

THIS IS NOT A SOLICITATION OF ACCEPTANCES OF THE CHAPTER 11 PLAN OF REORGANIZATION OF PUBLE N.V. AND SCOTIA VALLEY N.V. IN THESE CHAPTER 11 CASES. ACCEPTANCES MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING "ADEQUATE INFORMATION" WITHIN THE MEANING OF SECTION 1125(a) OF THE BANKRUPTCY CODE. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT AND IS SUBJECT TO AMENDMENT PRIOR TO SUCH APPROVAL BEING GRANTED.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	:	
In re:	:	Chapter 11
	:	
PUBLE N.V. and SCOTIA VALLEY N.V.,	:	Case No. 17-10747 (MEW)
	:	
	:	(Jointly Administered)
Debtors. ¹	:	
	:	
-----X	:	

DEBTORS' DISCLOSURE STATEMENT

TOGUT, SEGAL & SEGAL LLP
*Counsel for the Debtors and
Debtors in Possession*
One Penn Plaza
Suite 3335
New York, New York 10119
Frank A. Oswald, Esq.
Scott E. Ratner, Esq.
Telephone: (212) 594-5000

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number are as follows: Puble N.V. (7661) and Scotia Valley N.V. (3068).

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TOGUT, SEGAL & SEGAL LLP
One Penn Plaza, Suite 3335
New York, NY 10119
(212) 594-5000
Frank A. Oswald
Scott E. Ratner
Anthony De Leo

*Counsel for the Debtors and
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DEBTORS' DISCLOSURE STATEMENT

I. INTRODUCTION

Puble N.V. ("Puble") and Scotia Valley N.V. ("Scotia Valley" and, together with Puble, the "Debtors") submit this Disclosure Statement pursuant to section 1125(b) of title 11, United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code") and Rule 3017 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), in connection with their Joint Chapter 11 Plan of Reorganization dated June 26, 2017 (the "Plan")¹ to all known Holders of Claims against, or Interests in, the Debtors, in order to adequately disclose information deemed to be material, important and necessary to make a reasonably informed judgment about the Plan. A true and complete copy of the Plan is attached to this Disclosure Statement as Exhibit "A". *Your rights may be affected.*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are as follows: Puble N.V. (7661) and Scotia Valley N.V. (3068).

You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.

During the Debtors' chapter 11 cases (collectively, the "Chapter 11 Cases"), the Debtors' current owners (the "Current Owners") engaged in a marketing process pursuant to which they sought to sell their 100% ownership interest in Puble (the "Puble Equity") or the real property located in New York City owned by Puble, with the sale proceeds generated by either transaction to pay all Claims asserted against both Debtors in full, in Cash. Approximately twenty (20) different entities expressed interest in acquiring either the Puble Equity or the real property owned by Puble, with many of these entities actually submitting written term sheets, letters of intent and similar documentation delineating the essential terms and conditions upon which they were prepared to move forward with an acquisition transaction.

After reviewing the various submissions received, the Current Owners selected four (4) entities who submitted a written proposal to purchase the Puble Equity, and instructed them to submit their final, best offer to purchase the Puble Equity. Three (3) of these prospective purchasers submitted a second bid, with purchase price amounts ranging from \$42 million to \$44.5 million in Cash consideration. The acceptance of any of these offers would result in a 100% recovery to Holders of all Allowed Claims against both Debtors (Scotia Valley and Puble).

The Debtors and their Current Owners continue to evaluate the offers received for the Puble Equity. Additionally, it may be determined that a sale of one or more of the Properties pursuant to Bankruptcy Code section 363, in lieu of a sale of the Puble

² Capitalized terms used but not defined in this Disclosure Statement shall have the meaning ascribed

Equity, is in the best interests of the Debtors' Estates. Finally, one or more of the shareholders of the Debtors' Current Owners may determine to enter into a transaction among themselves for either the Puble Equity or with the Debtors for the Properties.

Significantly, any transaction for the Properties or the Puble Equity will provide enough consideration to pay Holders of Allowed Claims against the Debtors in full, in Cash, and provide for the Current Owners to retain their Interests in the Debtors (assuming it is the Property that is sold rather than the Puble Equity).

Under section 1126(b) of the Bankruptcy Code, only Classes of Claims that are "Impaired" under the Plan, as defined by section 1124 of the Bankruptcy Code, are entitled to vote on the Plan. Generally, a Class is Impaired if the legal, contractual or equitable rights of a Holder of a Claim is adversely altered or reduced under the Plan. Under the Plan, there is no Impaired Class of Claims entitled to vote to accept or reject the Plan. Indeed, because the Plan provides for the payment in full, in Cash, of all Allowed Claims asserted against the Debtors' Estates, the Holders of Claims in all Classes are deemed to accept the Plan.

A. Purpose of This Document

This Disclosure Statement describes:

- The Debtors and significant events during the Chapter 11 Cases;
- How the Plan proposes to treat Claims of the type you hold (*i.e.*, what you will receive on your Claim if the Plan is confirmed and your Claim is "Allowed" within the meaning of the Plan);
- Who can vote to accept or reject the Plan and/or object to Confirmation of the Plan;

them in the Plan.

- What factors the Bankruptcy Court will consider when deciding whether to confirm the Plan;
- Why the Debtors believe the Plan is feasible and you will recover on account of your Allowed Claim under the Plan at least as much as you would recover if the Chapter 11 Cases were proceeding in a chapter 7 liquidation; and
- The effects of Confirmation of the Plan.

Be sure to read the Plan, as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed and approved by the Bankruptcy Court, establish your rights and govern your treatment as a creditor.

