of compensation and expense reimbursement of Professionals for periods ending on or before the Effective Date;

(v) Dispute Resolution: To resolve any dispute or matter (a) arising under or related to the implementation, execution, consummation or interpretation of the Plan and the making of distributions hereunder or (b) concerning whether a Person had sufficient notice of the Chapter 11 Cases, the applicable Bar Date, the Disclosure Statement Hearing, the Confirmation Hearing, for any purpose;

(vi) Actions: To determine all applications, motions, adversary proceedings, contested matters, actions, Proceedings and any other litigated matters instituted prior to the closing of the Chapter 11 Cases, including any remands;

(vii) Leases and Executory Contracts: (a) To determine any and all motions for the rejection, assumption or assignment of executory contracts or unexpired leases, including post Effective Date assignments, or (b) to determine any motion to reject an executory contract or unexpired lease pursuant to sections 9.1 or 9.2 of the Plan where (1) the parties cannot resolve the cure amount therefor or (2) the Chapter 11 Trustee had mistakenly determined that any such agreement was not an executory contract or unexpired lease, or (c) to determine the allowance of any Claims resulting from the rejection of executory contracts and unexpired leases;

(viii) Interfund Settlement. To determine such matters as may arise out of, or are in connection with or related to, the Interfund Settlement.

(ix) Assets. To recover all assets, wherever located, of the Designated Debtors and their Estates.

(x) Plan Modification. (a) To modify the Plan under section 1127 of the Bankruptcy Code; (b) to modify the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or (c) to remedy any defect, cure any omission or reconcile any inconsistency in the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary to carry out its intent and purposes or otherwise;

(xi) Aid Consummation: To issue such orders in aid of consummation of the Plan and the Confirmation Order notwithstanding any otherwise applicable non-bankruptcy law, with respect to any Person, to the full extent authorized by the Bankruptcy Code;

(xii) Avoidance Actions: To enable the prosecution of any and all Proceedings which have been or may be brought prior to the Effective Date to set aside liens or encumbrances or to recover any transfers, assets, properties or damages to which the Estates may be entitled under applicable provisions of the Bankruptcy Code or any other federal, state or local laws except as may be waived pursuant to the Plan;

(xiii) Implementation of Confirmation Order: 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;

(xiv) Determine Tax Liability: To determine any tax liability pursuant to section 505 of the Bankruptcy Code;

(xv) Prior Orders: To enforce or clarify any orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

(xvi) General Matters. To determine such other matters, and for such other purposes, as may be provided in the Confirmation Order or as may be authorized under provisions of the Bankruptcy Code; and

(xvii) Final Order: To enter a Final Order closing the Chapter 11 Cases.

(2) With Respect to the Limited Debtors

The Protocol and Protocol Addendum shall apply.

L. Miscellaneous Provisions

(1) Defects, Omissions, Amendments and Modifications.

(i) Pre-Confirmation Modification. The Plan may be altered, amended or modified before the Confirmation Date as provided in section 1127 of the Bankruptcy Code.

(ii) Post-Confirmation Immaterial Modification. The Plan Administrator or the Chapter 11 Trustee, as the case may be, may, with the approval of the Bankruptcy Court and without notice to all Holders of Claims and Interests, insofar as it does not materially and adversely affect the interest of Holders of Claims and Interests, correct any defect, omission or inconsistency in the Plan in such manner and to such extent as may be necessary to expedite the execution of the Plan.

(iii) Post-Confirmation Material Modification. The Plan may be altered or amended after the Confirmation Date by the Chapter 11 Trustee or the Plan Administrator in a manner which, in the opinion of the Bankruptcy Court, materially and adversely affects Holders of Claims or Interests, provided that such alteration or modification occurs after a hearing as provided in section 1127 of the Bankruptcy Code.

(2) Withdrawal or Revocation of the Plan.

The Chapter 11 Trustee reserves the right to revoke or withdraw the Plan prior to the Effective Date in whole or in part. If the Chapter 11 Trustee revokes or withdraws the Plan, then (i) the result shall be the same as if the Confirmation Order were not entered and (ii) the Effective Date did not occur.

(3) Successors and Assigns.

The rights, benefits and obligations of any Person named or referred to in the Plan shall be binding on, and shall inure to the benefit of, the heirs, executors, administrators, successors or assigns of such Person.

