

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:

SYNTAX-BRILLIAN CORPORATION, *et al.*,¹

Debtors.

Chapter 11

Case No. 08-11407 (BLS)

(Jointly Administered)

DEBTORS' SECOND AMENDED CHAPTER 11 LIQUIDATING PLAN

DATED MARCH 11, 2009

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¹ The Debtors are the following entities: Syntax-Brilliant Corporation, Syntax-Brilliant SPE, Inc., and Syntax Groups Corporation.

TABLE OF CONTENTS

		<u>Page</u>
ARTICLE I	DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW	1
ARTICLE II	SUBSTANTIVE CONSOLIDATION OF ASSETS AND LIABILITIES OF DEBTORS; CANCELLATION OF INTERCOMPANY CLAIMS	12
ARTICLE III	UNCLASSIFIED CLAIMS AGAINST THE DEBTORS	13
ARTICLE IV	CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS	15
ARTICLE V	ACCEPTANCE OR REJECTION OF THE PLAN	19
ARTICLE VI	PROVISIONS FOR IMPLEMENTATION OF THE PLAN	19
ARTICLE VII	EXECUTORY CONTRACTS AND UNEXPIRED LEASES	29
ARTICLE IX	PROCEDURES FOR RESOLUTION OF DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS OR EQUITY INTERESTS	30
ARTICLE X	CONDITIONS PRECEDENT TO CONFIRMATION AND EFFECTIVE DATE OF THE PLAN	35
ARTICLE XI	EXCULPATION, INJUNCTIVE AND RELATED PROVISIONS	36
ARTICLE XII	RETENTION AND PRESERVATION OF CAUSES OF ACTION	37
ARTICLE XIII	RETENTION OF JURISDICTION	40
ARTICLE XIV	MISCELLANEOUS PROVISIONS	42

JOINT CHAPTER 11 LIQUIDATING PLAN

Pursuant to title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.*, Syntax-Brilliant Corporation, Syntax-Brilliant SPE, Inc., and Syntax Groups Corporation hereby respectfully propose the following liquidating plan under Chapter 11 of the Bankruptcy Code (as defined herein):

ARTICLE I

DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Rules of Interpretation, Computation of Time and Governing Law*

1. For purposes herein: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, instrument, release, indenture or other agreement or document 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; (c) any reference herein to an existing document or exhibit Filed, or to be Filed, shall mean such document or exhibit, as it may have been or may be amended, modified or supplemented; (d) unless otherwise specified, all references herein to Sections and Articles are references to Sections and Articles hereof or hereto; (e) the words "herein," "hereof" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (g) the rules of construction set forth in Section 102 of the Bankruptcy Code shall apply; and (h) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to such term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be.

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

3. Except to the extent that the Bankruptcy Code or Bankruptcy Rules apply, and subject to the express provisions of any contract, instrument, release, indenture or other agreement or document entered into in connection herewith, the laws of the State of Delaware, giving effect to the conflicts of laws' principles thereof, shall govern the construction of the Plan and any agreements, documents, and instruments executed in connection with the Plan, including, without limitation, any rule of law or procedure supplied by federal law as interpreted under the decisions in the State of Delaware (including the Bankruptcy Code and the Bankruptcy Rules).

B. *Proponents of Plan*

The Debtors are proponents of the Plan (collectively, the “**Proponents**”).

C. *Defined Terms*

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form herein:

1. “*Adequate Protection Obligations*” means the Adequate Protection Obligations as defined in the Interim DIP Order and the Final DIP Order.

2. “*Administrative Claim*” means a claim, cause of action, right, or other liability, or the portion thereof, that is entitled to priority under 11 U.S.C. §§ 503(b) and 507(a)(1), including (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the bankruptcy estates and operating the Debtors’ business (such as wages, salaries, or payments for goods and services); (b) compensation for legal, financial advisory, accounting and other services, and reimbursement of expenses awarded or allowed under 11 U.S.C. §§ 330(a) or 331; and (c) all fees and charges assessed against the bankruptcy estates under 28 U.S.C. § 1930, but shall not include any Secured Claims or DIP Facility Claims.

3. “*Administrative Claim Bar Date*” means the applicable date by which Administrative Claims are required to be filed, as established by order of the Bankruptcy Court. Administrative Claims accruing between the Petition Date and September 8, 2008 were required to be filed on or before September 8, 2008. Administrative Claims accruing between September 8, 2008 and April 10, 2009, shall be Filed no later than April 10, 2009.

4. “*Affiliate*” means, with respect to the Debtors or any other Entity, an affiliate as defined in Section 101(2) of the Bankruptcy Code.

5. “*Allowed Claim*” means, with respect to a Claim (defined below), a Claim allowable under 11 U.S.C. § 502: (a) for which a proof of claim was filed by the Bar Date established by the Bankruptcy Court or by other order of the Bankruptcy Court and as to which no objection or other challenge to allowance thereof has been filed, or if an objection or challenge has been timely filed, such Claim is allowed by final order; (b) for which a proof of claim is not filed and that has been listed in the Debtors’ schedules of assets and liabilities and is not listed as disputed, contingent, or unliquidated; or (c) that is deemed allowed under the Plan.