B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

The Bankruptcy Court has not yet held a hearing to consider Confirmation of the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Bankruptcy Court will hold a hearing to consider Confirmation of the Plan.

i. Time and Place of the Hearing to Confirm the Plan

The hearing at which the Bankruptcy Court will determine whether to confirm the Plan will take place on _____, 2017 at __:__ .m., before the Honorable Michael E. Wiles, United States Bankruptcy Judge, in Courtroom 617, at the United States Bankruptcy Court, Southern District of New York, One Bowling Green, New York, New York, New York 10004.

ii. Deadline For Voting to Accept or Reject the Plan

As there are no Impaired Class of Claims under the Plan, no Class (or Holder of a Claim) is entitled to vote to accept or reject the Plan, and all Classes are deemed to accept the Plan.

iii. Deadline For Objecting to Confirmation of the Plan

Notwithstanding your deemed acceptance of the Plan because Allowed Claims are to be paid in full, in Cash, you may still interpose an objection to Confirmation of the Plan. Objections to Confirmation of the Plan must be filed with the Bankruptcy Court and served upon Togut, Segal & Segal LLP, counsel for the Debtors, One Penn Plaza, Suite 3335, New York, New York 10119, Attn: Frank A. Oswald, Esq. by no later than _____, **2017 at 5:00 p.m. (Eastern Time)** to be considered.

iv. Identity of Person to Contact for More Information

If you want additional information about the Plan, you should contact Togut, Segal & Segal LLP, counsel for the Debtors, One Penn Plaza, Suite 3335, New York, New York 10119, Attn: Frank A. Oswald, Esq. or Anthony De Leo, Esq. at (212) 594-5000.

v. Disclaimer

The Bankruptcy Court has approved this Disclosure Statement as containing adequate information to enable parties affected by the Plan to make an informed judgment about its terms. The Bankruptcy Court has not yet determined whether the Plan meets the legal requirements for Confirmation, and the fact that the Bankruptcy Court has approved this Disclosure Statement does not constitute an endorsement of the Plan by the Bankruptcy Court, or a recommendation that it be consummated.

II. BACKGROUND

A. Overview of the Debtors' Businesses, Operations and Capital Structure

i. Puble N.V.

Puble is a Delaware corporation that was initially formed in Curacao, Netherlands Antilles in 1985. In December of 1986, Puble was domesticated and incorporated as a Delaware corporation. On or about June 19, 1986, Puble acquired certain real property located in New York City known as 67-69 Irving Place, New York, NY 10003 (the "Irving Place Property"). The business and purpose of Puble is to own and operate the Irving Place Property as an income-generating asset. The Irving Place Property consists of a 3,933 square foot parcel of land and a 12-story commercial office building containing 44,585 rentable square feet with a first floor storefront retail unit, and is currently leased to ten (10) office tenants and one (1) retail tenant. Puble owns no personal or real property other than the Irving Place Property.

ii. Scotia Valley N.V.

Scotia Valley is a Delaware corporation that was initially incorporated in Curacao, Netherlands Antilles in 1979. In December of 1986, Scotia Valley was domesticated and incorporated as a Delaware corporation. On or about November 28, 1979, Scotia Valley acquired certain real property located in Washington, DC known as 1737 H Street NW, Washington, D.C. (the "H Street Property" and, together with the Irving Place Property, the "Properties"). The business and purpose of Scotia Valley is to own and operate the H Street Property as an income-generating asset. The H Street Property consists of an approximately 17,800 square foot, five-story office building that has been leased to commercial tenants over the years. As a result of recent efforts to sell

the building to a single user, tenant leases have not been extended and the H Street Property is now vacant, with the exception of one month-to-month tenant. Scotia Valley owns no other real estate or assets, other than the H Street Property.

B. Corporate Organizational Structure

The Debtors operate under common ownership and control through several non-U.S. entities, including entities organized under the laws of Liechtenstein. Such entities, in turn, are owned and controlled by various members of an extended family. These family members have been in discussions about a separation of their joint ownership and control of the Debtors and certain non-Debtor affiliates. Prior to the commencement of these Chapter 11 Cases, they agreed on a governance structure for the Debtors that was intended to ensure the interests of the Debtors' Estates would be protected, including the interests of all stakeholders. In particular, the Debtors' boards are each comprised of a member appointed by each side of the extended family.

C. Capital Structure

Information regarding the Debtors' capital structure is set forth in detail in the *Final Order Upon Consent of the Debtors and Irving DC Lender, LLC (I) Authorizing the Debtors' Limited Use of Irving DC Lender's Cash Collateral, (II) Granting Adequate Protection to Irving DC Lender, (III) Modifying the Automatic Stay, and (IV) Granting Related Relief* [Docket No. 39] and is incorporated by reference as if fully set forth herein.

D. Events Leading to the Chapter 11 Cases

On March 1, 2017, Irving DC Lender, LLC ("Irving DC"), the Debtors' secured lender, delivered its Notice of Intent to Foreclose to Scotia Valley based upon a Notice of Foreclosure filed with the Washington D.C. Recorder of Deeds on February 23, 2017.

Pursuant to the Notice of Foreclosure, the amount owing to Irving DC as of February 10, 2017 was \$4,363,217.35, plus attorney's fees, costs and other applicable charges. The foreclosure sale for the H Street Property was scheduled for March 29, 2017 at 11:30 a.m., but is presently stayed as a result of the commencement of these Chapter 11 Cases.

E. Significant Events During the Chapter 11 Cases

On March 28, 2017 (the "Petition Date"), the Debtors each filed a voluntary petition under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. The Debtors continue in possession of their properties and management of their affairs as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee, examiner or statutory committee of creditors has been appointed in these Chapter 11 Cases.

i. Retention of Professionals

Following the Petition Date, the Debtors retained Togut, Segal & Segal LLP as their bankruptcy counsel to assist in the administration and prosecution of the Debtors' Chapter 11 Cases. The retention of Togut, Segal & Segal LLP was approved by an Order of the Bankruptcy Court dated May 3, 2017, *nunc pro tunc* to the Petition Date.

Additionally, the Debtors retained Tramonte, Yeonas, Martin & Roberts PLLC as their real estate counsel, which retention was approved by an Order of the Bankruptcy Court dated June 20, 2017, *nunc pro tunc* to the Petition Date.

ii. First Day Motions

From the outset of these cases, to facilitate the transition of the Debtors' operations into bankruptcy, the Debtors filed several motions with the Bankruptcy Court seeking certain relief (the "First Day Motions"), including the following:

- Motion to continue using their cash management system, bank accounts and business forms;
- Motion for joint administration;
- Motion to file a consolidated creditor matrix; and
- Motion to extend the deadline to file their schedules of assets and liabilities and statements of financial affairs.