(4) Final Orders.

The Chapter 11 Trustee or the Plan Administrator, as the case may be, may waive any requirement in the Plan for a Final Order.

(5) Governing Law.

Except to the extent that the Bankruptcy Code is applicable, the rights and obligations arising under the Plan shall be governed by and construed and enforced in accordance with the laws of the State of New York.

(6) Notices.

Subject to section 11.6 of the Plan, all notices, requests or demands for payments provided for in the Plan shall be in writing and shall be deemed to have been given when

personally delivered by hand or deposited in any general or branch post office of the United States Postal Service or received by courier service or telecopier. Notices, requests and demands for payments shall be addressed and sent, postage prepaid or delivered, to:

Corinne Ball, Esq.
Chapter 11 Trustee
JONES DAY
250 Vesey Street
New York New York 10281-1047

With copies to:

JONES DAY
Attn. Stephen J. Pearson, Esq.
Peter Saba, Esq.
250 Vesey Street
New York New York 10281-1047

or to any other address designated by the Plan Administrator by notice to each affected Holder of a Claim or Interest at the last known address according to the books and records or at any other address designated by a Holder of a Claim on its proof of Claim, provided that any notice of change of address shall be effective only upon receipt thereof by the Chapter 11 Trustee or the Plan Administrator, as the case may be.

(7) Severability.

Except as to terms which would frustrate the overall purpose of the Plan, should any provision in the Plan be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any or all other provisions of the Plan.

(8) Interpretation, Rules of Construction, Computation of Time and Choice of Law.

(i) The provisions of the Plan and the exhibits thereto (including any supplemental exhibits) shall control over any descriptions thereof contained in this Disclosure Statement.

(ii) Any term used in the Plan that is not defined in the Plan, either in Article II (Definitions), in this Disclosure Statement or elsewhere, but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in (and shall be construed in accordance with the rules of construction under) the Bankruptcy Code or the Bankruptcy Rules. Without limiting the foregoing, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to the Plan, unless superseded hereby.

(iii) The words "herein," "hereof," "hereto," "hereunder" and other words of similar import, as used in the Plan, refer to the Plan as a whole and not to any particular article, section, subsection or clause contained in the Plan, unless the context requires otherwise.

(iv) Unless specified otherwise in a particular reference, all references in the Plan to Articles, Sections and Exhibits are references to articles, sections and exhibits of or to the Plan.

(v) Any reference in the Plan to a contract, document, instrument, release, bylaw, certificate, indenture or other agreement being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions.

(vi) Any reference in the Plan to an existing document or exhibit means such document or exhibit as it may have been amended, restated, modified or supplemented as of the Effective Date.

(vii) Captions and headings to articles and sections in the Plan are inserted for convenience of reference only and shall neither constitute a part of the Plan nor in any way affect the interpretation of any provisions hereof.

(viii) Whenever from the context it is appropriate, each term stated in either the singular or the plural shall include both the singular and the plural, and each pronoun stated in the masculine, feminine or neuter includes the masculine, feminine and neuter.

(ix) In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

(x) All exhibits to the Plan are incorporated into the Plan, and shall be deemed to be included in the Plan, regardless of when filed.

(xi) Subject to the provisions of any contract, certificate, bylaws, instrument, release or other agreement or document entered into in connection with the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and Bankruptcy Rules.

(xii) No Admissions. Notwithstanding anything herein to the contrary, nothing contained in the Plan shall be deemed as an admission by the Debtors or the Chapter 11 Trustee with respect to any matter set forth herein, including, without limitation, liability on any Claim, the impairment of any Claim or the propriety of a Claim's classification

VII. CONFIRMATION OF THE PLAN

A. CONFIRMATION HEARING

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after appropriate notice, to hold the Confirmation Hearing to determine whether or not to approve the Plan and hear any objections thereto. As set forth in the Disclosure Statement Order, the Confirmation Hearing has been scheduled for [___], 2017, commencing at [___] [a.m./p.m.], before the Honorable Mary Kay Vyskocil at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Room 501, New York, New York 10004, or such other location as the

Bankruptcy Court directs.⁴⁰ The Confirmation Hearing may be adjourned from time-to-time by the Chapter 11 Trustee or the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any subsequent adjourned Confirmation Hearing.