6. “*Anthony Ostlund*” means Anthony Ostlund Louwagie & Ross, P.A.

7. “*Asset Purchase Agreement*” means that certain Agreement of Purchase and Sale dated as of July 7, 2008 by and among the Debtors and Olevia International Group, LLC (as Purchaser) and the Guarantor, as amended and supplemented and as approved by the Sale Order.

8. “*Ballot*” or “*Ballots*” means the ballots accompanying the Disclosure Statement upon which Holders of Impaired Claims entitled to vote shall indicate their acceptance or rejection of the Plan in accordance with the Plan and the Voting Instructions.

9. “*Balloting Agent*” means Epiq Bankruptcy Solutions, LLC, with offices at 757 Third Avenue, Third Floor, New York, NY 10017.

10. “*Bankruptcy Code*” means title 11 of the United States Code and applicable portions of titles 18 and 28 of the United States Code.

11. “*Bankruptcy Court*” means the United States Bankruptcy Court for the District of Delaware, or any other court having jurisdiction over the Chapter 11 Cases.

12. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, as amended from time to time, as applicable to the Chapter 11 Cases, promulgated under 28 U.S.C. § 2075 and the General, Local and Chambers Rules of the Bankruptcy Court, as amended from time to time.

13. “*Bar Date*” means (i) September 8, 2008, with respect to Claims other than Claims of Governmental Units, as established by order of the Bankruptcy Court dated July 31, 2008 and (ii) January 9, 2009, with respect to Claims of Governmental Units, as established by order of the Bankruptcy Court dated July 31, 2008.

14. “*Beneficial Holder*” means the Person or Entity holding the beneficial interest in a Claim or Equity Interest.

15. “*Business Day*” means any day, other than a Saturday, Sunday, “legal holiday” (as defined in Bankruptcy Rule 9006(a)) or any other day on which commercial banks in Delaware are required or are authorized to close by law or executive order.

16. “*Cash*” means legal tender of the United States of America or the equivalent thereof, including bank deposits and checks.

17. “*Carve-Out Reserve*” means the reserve account to be funded by the DIP Lenders on the Effective Date in the amount of the accrued and unpaid Professional fees through the Effective Date that are payable, upon allowance, under the Carve-Out (as defined in the DIP Financing) in accordance with the Budget (as defined in the Final DIP Order). The amount of the Carve-Out Reserve (i) through the Budget period ending January 16, 2009 and (ii) through the Effective Date, less any Professional fees Allowed and paid prior to the Effective Date, shall be provided in the Plan Supplement.

18. “*Cases*” or “*Chapter 11 Cases*” means the Chapter 11 cases styled *In re Syntax-Brilliant Corporation, et al.*, Case Number 08-11407 (BLS) (Jointly Administered), pending in the Bankruptcy Court.

19. “*Causes of Action*” means all Claims, actions, causes of action, choses in action, suits, debts, dues, damages, judgments, third-party claims, counterclaims, and crossclaims (including, but not limited to, all claims arising under state, federal or other non-bankruptcy law, and any avoidance, recovery, subordination or other actions against insiders and/or any other Persons or Entities under the Bankruptcy Code, including Sections 506, 510, 542, 543, 544, 545, 547, 548, 549, 550, 551, and 553 of the Bankruptcy Code or otherwise) of the Debtors or any Debtor, the Estates or any Estate (including, but not limited to, those actions described in Article

XII hereof) that are or may be pending or existing on the Effective Date, or which are based on any facts or circumstances occurring on or before the Effective Date, against any Person or Entity, based in law or equity, including, but not limited to, under the Bankruptcy Code, whether direct, indirect, known or unknown, derivative, or otherwise and whether asserted or unasserted as of the Effective Date, and including the Unknown Causes of Action, but shall not include any Sale Causes of Action, and shall not include any Causes of Action against SPC, the DIP Lenders, the Postpetition Agent, the Pre-Petition Lenders, the Pre-Petition Agent and/or their respective affiliates, officers, directors and agents.

20. “*Claim*” means a claim, as defined in Section 101(5) of the Bankruptcy Code, against a Debtor.

21. “*Claims Objection Deadline*” means five years after the Effective Date, or such later date as may be ordered by the Bankruptcy Court.

22. “*Class*” means a category of Holders of Claims or Equity Interests as set forth in Article IV herein.

23. “*Committee*” means the Official Committee of Unsecured Creditors appointed in the Cases.

24. “*Committee Members*” means the current and any former members of the Committee, each in their capacity as a member of the Committee.

25. “*Confirmation*” means the entry on the docket by the Clerk of the Bankruptcy Court of the Confirmation Order, subject to all conditions specified in Article X.A herein having been satisfied or waived pursuant to Article X.C herein.

26. “*Confirmation Date*” means the date upon which the Confirmation Order is entered by the Bankruptcy Court on its docket, within the meaning of Federal Rules of Bankruptcy Procedure 5003 and 9021.