The First Day Motions were granted following a “first day” hearing, which was held on April 3, 2017.

iii. Cash Collateral Stipulation

Following negotiations with their secured lender, Irving DC, the Debtors were able to reach a consensual arrangement governing the Debtors’ use of cash collateral. On April 5, 2017, the Bankruptcy Court entered a stipulation entered into between the parties, which provided the Debtors interim authorization to use the secured lender’s cash collateral consistent with a monthly budget. As adequate protection, Irving DC was granted replacement liens on, and claims against, the Debtors’ Properties and Estates (as the case may be) and reimbursement of attorneys’ fees incurred in connection with the Chapter 11 Cases. A stipulation authorizing the Debtors to use cash collateral on a final basis was entered by the Bankruptcy Court on May 26, 2017 (the “Final Cash Stipulation”). As part of the Final Cash Stipulation, the amount of Irving DC’s Allowed Claims against the Debtors as of the Petition Date were fixed.

iv. Schedules and Statement of Financial Affairs; Claims Bar Date

On May 5, 2017, the Debtors filed their respective Schedules of Assets and Liabilities and Statements of Financial Affairs.³

The Debtors are in the process of filing a motion to set a deadline by which all claims against the Debtors that arose prior to the Petition Date must be asserted (a “Bar Date”). Once the Court establishes the Bar Date, notice of such Bar Date will be served, by First Class Mail, on all known creditors of the Debtors, in a manner sufficient to provide adequate notice to such creditors in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York.

v. Section 341 Meeting

On May 10, 2017, the Debtors attended the meeting of creditors conducted by the Office of the United States Trustee as required by section 341(a) of the Bankruptcy Code.

vi. The Transaction

Prior to and during the Chapter 11 Cases, the Debtors received numerous offers for the Debtors’ Properties in amounts sufficient to pay creditors 100% of their Allowed Claims, in Cash, and to provide a return for the Holders of the Allowed Interests in Scotia Valley and Puble.

In addition to marketing the Properties, the Current Owners also engaged in marketing efforts to sell the Puble Equity. Approximately twenty (20) different entities expressed interest in acquiring either the Properties or the Puble Equity. After

reviewing the various expressions of interest, the Current Owners selected four (4) entities that expressed interest in acquiring the Puble Equity and requested that they move on to a second round of bidding for same.

Three (3) of these bidders submitted second bids, ranging from \$42 million to \$44.5 million in Cash consideration. The acceptance of any of these offers would result in a 100% recovery under the Plan to Holders of all Allowed Claims against both Debtors.

The Debtors and the Current Owners continue to evaluate the offers received for the Puble Equity. Additionally, it may be determined that a sale of one or more of the Properties pursuant to Bankruptcy Code section 363, in lieu of a sale of the Puble Equity, is in the best interests of the Debtors' Estates. Finally, the shareholders of the Debtors' Current Owners may decide to enter into a transaction among themselves whereby one or more shareholders of the Current Owners may purchase the Debtors' Properties or the Interests in Puble held by the Current Owners. In the event no agreement is reached with a bidder for the Puble Equity within thirty (30) days of the date hereof, the Debtors will seek approval of a sale of one or more of the Properties pursuant to section 363 of the Bankruptcy Code, the proceeds of which will be used to satisfy Allowed Claims against the Debtors.

Most significantly, any Transaction for the Properties or the Interests in Puble will provide enough consideration to pay Holders of Allowed Claims against the Debtors in full, in Cash and provide for the Current Owners to retain their Interests in the Debtors (unless such Interests are sold as part of the transaction).

³ Puble's Schedules were filed at Docket Nos. 34 and 35 in Case No. 17-10747-MEW, whereas Scotia

III. THE PLAN

The following is a brief summary of the Plan.⁴ The Plan represents a proposed legally binding agreement and creditors are urged to consult with their counsel in the event they have any questions concerning the Plan.

As required by the Bankruptcy Code, the Plan places Claims in various Classes and describes the treatment each Class will receive. The Plan also states whether each Class of Claims is Impaired or not. If the Plan is confirmed, your recovery will be limited to the Allowed Amount of your Claim as provided for by the Plan.

A. Treatment of Unclassified Claims Under the Plan

Certain types of Claims are automatically entitled to specific treatment under the Bankruptcy Code. They are not considered Impaired, and Holders of such Claims do not vote on the Plan. They may, however, object to Confirmation if, in their view, their treatment under the Plan does not comply with that required by the Bankruptcy Code. As such, the Debtors have *not* placed the following Claims in any Class and the Plan provides the following treatment for such Allowed Claim:

i. Allowed Administrative Claims other than Claims of Professionals

Administrative expenses are costs or expenses of administration in connection with the Chapter 11 Cases, including, without limitation, any actual, necessary costs and expenses of preserving the Debtors' Estates, and all fees and charges assessed against the Debtors' Estates pursuant to 28 U.S.C. § 1930. The term Administrative

Valley's Schedules were filed at Docket Nos. 7 and 8 in Case No. 17-10748-MEW.

⁴ In the event of any inconsistency between this summary and the terms of the Plan, the Plan shall control, and, in the event of any inconsistencies between the Plan and the Confirmation Order, the Confirmation Order shall control.