B. Objections

Section 1128 of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan. Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules and the Local Bankruptcy Rules, must set forth the name of the objector, the nature and amount of Claims or Interests held or asserted by the objector against the applicable Designated Debtor's Estate or property, the basis for the objection and the specific grounds therefore, and must be filed with the Bankruptcy Court, with a copy to the Honorable Mary Kay Vyskocil at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Room 501, New York, New York 10004, together with proof of service thereof, and served upon (1) the Chapter 11 Trustee, (2) counsel to the Chapter 11 Trustee; (3) the Designated Debtors; (4) the Office of the United States Trustee for the Southern District of New York; and (5) all parties that have requested notice pursuant to Bankruptcy Rule 2002, so as to be received by no later than the objection deadline of [], 2017 at []:00 p.m. (Eastern Time).

Objections to confirmation of the Plan are governed by Bankruptcy Rule 9014. **UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY SERVED AND FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.**

C. Requirements for Confirmation of the Plan

(1) Requirements of Section 1129(a) of the Bankruptcy Code

(a) General Requirements

At the Confirmation Hearing, the Bankruptcy Court will determine whether the following confirmation requirements specified in section 1129 of the Bankruptcy Code have been satisfied:

- (i) The plan complies with the applicable provisions of the Bankruptcy Code.
- (ii) The proponent of the plan complies with the applicable provisions of the Bankruptcy Code.
- (iii) The plan has been proposed in good faith and not by any means forbidden by law.
- (iv) Any payment made or to be made by the proponent, by a debtor or by a person issuing securities or acquiring property under the plan, for services or for costs and

⁴⁰ While Investors in the Designated Debtors were noticed of the Confirmation Hearing and related scheduling matters, the Chapter 11 Trustee was not required to notice Investors in the Limited Debtors because the Protocol and Protocol Addendum have already been approved by the Bankruptcy Court.

expenses in or in connection with the case, has been approved by, or is subject to approval of, the Bankruptcy Court as reasonable.

(v) The proponent of the plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as director, officer, or voting trustee of the debtor participating in a joint plan with the debtor or a successor to the debtor under the plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of creditors and equity security holders and with public policy.

(vi) The proponent of the plan has disclosed the identity of any insider (as defined in section 101 of the Bankruptcy Code) that will be employed or retained by the reorganized debtor (if applicable), and the nature of any compensation for such insider.

(vii) Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the debtor, has approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.

(viii) With respect to each impaired class of claims or interests,

- each holder of a claim or interest of such class (a) has accepted the plan; or (b) will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so received or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code on such date; or
- if section 1111(b)(2) of the Bankruptcy Code applies to the claims of such class, each holder of a claim of such class will receive or retain under the plan on account of such claim, property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

(ix) With respect to each class of claims or interests, such class has (a) accepted the plan; or (b) such class is not impaired under the plan (subject to the "cramdown" provisions discussed below; see Sec. VII.C.(2)).

(x) Except to the extent that the holder of a particular claim has agreed to a different treatment on account of such claim, the plan provides that:

- with respect to a claim of the kind specified in sections 507(a)(2) or 507(a)(3) of the Bankruptcy Code, on the effective date of the plan, the holder of the claim will receive on account of such claim cash equal to the allowed amount of such claim;
- with respect to a class of claim of the kind specified in sections 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of the Bankruptcy Code, each holder of a claim of such class will receive (a) if such class has accepted the plan, deferred cash payments of a value, on the effective date of the plan, equal to the allowed amount of such claim; or (b) if such class has not accepted the

plan, cash on the effective date of the plan equal to the allowed amount of such claim; and

- with respect to a claim of a kind specified in section 507(a)(8) of the Bankruptcy Code, the holder of such claim will receive on account of such claim, regular installment payments in cash,
 - of a total value, as of the effective date of the plan, equal to the allowed amount of such claim;
 - over a period ending not later than 5 years after the date of the order for relief under section 301, 302 or 303 of the Bankruptcy Code; and
 - in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the plan (other than cash payments made to a class of creditors under section 1122(b) of the Bankruptcy Code); and
- with respect to a secured claim that otherwise would meet the description of an unsecured claim of a governmental unit under section 507(a)(8) of the Bankruptcy Code, but for the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as prescribed above.