Claim does not include Fee Claims, which are treated separately in the Plan. These Allowed Claims shall be paid in Cash on the Effective Date, or as soon as is practicable thereafter. Other than the Fee Claims of Professionals, the Debtors estimate that the Allowed Administrative Claims outstanding on the Effective Date will be \$_____.

ii. Allowed Administrative Claims of Professionals⁵

These are Claims by any Professionals for compensation for legal and other services and reimbursement of expenses allowed or awarded under Bankruptcy Code sections 327, 328, 330(a), 331, 503(b) and /or 1103. The Debtors have two (2) Professionals whose employment has been approved by the Bankruptcy Court: (i) the Debtors' bankruptcy counsel, Togut, Segal & Segal LLP ("TSS"), and (ii) Tramonte, Yeonas, Roberts & Martin PLLC, the Debtors' real estate counsel ("TYRM" and, together with TSS, the "Professionals"). Pursuant to the Plan, the Allowed Administrative Claims of the Professionals shall be paid in full, in Cash, upon the later of: (i) allowance by the Court of such Claims pursuant to section 330 of the Bankruptcy Code, or (ii) the Effective Date. The Debtors estimate that the total unpaid Allowed Fee Claims on the Effective Date will aggregate approximately \$_____, representing net unpaid professional fees incurred through the Effective Date.⁶

iii. United States Trustee's Fees

These are sums due to the United States Trustee for statutory fees arising under 28 U.S.C. § 1930 and 31 U.S.C. § 3717. The Debtors shall pay any outstanding United

⁵ Under the Cash Collateral Order, the Debtors are required to pay the fees and expenses of Morritt, Hock & Hamroff LLP as counsel to Irving DC, consistent with the governing cash collateral budget.

⁶ Upon information and belief, the Debtors have been paying Administrative Claims as they come due in the ordinary course of business, with the exception of Fee Claims asserted or assertable by Professionals.

States Trustee statutory fees in full, in Cash, on the Effective Date, or as soon as is practicable thereafter. Following the Effective Date, such fees shall be paid in full, in Cash, in such amount as incurred in the ordinary course of business by the Reorganized Debtors from the Post-Confirmation Reserve. The Disbursing Agent, on behalf of the Reorganized Debtors, will be responsible for effectuating payment of the United States Trustee quarterly fees through the entry of final decrees closing the Chapter 11 Cases.

iv. Allowed Priority Tax Claims

Priority tax claims are unsecured income, employment, sales, and other taxes described by Bankruptcy Code section 507(a)(8). The Debtors shall pay all Allowed Priority Tax claims in full, in Cash, on the Effective Date, or as soon as is practicable thereafter. The Debtors estimate these Allowed Claims aggregate approximately \$68,550.

B. Classes of Claims

The following are the Classes set forth in the Plan, and the proposed treatment that the Holders of Allowed Claims in such Classes receive under the Plan:

i. Class 1A: Allowed Non-Tax Priority Claims Against Puble

(a) Class 1A consists of the Holders of Allowed Class 1A Non-Tax Priority Claims against Puble. The Debtors shall (a) pay to the Holders of Allowed Class 1A Non-Tax Priority Claims the amount of their Allowed Claim in full, in Cash, on the Effective Date, or as soon as practicable thereafter, from the Plan Distribution Fund, or (b) satisfy such Allowed Class 1A Claims on such other terms and conditions as the Holder of an Allowed Class 1A Claim and Puble shall agree, in full and final satisfaction of such Claims as against Puble. The Debtors do not believe that any sums

are due on account of Allowed Claims in this Class. Class 1A Claims are not Impaired under the Plan and are deemed to accept the Plan.

(b) *Class 1B: Allowed Non-Tax Priority Claims Against Scotia Valley*

Class 1B consists of the Holders of Allowed Class 1B Non-Tax Priority Claims against Scotia Valley. The Debtors shall (a) pay to the Holders of Allowed Class 1B Non-Tax Priority Claims the amount of their Allowed Claim in full, in Cash, on the Effective Date, or as soon as practicable thereafter, from the Plan Distribution Fund, or (b) satisfy such Allowed Class 1B Claims on such other terms and conditions as the Holder of an Allowed Class 1B Claim and Scotia Valley shall agree, in full and final satisfaction of such Claims as against Scotia Valley. The Debtors do not believe there are any sums due to Holders of Allowed Claims in this Class. Class 1B Claims are not Impaired under the Plan and are deemed to accept the Plan.

ii. *Class 2A: Allowed Secured Claim of Irving DC Against Puble*

(a) Class 2A consists of the Allowed Secured Claim of Irving DC against Puble in the amount of \$10,539,432.96. The Class 2A Claim shall be paid in full, in Cash, from the Plan Distribution Fund. The Class 2A Claim is not Impaired under the Plan and is deemed to accept the Plan.

(b) *Class 2B: Allowed Secured Claim of Irving DC Against Scotia Valley*

Class 2B consists of the Allowed Secured Claim of Irving DC against Scotia Valley in the amount of \$4,332,493.94. The Class 2B Claim shall be paid in full, in Cash, from the Plan Distribution Fund. The Class 2B Claim is not Impaired and is deemed to accept the Plan.

(c) *Class 2C: Allowed Secured Guaranty Claim of Irving DC Against the Debtors*

Class 2C consists of the Allowed Secured Guaranty Claim of Irving DC against the Debtors in the amount of \$2,888,253.50 in connection with the Debtors' guaranty of certain loans made to their affiliate, G.P. Homes, L.C. The Class 2C Claim shall be paid in full, in Cash, from the Plan Distribution Fund. The Class 2C Claim is not Impaired and is deemed to accept the Plan.

iii. Class 3A: General Unsecured Claims Against Puble

(a) Class 3A consists of all Claims against Puble that are not Administrative Claims, Secured Claims, Priority Claims, Intercompany Claims or Interests that arose prior to the Petition Date.

The Debtors shall (a) pay to Holders of Class 3A General Unsecured Claims 100% of the amount of their Allowed Claim in full, in Cash, with interest from the Petition Date to the Confirmation Date at the contract rate to the extent the underlying agreement or instrument giving rise to the Allowed Class 3B Claim provides for such interest, within thirty (30) days of the Effective Date, from the Plan Distribution Fund, after the payment in full, in Cash, of all Allowed Administrative Claims, Allowed Priority Claims, Allowed Secured Claims and the establishment of the Disputed Claims Reserve and Post-Confirmation Reserve, or (b) satisfy such Allowed Class 3A Claim on such other terms and conditions as the Holder of an Allowed Class 3A Claim and Puble shall agree, in full and final satisfaction of such Claims as against Puble. Class 3A Claims are not Impaired under the Plan and are deemed to accept the Plan.

(b) *Class 3B: General Unsecured Claims Against Scotia Valley*

Class 3B consists of all Claims against Scotia Valley that are not Administrative Claims, Secured Claims, Priority Claims, Intercompany Claims or Interests that arose prior to the Petition Date.