(xi) At least one class of impaired claims has accepted the plan, determined without including any acceptance of the plan by any insider (as defined in section 101 of the Bankruptcy Code) holding a claim in such class.

(xii) Unless liquidation is proposed under the plan, confirmation of the plan is not likely to be followed by liquidation, or the further need for financial reorganization, of the debtor or any successor to the debtor under the plan. See Sec. VII.C.(1)(c).

(xiii) All fees payable under 28 U.S.C. § 1930, as determined by the court at the hearing on confirmation of the plan, have been paid or the plan provides for the payment of all such fees on the effective date of the plan.

(xiv) The plan provides for the continuation after the effective date of the plan of payment of all retiree benefits (as defined in section 1114 of the Bankruptcy Code), at the level established pursuant to subsection 1114(e)(1)(B) or 1114(g) of the Bankruptcy Code at any time prior to confirmation of the plan, for the duration of the period that the debtor has obligated itself to provide such benefits.

(xv) All transfers of property under the plan shall be made in accordance with any applicable provisions of nonbankruptcy law that govern the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust.

The Chapter 11 Trustee believes that she will be prepared to prove at the Confirmation Hearing that the application provisions of section 1129(a) of the Bankruptcy Code are satisfied with respect to the Plan.

(b) Best Interests Test

Section 1129(a)(7) of the Bankruptcy Code requires that each holder of an impaired claim or equity interest either (i) accepts the plan or (ii) receives or retains under the plan property of a value, as of the effective date of the plan, that is not less than the amount such holder would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code on such effective date. Ordinarily, this requires a "liquidation analysis." However, because the Plan is a liquidating plan, no liquidation analysis has been performed, and no liquidation analysis is necessary.

(c) Feasibility

Section 1129(a)(11) of the Bankruptcy Code provides that a chapter 11 plan may be confirmed only if the Bankruptcy Court finds that the plan is feasible. A feasible plan is one which will not lead to a need for further reorganization or liquidation of the debtor, unless contemplated by the plan. Because the Designated Debtors' Plan provides for the liquidation of the Designated Debtors, the Bankruptcy Court will find that the Plan is feasible if it determines that the Designated Debtors (a) will be able to satisfy the conditions precedent to the Effective Date and (b) otherwise have sufficient funds to meet their post-Effective Date obligations to pay for the costs of administering and fully consummating the Plan and closing their Chapter 11 Cases. The Chapter 11 Trustee believes that the Plan satisfies the financial feasibility requirement imposed by the Bankruptcy Court.

(2) Requirements of Section 1129(b) of the Bankruptcy Code

Section 1129(b) of the Bankruptcy Code sets forth the so-called "cramdown" provisions for confirmation of a plan even if it is not accepted by all impaired classes, as long as (i) the plan otherwise satisfies the requirements for confirmation, (ii) at least one impaired class of claims has accepted it without taking into consideration the votes of any insiders in such class, and (iii) the plan is "fair and equitable" and does not "discriminate unfairly" as to any impaired class that has not accepted the plan. The Chapter 11 Trustee believes that she will be prepared to prove the applicable requirements of section 1129(b) to the extent necessary and applicable, at the Confirmation Hearing.

(a) Fair and Equitable Test

This test applies to classes of different priority and status (e.g., secured claims versus unsecured claims) and includes the general requirement that no class of claims receive more than 100% of the allowed amount of the claims in such class. The test sets forth different standards for what is fair and equitable, depending on the type of claims or interests in such class. In order to demonstrate that a plan is fair and equitable, the plan proponent must demonstrate:

- i. Secured Creditors. With respect to a class of secured claims, the plan provides: (1) that the holders of secured claims retain their liens securing such

claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims, and receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the estate's interest in such property, (2) for the sale, subject to section 363 of the Bankruptcy Code, of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (1) or (3) of this paragraph, or (3) that the holders of secured claims receive the "indubitable equivalent" of their allowed secured claim.

- ii. General Unsecured Creditors. With respect to a class of unsecured claims: (1) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim or (2) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan.
- iii. Holders of Interests. With respect to a class of equity interests: (1) the plan provides that each holder of an equity interest receive or retain on account of such interest property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest or (2) the holder of any interest that is junior to the interests of the class of equity interests will not receive or retain under the plan on account of such junior interest any property.

The Chapter 11 Trustee believes the Plan will satisfy the "fair and equitable" requirement with respect to any class of claims that is deemed to reject the Plan. With respect to the Designated Debtors, the Plan proposes to subordinate the Claims of Insiders pursuant to section 510 of the Bankruptcy Code to the Investor Tort Claims. With respect to the Limited Debtors, the Protocol Addendum shall apply.

(b) No Unfair Discrimination

This test applies to dissenting classes of claims or equity interests that are of equal priority and that are rejecting the plan insofar as there are classes of claims with equal priority receiving different treatment under a plan. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair."

The Chapter 11 Trustee believes that under the Plan all impaired classes of Claims and Interests are treated in a manner that is fair and consistent with the treatment of other classes of claims and interests having the same priority. Moreover, the Chapter 11 Trustee believes that the Protocol and Protocol Addendum, which call for Allowed General Unsecured Claims to be paid ahead of Redemption Creditors, are fair and consistent with Cayman Islands' law. Accordingly, the Chapter 11 Trustee believes the Plan does not discriminate unfairly as to any impaired class of Claims or Interests.

(c) Application to the Plan

The Chapter 11 Trustee believes the Plan will satisfy both the "no unfair discrimination" requirement and the "fair and equitable" requirement notwithstanding that Classes 4, 5 and 6 will receive no distribution and are deemed to reject the Plan.

Indeed, as to Class 4, Cayman Islands law treats Redemption Creditors and Holders of Interests differently, with Redemption Creditors' claims having priority over Interests. Therefore, even where Classes 3 and 4 are treated differently in the Plan, the Chapter 11 Trustee believes that such treatment is fair under the circumstances. Moreover, no Class junior to Class 4 will receive or retain any property on account of the Claims or Interests in such Class.

As to Classes 5 and 6, there is no Class of equal priority receiving more favorable treatment and no Class that is junior to such a dissenting Class will receive or retain any property on account of the Claims or Interests in such Class.

(3) **Alternative to Confirmation of the Plan**

If the Plan is not confirmed, the Chapter 11 Trustee could attempt to formulate a different chapter 11 plan. Any such plan would include an orderly liquidation of the Designated Debtors' assets under chapter 11. The Chapter 11 Trustee has explored an alternative in connection with the formulation and development of the Plan. However, the Chapter 11 Trustee believes that the Plan, as described herein, enables creditors and equity holders to realize the most value under the circumstances.

(4) **Nonconsensual Confirmation**

If any impaired Class of Claims entitled to vote shall not accept the Plan by the requisite statutory majority provided in section 1126(c) of the Bankruptcy Code, the Chapter 11 Trustee reserves the right to amend the Plan in accordance with section 14.1 of the Plan or undertake to have the Bankruptcy Court confirm the Plan under section 1129(b) of the Bankruptcy Code or both. With respect to impaired Classes of Claims that are deemed to reject the Plan, the Chapter 11 Trustee will request that the Bankruptcy Court confirm the Plan pursuant to section 1129(b) of the Bankruptcy Code. The Chapter 11 Trustee believes that the Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code.

VIII. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF CONSUMMATION OF THE PLAN

The following discussion summarizes certain material U.S. federal income tax consequences of the implementation of the Plan to certain Holders of Allowed Claims. This summary does not address the U.S. federal income tax consequences to Holders of Interests in the Designated Debtors or to Holders of Claims who are deemed to have rejected the Plan in accordance with the provisions of § 1126(g) of the Bankruptcy Code. This summary is based on the IRC, existing and proposed Treasury Regulations, judicial decisions, and published administrative rules and pronouncements of the IRS as in effect on the date hereof, all of which are subject to change, possibly on a retroactive basis. Any such change could significantly affect the U.S. federal income tax consequences described below.

The U.S. federal income tax consequences of the Plan are complex and are subject to significant uncertainties at this time. The Chapter 11 Trustee has not requested an opinion of counsel or any rulings from the IRS, and there can be no assurance that the IRS or a court would agree with the conclusions herein with respect to any of the tax aspects of the Plan. This summary does not address state, local or non-U.S. income or other tax consequences of the Plan, nor does it purport to address the U.S. federal income tax consequences of the Plan to special classes of taxpayers (such as broker-dealers, banks, mutual funds, insurance companies, financial institutions, thrifts, small business investment companies, regulated investment companies, real estate investment trusts, tax-exempt organizations, individual retirement and other tax-deferred accounts, persons holding securities as part of a hedging, straddle, conversion or constructive sale transaction or other integrated investment, traders in securities that elect to use a mark-to-market method of accounting for their security holding, certain expatriates or former long term residents of the United States, "controlled foreign corporations," "passive foreign investment companies," or U.S. Holders (as defined below) whose functional currency is not the U.S. dollar).