The Debtors shall (a) pay to Holders of Class 3B General Unsecured Claims 100% of the amount of their Allowed Claim in full, in Cash, with interest from the Petition Date to the Confirmation Date at the contract rate to the extent the underlying agreement or instrument giving rise to the Allowed Class 3B Claim provides for such interest, within thirty (30) days of the Effective Date, from the Plan Distribution Fund, after the payment in full, in Cash, of all Allowed Administrative Claims, Allowed Priority Claims, Allowed Secured Claims and the establishment of the Disputed Claims Reserve and Post-Confirmation Reserve, or (b) satisfy such Allowed Class 3B Claims on such other terms and conditions as the Holder of an Allowed Class 3B Claim and Scotia Valley shall agree, in full and final satisfaction of such Claims as against Scotia Valley. Class 3B Claims are not Impaired under the Plan and are deemed to accept the Plan.

iv. Class 4A: Intercompany Claims Against Puble

(a) Class 4A consists of all Intercompany Claims against Puble. The Debtors shall (a) pay to Holders of Class 4A Intercompany Claims up to 100% of the amount of their Allowed Claim in full, in Cash, with interest from the Petition Date to the Confirmation Date at the contract rate to the extent the underlying agreement or instrument giving rise to the Allowed Class 4A Claim provides for such interest, within thirty (30) days of the Effective Date, from the Plan Distribution Fund, after the payment in full, in Cash, of all Allowed Administrative Claims, Allowed Priority

Claims, Allowed Secured Claims, Allowed General Unsecured Claims and the establishment of the Disputed Claims Reserve and Post-Confirmation Reserve, or (b) satisfy such Allowed Class 4A Claims on such other terms and conditions as the Holder of an Allowed Class 4A Claim and Puble shall agree, in full and final satisfaction of such Claims as against Puble. Class 4A Claims are not Impaired under the Plan and are deemed to accept the Plan.

(b) *Class 4B: Intercompany Claims Against Scotia Valley*

Class 4B consists of all Intercompany Claims against Scotia Valley. The Debtors shall (a) pay to Holders of Class 4B Intercompany Claims 100% of their Allowed Claim in full, in Cash, with interest from the Petition Date to the Confirmation Date at the contract rate to the extent the underlying agreement or instrument giving rise to the Allowed Class 4B Claim provides for such interest, within thirty (30) days of the Effective Date, from the Plan Distribution Fund, after the payment in full, in Cash, of all Allowed Administrative Claims, Allowed Priority Claims, Allowed Secured Claims, Allowed General Unsecured Claims and the establishment of the Disputed Claims Reserve and Post-Confirmation Reserve, or (b) satisfy such Allowed Class 4B Claims on such other terms and conditions as the Holder of an Allowed Class 4B Claim and Scotia Valley shall agree, in full and final satisfaction of such Claims as against Scotia Valley. Class 4B Claims are not Impaired under the Plan and are deemed to accept the Plan.

v. *Class 5A: Interests in Puble*

(a) Class 5A consists of Allowed Interests in Puble. Class 5A Interests shall retain their Interests in Puble under the Plan. Class 5A Interests are not Impaired and are deemed to accept the Plan.

(b) *Class 5B: Interests in Scotia Valley*

Class 5B consists of the Holders of Interests in Scotia Valley. Class 5B Interests shall retain their Interests in Scotia Valley under the Plan. Class 5B Interests are not Impaired and are deemed to accept the Plan.

C. Resolution of Disputed Claims and Reserves

i. Objections

An objection to either the allowance of a Claim or an amendment to the Debtors' Schedules shall be in writing and may either be filed with the Bankruptcy Court or pursued and resolved by other means by the Debtors, at any time on or before the Effective Date, and for a period of 120 days thereafter, or within such other time period as may be fixed by the Bankruptcy Court for cause, without prejudice to the Debtors' rights to seek an extension of such deadline. The Debtors will object to, and settle, any Claims and shall settle, compromise or prosecute all Claims objections.

ii. Amendment of Claims

A Claim may be amended prior to the Effective Date only as agreed upon by the Debtors and the Holder of such Claim and as approved by the Bankruptcy Court or as otherwise permitted by the Bankruptcy Code and Bankruptcy Rules. After the Effective Date, a Claim may be amended as agreed upon by the Holder thereof and the Reorganized Debtors to decrease, but not increase, the face amount thereof.

iii. Distributions to Holders of Subsequently Allowed Claims

Unless another date is agreed on by the Debtors and the Holder of a particular subsequently Allowed Claim, on the first Business Day to occur after the fourteenth (14th) day after the Allowed amount of such theretofore Disputed Claim is determined,

the Disbursing Agent shall distribute to such Holder with respect to such subsequently Allowed Claim the amount of Cash necessary to satisfy the Allowed Claim in full. The Holder of a subsequently Allowed Claim shall not be entitled to any interest on the Allowed amount of its Claim, regardless of when distribution thereon is made to or received by such Holder.

iv. Reserve for Disputed Claims

The Disbursing Agent shall establish and maintain a reserve account for Holders of Disputed Claims with Cash that would otherwise be distributable to such Holder on the Effective Date if such Disputed Claim were an Allowed Claim on the Effective Date, or such other amount as the Holder of such Disputed Claim and the Reorganized Debtors may agree upon. The Cash so reserved for such Holder, to the extent such Disputed Claim is allowed, and only after such Disputed Claim becomes a subsequently Allowed Claim, shall thereafter be distributed to such Holder. In the event there is any excess Cash held in the Disputed Claims Reserve following resolution of the Disputed Claims, such excess Cash will be distributed Pro Rata to Holders of Allowed Interests in Puble or the Debtors for the Pro Rata distribution to Holders of Allowed Interests in the event of the sale of one or more of the Properties instead of the Puble Equity.

iv. Claims Procedures Not Exclusive

All of the aforementioned Claims procedures are cumulative and not necessarily exclusive of one another. On and after the Effective Date, Claims which were previously disputed may subsequently be compromised, settled, withdrawn, or otherwise resolved without further order of the Bankruptcy Court.