For purposes of this discussion, a "**U.S. Holder**" is a Holder that is: (a) an individual citizen or resident of the United States for U.S. federal income tax purposes; (b) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (d) a trust (i) if a court within the United States is able to exercise primary jurisdiction over the trust's administration and one or more United States persons have authority to control all substantial decisions of the trust or (ii) that has a valid election in effect under applicable Treasury regulations to be treated as a United States person.

For purposes of this discussion, a "**Non-U.S. Holder**" is any Holder that is neither a U.S. Holder nor a partnership or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes.

THE FOLLOWING SUMMARY IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING OR FOR ADVICE BASED UPON THE PARTICULAR CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. EACH HOLDER OF A CLAIM OR INTEREST IS URGED TO CONSULT ITS OWN TAX ADVISORS FOR THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES APPLICABLE TO IT UNDER THE PLAN.

A. U.S. FEDERAL INCOME TAX CONSEQUENCES TO U.S. HOLDERS OF CLAIMS

The U.S. federal income tax consequences of the Plan to a U.S. Holder of a Claim will depend on several factors, including, without limitation (1) whether the U.S. Holder's Claim (or a portion thereof) constitutes a Claim for principal or interest, (2) the origin of the U.S. Holder's Claim, (3) the type of consideration received by the U.S. Holder in exchange for the Claim, (4) whether the U.S. Holder reports income on the accrual or cash basis method, (5) whether the U.S. Holder has taken a bad debt deduction or worthless security deduction with respect to its

Claim and (6) whether the U.S. Holder receives distributions under the Plan in more than one taxable year.

(1) Tax Treatment of Receipt of Distribution

Generally, where a U.S. Holder receives only Cash in respect of Allowed Claims, such U.S. Holder would recognize taxable gain or loss in an amount equal to the difference between the amount of the Cash received and such U.S. Holder's adjusted tax basis in its Allowed Claim. Any gain or loss recognized would be capital or ordinary, depending on the status of the Allowed Claim in the U.S. Holder's hands, including whether the Allowed Claim constitutes a market discount bond in the Holder's hands. Generally, any gain or loss recognized by such a Holder of an Allowed Claim would be a long-term capital gain or loss if the Allowed Claim is a capital asset in the hands of the Holder and the Holder has held such Allowed Claim for more than one year, unless the holder had previously claimed a bad debt deduction or the holder had accrued market discount with respect to such Allowed Claim. *See* the discussion below under the heading "Market Discount." The deductibility of capital losses is subject to limitations.

To the extent any portion of a U.S. Holder's recovery is allocable to interest on the U.S. Holder's Allowed Claim that was not previously included in the U.S. Holder's income, such portion would be treated as interest income to such holder. *See* the discussion below under the heading "Accrued but Unpaid Interest."

(2) Market Discount

A U.S. Holder that purchased its Allowed Claim from a prior U.S. Holder with market discount will be subject to the market discount rules of the IRC. Under those rules, assuming that the U.S. Holder has made no election to amortize the market discount into income on a current basis with respect to any market discount instrument, any gain recognized on the exchange of its Allowed Claim (subject to a *de minimis* rule) generally would be characterized as ordinary income to the extent of the accrued market discount on such Allowed Claim as of the date of the exchange.

(3) Accrued but Unpaid Interest

In general, a U.S. Holder that was not previously required to include in taxable income any accrued but unpaid interest on the U.S. Holder's Allowed Claim may be required to include such amount as taxable interest income upon receipt of a distribution under the Plan. A U.S. Holder that was previously required to include in taxable income any accrued but unpaid interest on the U.S. Holder's Allowed Claim may be entitled to recognize a deductible loss to the extent that such interest is not satisfied under the Plan. The Plan provides that, to the extent applicable, all distributions to a holder of an Allowed Claim will apply first to the principal amount of such Allowed Claim until such principal amount is paid in full and then to any accrued but unpaid interest on such Allowed Claim. There is no assurance, however, that the IRS will respect this treatment and will not determine that all or a portion of amounts distributed to such U.S. Holder and attributable to principal under the Plan is properly allocable to interest. Each U.S. Holder of a Claim on which interest has accrued is urged to consult its tax advisor regarding the tax treatment

of distributions under the Plan and the deductibility of any accrued but unpaid interest for federal income tax purposes.

(4) Medicare Surtax

Subject to certain limitations and exceptions, U.S. Holders who are individuals, estates or trusts may be required to pay a 3.8% Medicare surtax on all or part of that U.S. Holder's "net investment income," which includes, among other items, dividends on stock and interest (including original issue discount) on debt, and capital gains from the sale or other taxable disposition of stock or debt. U.S. Holders should consult their own tax advisors regarding the effect, if any, of this surtax on their receipt of distributions pursuant to the Plan.

(5) Post-Effective Date Distributions

Because certain U.S. Holders of Allowed Claims may receive distributions subsequent to the Effective Date, the imputed interest provisions of the IRC may apply and cause a portion of any post-Effective Date distribution to be treated as imputed interest, which may be included in the gross income of certain U.S. Holders. Additionally, to the extent U.S. Holders may receive distributions with respect to an Allowed Claim in a taxable year or years following the year of the initial distribution, any loss and a portion of any gain realized by the holder may be deferred. U.S. Holders of Allowed Claims are urged to consult their tax advisors regarding the possible application of (or ability to elect out of) the "installment method" of reporting with respect to their Allowed Claims.

(6) Possible Deductions in Respect of Claims

A U.S. Holder who, under the Plan, receives in respect of an Allowed Claim no distribution or an amount less than the U.S. Holder's tax basis in the Allowed Claim may be entitled to a deduction for U.S. federal income tax purposes. The rules governing the character, timing and amount of such a deduction place considerable emphasis on the facts and circumstances of the U.S. Holder, the obligor and the instrument with respect to which a deduction is claimed. U.S. Holders of Allowed Claims, therefore, are urged to consult their tax advisors with respect to their ability to take such a deduction.

(7) Information Reporting and Backup Withholding

All distributions under the Plan will be subject to applicable federal income tax reporting and withholding. The IRC imposes "backup withholding" (currently at a rate of 28%) on certain "reportable" payments to certain taxpayers, including payments of interest and dividends. Under the IRC's backup withholding rules, a Holder of an Allowed Claim may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan, unless the Holder (i) comes within certain exempt categories (which generally include corporations and Non-U.S. Holders) and, when required, demonstrates this fact or (ii) provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding. Backup withholding is not an additional federal income tax, but merely an advance payment that may be refunded to the extent it results in an overpayment of income tax. A Holder of an Allowed Claim may be

required to establish an exemption from backup withholding or to make arrangements with respect to the payment of backup withholding.

B. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF CLAIMS

The following discussion includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders of Claims. The discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder should consult its own tax advisor regarding the U.S. federal, state and local and non-U.S. tax consequences of the consummation of the Plan to such Non-U.S. Holder.

Subject to the potential application of backup withholding in the event that a Non-U.S. Holder fails to demonstrate its exemption from U.S. backup withholding (as discussed above under "U.S. Federal Income Tax Consequences to U.S. Holders of Claims—Information Reporting and Backup Withholding"), and assuming that the Designated Debtors are not engaged in a trade or business in the United States for U.S. federal income tax purposes, a Non-U.S. Holder generally should not be subject to U.S. federal withholding tax with respect to any distribution pursuant to the Plan. Additionally, a Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the exchange of an Allowed Claim for Cash pursuant to the Plan unless either (1) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of exchange or (2) such gain is effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN, AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, HOLDERS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS ABOUT THE FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

IX. CONCLUSION

The Chapter 11 Trustee believes that the Confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Chapter 11 Trustee urges all parties entitled to vote to accept the Plan and to evidence their acceptance by duly completing and returning their Ballots so that they will be received on or before the Voting Deadline.

Dated: March 24, 2017
New York, New York

/s/ Corinne Ball
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EXHIBIT A

AMENDED STATUS REPORT

EXHIBIT B

SECOND STATUS REPORT