D. Plan Funding and Means of Implementing the Plan

i. Plan Funding

Distributions under the Plan shall be paid from the Plan Distribution Fund, which shall be funded by the Transaction Proceeds, but only to the extent such proceeds are needed to satisfy Allowed Claims after giving effect to the Debtors' Cash on hand on the Effective Date. The Transaction Proceeds shall be the primary source of distributions under the Plan. The Plan Distribution Fund shall be administered by Togut, Segal & Segal LLP, solely in its capacity as Disbursing Agent, in accordance with the terms of the Plan. The Cash required to be distributed to Holders of Allowed Claims under the Plan shall be distributed by the Disbursing Agent on the later of the following dates: (i) on the Effective Date, or as soon as practicable thereafter, to the extent the Claim has been Allowed or (ii) to the extent that a Claim becomes an Allowed Claim after the Effective Date, within ten (10) days after the order allowing such Claim becomes a Final Order.

ii. Means for Implementation

The Debtors and the Current Owners continue to evaluate the offers received for the Puble Equity. Additionally, it may be determined that a sale of one or more of the Properties pursuant to Bankruptcy Code section 363, in lieu of a sale of the Puble Equity, is in the best interests of the Debtors' Estates. Finally, the shareholders of the Debtors' Current Owners may decide to enter into a transaction among themselves whereby one or more shareholders of the Current Owners may purchase the Debtors' Properties or the Interests in Puble held by the Current Owners. In the event no agreement is reached with a bidder for the Puble Equity within thirty (30) days of the

date hereof, the Debtors will seek approval of a sale of one or more of the Properties pursuant to section 363 of the Bankruptcy Code, the proceeds of which will be used to satisfy Allowed Claims against the Debtors.

Any Transaction for the Properties or the Puble Equity will provide enough consideration to pay Holders of Allowed Claims against the Debtors in full, in Cash, and provide for the Current Owners to retain their Interests in the Debtors. The Debtors expect such a transaction to be consummated within ninety (90) days of the date hereof. Upon the closing of any such transaction, a portion of the Transaction Proceeds in an amount sufficient to pay 100% of Allowed Claims against the Debtors, fund the Disputed Claims Reserve and fund the Post-Confirmation Reserve will be transferred to the Debtors in accordance with the terms and conditions of the Plan.

The Plan expressly contemplates a Transaction involving either the Puble Equity or one or both Properties on or before the Effective Date. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property in contemplation of, in connection with, or pursuant to the Plan shall not be subject to any stamp tax or other similar tax or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Such exemption specifically applies, without limitation, to (a) the post-confirmation Transaction (b) the transfer of the Puble Equity or one or both Properties, as applicable; (c) the assignment of the Leases; (d) the creation of any mortgage, deed of trust, lien,

pledge or other security interest by the Debtors; (e) the making or assignment of any contract, Lease or sublease; or (f) the making or delivery of any deed or other instrument or transfer under, in furtherance of, or in connection with the Plan or the Transaction. All such transfers, assignments and sales will not be subject to any stamp tax, or other similar tax held to be a stamp tax or other similar tax by applicable law.

E. Unexpired Leases

The Debtors shall assume all unexpired Leases on the Effective Date.

F. Tax Consequence of the Plan

Creditors Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, and/or Advisors.

Confirmation of the Plan may have federal income tax consequences for the Debtors and their creditors. The Debtors have not obtained, and do not intend to request, a ruling from the Internal Revenue Service (the "IRS"), nor have the Debtors obtained an opinion of counsel with respect to any tax matters. Any federal income tax matters raised by confirmation of the Plan are governed by the Internal Revenue Code and the regulations promulgated thereunder. Creditors are urged to consult their own counsel and tax advisors as to the consequences to them, under federal and applicable state, local and foreign tax laws, of the Plan. The following is intended to be a summary only and not a substitute for careful tax planning with a tax professional. The federal, state and local tax consequences of the Plan may be complex in some circumstances and, in some cases, uncertain. Accordingly, each Holder of a Claim is strongly urged to consult with his or her own tax advisor regarding the federal, state and local tax

consequences of the Plan, including but not limited to the receipt of cash and/or stock under the Plan.

i. Tax Consequences to the Debtors

The Debtors may not recognize income as a result of the discharge of debt pursuant to the Plan because section 108 of the Internal Revenue Code provides that taxpayers in bankruptcy proceedings do not recognize income from discharge of indebtedness. However, a taxpayer is required to reduce its "tax attributes" by the amount of the debt discharged. Tax attributes are reduced in the following order: (i) net operating losses; (ii) general business credits; (iii) capital loss carryovers; (iv) basis in assets; (v) passive activity loss and credit carryovers; and (vi) foreign tax credit carryovers.

ii. Tax Consequences to Unsecured Creditors

An unsecured creditor that receives Cash in satisfaction of its Allowed Claim may recognize gain or loss, with respect to the principal amount of its Allowed Claim, equal to the difference between (i) the creditor's basis in the Claim (other than the portion of the Allowed Claim, if any, attributable to accrued interest), and (ii) the balance of the cash received after any allocation to accrued interest. The character of the gain or loss as capital gain or loss, or ordinary income or loss, will generally be determined by whether the Allowed Claim is a capital asset in the creditor's hands. A creditor may also recognize income or loss in respect of consideration received for accrued interest on the Claim. The income or loss will generally be ordinary, regardless of whether the creditor's Claim is a capital asset in its hands.

G. Avoidance Actions

After the Confirmation Date, the Reorganized Debtors may pursue any Avoidance Actions that they determine should be pursued. The Reorganized Debtors shall file any such Avoidance Actions no later than 120 days after the Effective Date without prejudice to the Reorganized Debtors' rights to seek an extension of such deadline. The proceeds from any recoveries from Avoidance Actions shall be used to first pay any outstanding professional fees and expenses incurred in connection with the prosecution of Avoidance Actions, with the balance to be paid in accordance with Article III of the Plan.

CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in sections 1129(a) or (b) of the Bankruptcy Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor at least as much as the creditor would receive in a chapter 7 liquidation case, unless the creditor votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in section 1129, and they are not the only requirements for confirmation.

A. Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor has a right to vote for or against the Plan only if that creditor has a Claim that is

both (1) Allowed or has been temporarily Allowed for Plan voting purposes and (2) Impaired. Under the proposed Plan in these Chapter 11 Cases, there are no Impaired Classes, and all Classes are deemed to accept the Plan.

i. What Is an Allowed Claim?

Only a creditor with an Allowed Claim has the right to vote on the Plan. Generally, a claim is Allowed if either (1) the Debtors have scheduled the Claim on the Schedules, unless the Claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim, unless an objection has been filed to such proof of claim.

The deadline for filing a proof of claim in this case is _____.

ii. What Is an Impaired Claim?

As noted above, the Holder of an Allowed Claim has the right to vote only if it is in a Class that is *impaired* under the Plan. As provided in Bankruptcy Code section 1124, a Class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class. As discussed above, no Class of creditors is Impaired under the Plan, and all Classes are deemed to accept the Plan.

iii. Who is Not Entitled to Vote

The Holders of the following five types of claims are *not* entitled to vote:

- Holders of Claims that have been disallowed by an order of the Court;
- Holders of other Claims that are not “Allowed Claims” (as discussed above), unless they have been “allowed” for voting purposes;
- Holders of Claims in unimpaired Classes;
- Holders of Claims entitled to priority pursuant to sections 507(a)(2), (a)(3), and (a)(8) of the Bankruptcy Code; and

- administrative expenses.

Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan and to the Adequacy of the Disclosure Statement.

B. Feasibility and Best Interests Test

The Bankruptcy Code requires that in order to confirm the Plan, the Bankruptcy Court must find that confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization of the Debtors (the “Feasibility Test”).

For a plan to meet the Feasibility Test, the Bankruptcy Court must find that the Debtors will possess the resources to meet their obligations under the Plan. Since the Plan contemplates a Transaction involving one or both of the Debtors’ Properties or the Public Equity for a price in excess of the total Allowed Claims against the Debtors, Confirmation of the Plan is not likely to be followed by the need for further financial reorganization of the Debtors or any successor to the Debtors under the Plan. Moreover, on the Effective Date, the Debtors will have sufficient funds on hand to fund the Plan.

You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.

In addition, the Bankruptcy Court must determine that the values of the distributions to be made under the Plan to each Class will equal or exceed the values that would be allocated to such Class in a liquidation under chapter 7 of the Bankruptcy Code (the “Best Interest Test”).

The Best Interest Test with respect to each impaired Class requires that each Holder of a Claim or Interest in such Class either (i) accept the Plan or (ii) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than

the value such Holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. Because Holders of Allowed Claims will receive a 100% recovery on account of such Claims, no scenario exists, including but not limited to chapter 7 liquidation, under which the creditors would be entitled to receive a distribution greater than that which the Debtors have proposed in their Plan.

The Debtors believe that the Plan satisfies all of the statutory requirements of chapter 11 of the Bankruptcy Code, including the “best interest” and feasibility requirements. The Plan is “fair and equitable” and “does not discriminate unfairly”. The Plan complies with all other requirements of chapter 11 of the Bankruptcy Code, and the Plan has been proposed in good faith.

C. Notices

All notices and correspondence should be forwarded in writing to:

Puble N.V. and Scotia Valley N.V.
c/o Togut, Segal & Segal LLP
One Penn Plaza
New York, New York 10119
Attn: Frank A. Oswald
Anthony De Leo

EFFECT OF CONFIRMATION OF PLAN

A. Discharge of Debtors

i. Discharge

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan and the Confirmation Order, the distributions, rights, and treatment that are provided in the Plan shall be in full and final satisfaction, settlement, release, and discharge, effective as of the Effective Date, of all Claims and Causes of Action of any nature whatsoever, including any interest accrued on Claims

from and after the Petition Date, whether known or unknown, against, liabilities of, liens on, obligations of, rights against the Debtors, the Reorganized Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims, including demands, liabilities, and Causes of Action that arose before the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h) and 502(i) of the Bankruptcy Code, in each case whether or not: (1) a proof of claim asserting such Claim, debt, or right is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; or (2) a Claim based upon such Claim, debt or right is Allowed pursuant to section 502 of the Bankruptcy Code. The Confirmation Order shall be a judicial determination of the discharge of all Claims, subject to the Effective Date occurring, except as otherwise expressly provided in the Plan and the Confirmation Order.

ii. Exculpation.

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Exculpated Claim, or obligation, cause of action or liability for any Exculpated Claim, and shall be entitled to rely reasonably on the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. Each Exculpated Party and their respective affiliates, agents, directors, members, managers, officers, officials, employees, advisors and attorneys have, and upon the Effective Date shall be deemed to have, participated in the promulgation of the Plan and in good faith and in

compliance with the applicable provisions of the Bankruptcy Code and applicable non-bankruptcy law and shall not be liable at any time for the violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or distributions made pursuant to the Plan. From and after the Effective Date, a copy of the Confirmation Order and the Plan shall constitute, and may be submitted as, a complete defense to any claim or liability satisfied, enjoined or subject to exculpation pursuant to Article XI of the Plan; provided, however, that nothing in the Plan or the Confirmation Order shall, or shall be deemed to, release the Debtors, the members of the Debtors, or exculpate the Debtors or their members with respect to, its obligations or covenants arising from bad faith, willful misconduct, gross negligence, breach of fiduciary duty, malpractice, fraud, criminal conduct, unauthorized use of confidential information that causes damages, and/or ultra vires acts. Upon the Confirmation Date, creditors will be unable to pursue any Claims that are satisfied, enjoined or subject to exculpation under the Plan, but creditors may pursue Claims against the Reorganized Debtors that may arise in the future, or pursuant to the Plan or Confirmation Order.

iii. Confirmation Injunction

Effective upon the Confirmation Date, all persons who have held, hold or may hold Claims are enjoined from taking any of the following actions against or affecting the Debtors, the Reorganized Debtors or their respective assets with respect to such Claims, except as otherwise set forth in the Plan and, other than actions brought to enforce any rights or obligations under the Plan or appeals, if any, the Confirmation Order:

(a) Commencing, conducting or continuing in any manner, directly or indirectly, any suit, action, arbitration, or other proceeding of any kind against the Debtors, the Reorganized Debtors or their respective assets;

(b) Enforcing, levying, attaching, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against the Debtors, the Reorganized Debtors or their respective assets;

(c) Creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Debtors, the Reorganized Debtors, the Purchaser and their respective assets;

(d) Asserting any setoff, right of subrogation, or recoupment of any kind, directly or indirectly, against the Debtors, the Reorganized Debtors or their respective assets;

(e) Commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released, settled or discharged pursuant to the Plan; and

(f) Proceeding in any manner and any place whatsoever that does not conform to or comply with the provisions of the Plan and the Confirmation Order.

B. Amendment, Modification, Withdrawal or Revocation of the Plan.

The Debtors reserve the right, in accordance with section 1127(a) of the Bankruptcy Code, to amend or modify the Plan prior to the Confirmation Date. After the Confirmation Date, the Debtors may, upon order of the Bankruptcy Court in accordance with section 1127(b) of the Bankruptcy Code, remedy any defect or omission or reconcile and inconsistencies in the Plan in such manner as may be necessary to carry out the purposes and intent of the Plan.

The Debtors may withdraw or revoke the Plan prior to the Confirmation Date. If such a withdrawal or revocation occurs, or if the Confirmation Date does not occur, the Plan will be null and void. In such event, nothing contained in the Plan will constitute a waiver or release of any Claim by, or against, the Debtors or any other person or to prejudice in any manner the rights of the Debtors or any other person in any further proceedings involving the Debtors.

C. Unclaimed Property

Except as otherwise provided in the Plan, in the event any claimant fails to claim any distribution within four (4) months from the date of such distribution, such claimant shall forfeit all rights thereto and to any and all future payments, and thereafter the Allowed Claim or Interest for which such Cash was distributed shall be treated as a disallowed Claim or Interest as the case may be. Distributions to claimants entitled thereto shall be sent to their last known address set forth on the most recent proof of claim filed with the Bankruptcy Court or, if no proof of claim is filed, on the Schedules filed by the Debtors or to such other address as may be later designated by a creditor in writing to the Disbursing Agent. The Debtors and Reorganized Debtors shall use their best efforts to obtain current addresses for all claimants, and the Disbursing Agent shall have no responsibility for same. All unclaimed Cash shall be remitted to the Current Owners as provided for under the Plan.

D. Retention of Jurisdiction

The Bankruptcy Court shall retain jurisdiction over the Chapter 11 Cases:

(a) To determine all controversies relating to or concerning the allowance of and/ or distribution on account of such Claims or Interests upon objection thereto which may be filed by any party in interest;

(b) To determine requests for payment of Claims entitled to priority under section 507(a)(1) of the Bankruptcy Code, including any and all applications for compensation for professional and similar fees;

(c) To determine any and all applications, adversary proceedings, and contested or litigated matters over which the Bankruptcy Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 157 and 1334;

(d) To determine all disputed, contingent or unliquidated Claims and all disputed Interests;

(e) To determine requests to modify the Plan pursuant to section 1127 of the Bankruptcy Code or to remedy any defect or omission or reconcile any inconsistencies in the Plan or Confirmation Order to the extent authorized by the Bankruptcy Code;

(f) To enter such orders as are necessary or appropriate to carry out the provisions of the Plan;

(g) To hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

(h) To adjudicate controversies and disputes regarding the interpretation or enforcement of the terms of the Plan, including the Transaction;

(i) To modify the Plan pursuant to section 1127 of the Bankruptcy Code or to remedy any defect or omission or reconcile any inconsistencies in the Plan or Confirmation Order to the extent authorized by the Bankruptcy Code; and

(j) To enter a final decree closing the Chapter 11 Cases.

E. Post-Confirmation Fees, Reserves and Final Decree

The reasonable compensation and out-of-pocket expenses incurred post-Confirmation Date by Professionals, including the Disbursing Agent, for post-Confirmation Date services (other than services related to Avoidance Actions, compensation for which is exclusively governed by Article IX of the Plan) and paid by the Disbursing Agent within ten (10) days after presentation of invoices for such professional services to the Disbursing Agent and Reorganized Debtors; provided, however, that if (a) Reorganized Debtors and any Professional cannot agree on the amount of post-Confirmation Date fees and expenses to be paid to such Professionals, such amount shall be determined by the Bankruptcy Court.

The sum of \$100,000 shall be reserved from the Plan Distribution Fund in order to fund post-Confirmation Date professional fees incurred by Debtors' counsel and the Disbursing Agent in connection with, inter alia, the Transaction, implementation of the Plan, and carrying out of the duties and responsibilities of the Disbursing Agent, as well as payment of United States Trustee fees. Any funds remaining in such reserve shall be distributed to the Current Owners in accordance with Article III of the Plan. The monies deposited into the reserve account shall not serve as a cap on the post-confirmation fees and expenses incurred by the Debtor(s), the Disbursing Agent or the Reorganized Debtor(s), as the case may be, in fulfilling their respective duties and obligations under the Plan.

A final decree shall be entered as soon as practicable after distributions have commenced under the Plan.

F. Continuation of Bankruptcy Stays

All stays provided for in the Chapter 11 Cases under section 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

IV. RECOMMENDATION

The Debtors believe that Confirmation of the Plan is preferable to any of the alternatives described above. The Plan will provide greater recoveries than those available in liquidation to all Holders of Allowed Claims. Any other alternative would cause significant delay and uncertainty, as well as substantial additional administrative costs.

Dated: New York, New York
June 26, 2017

PUBLE N.V. AND SCOTIA VALLEY N.V

By: /s/Charis C. Lapas
CHARIS C. LAPAS
President

TOGUT, SEGAL & SEGAL LLP
*Counsel for the Debtors and
Debtors in Possession*
By:

/s/Frank A. Oswald
FRANK A. OSWALD, ESQ.
SCOTT E. RATNER, ESQ.
Members of the Firm
One Penn Plaza
Suite 3335
New York, New York 10119
Telephone: (212) 594-5000