27. “*Confirmation Hearing*” means the hearing or hearings at which the Bankruptcy Court considers entry of the Confirmation Order.

28. “*Confirmation Order*” means the order of the Bankruptcy Court confirming the Plan pursuant to Section 1129 of the Bankruptcy Code.

29. “*Creditor*” means any Holder of an Allowed Claim.

30. “*Creditor Representatives*” means (i) the Committee Member or other Person selected by the Committee to serve as Creditor Representative and (ii) until payment in full of the Lender Trust Claims, the Person selected by the Pre-Petition Lenders to serve as a Creditor Representative, each pursuant to the terms of the Liquidation Trust Agreement.

31. “*Customs Bond Refund*” means any refund received by the Debtors prior to the Effective Date or the Liquidation Trust after the Effective Date relating to or arising from any customs bond deposit.

32. “*Debtors*” or “*Debtors-in-Possession*” means Syntax-Brilliant Corporation, Syntax-Brilliant SPE, Inc. and Syntax Groups Corporation as debtors-in-possession in the Cases.

33. “*DIP Credit Agreement*” means the Postpetition Credit Agreement approved by the Final DIP Order, and all attendant notes, instruments, agreements and other documents, all as amended, modified, extended or supplemented from time to time.

34. “*DIP Facility Claims*” means any and all Claims of the DIP Lenders derived from, arising under or based upon the DIP Credit Agreement, the Interim DIP Order and/or the Final DIP Order, including the Adequate Protection Obligations. The DIP Facility Claims shall be Allowed Claims in the amount outstanding as of the Effective Date under the DIP Credit Agreement plus any amounts funded under the Plan by the DIP Lenders on the Effective Date (other than the Lender Trust Funding).

35. “*DIP Financing*” means the debtor-in-possession credit facility provided to the Debtors by the DIP Lenders in the Cases.

36. “*DIP Lenders*” means the lender or lenders from time to time under the DIP Credit Agreement.

37. “*Disclosure Statement*” means the Disclosure Statement for the Plan as it may be amended, supplemented, or modified from time to time, describing the Plan, that is prepared and distributed in accordance with Sections 1125, 1126(b) and/or 1145 of the Bankruptcy Code and Bankruptcy Rule 3018 and/or other applicable law.

38. “*Disputed*” means, with respect to any Claim or Equity Interest, as of the date of determination, any Claim or Equity Interest: (a) listed on the Schedules as unliquidated, disputed or contingent, unless and until it is Allowed pursuant to an order that is a Final Order; (b) as to which any Debtor or any other party-in-interest has Filed a timely objection or request for estimation in accordance with the Bankruptcy Code and the Bankruptcy Rules, which objection or request for estimation has not been withdrawn with prejudice or determined by a Final Order; (c) as to which the deadline for filing objections has not passed (whether or not an objection has been filed), unless and to the extent such Claim or Equity Interest has been Allowed pursuant to an order that is a Final Order; or (d) that is otherwise disputed by any of the Debtors, the Liquidation Trustee or any other party-in-interest, or is subject to any right of setoff or recoupment, or the Holder thereof is subject to any Claim or Cause of Action, in accordance with applicable law, which dispute, right of setoff or recoupment, Claim or Cause of Action, has not been withdrawn or determined in favor of such Holder by a Final Order.

39. “*Effective Date*” means the date which is the first Business Day after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect, and (b) all conditions specified in Article X.B herein have been (x) satisfied or (y) waived pursuant to Article X.C herein.

40. “*Entity*” means an entity as defined in Section 101(15) of the Bankruptcy Code.

41. “*Equity Interest*” means all equity interests in any of the Debtors, including, but not limited to, all issued, unissued, authorized or outstanding shares of stock and any and all warrants, options or contract rights to purchase or acquire such interests at any time.

42. “*Estate*” means the estate of each of the Debtors created pursuant to Section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases for each Debtor.

43. “*Excluded Assets*” means the Excluded Assets as defined in Section 2.2 of the Asset Purchase Agreement and as provided in the Sale Order (other than all Cash, Cash equivalents and short-term investments). Excluded Assets shall not include the Customs Deposit Refund.

44. “*File*” or “*Filed*” means file or filed with the Bankruptcy Court in the Chapter 11 Cases.

45. “*Final Decree*” means the decree contemplated under Bankruptcy Rule 3022.

46. “*Final DIP Order*” means that certain Final Order approving the DIP Credit Agreement, as entered by the Bankruptcy Court in the Chapter 11 Cases and dated August 7, 2008, as amended.

47. “*Final Order*” means an order of the Bankruptcy Court: (i) as to which the time to appeal, petition for certiorari or move for reargument, reconsideration or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for reargument, reconsideration or rehearing is pending; or (ii) if an appeal, writ of certiorari, reargument or rehearing thereof has been sought, such order has been affirmed by the highest court to which such order was appealed or from which certiorari was sought, reargument, reconsideration or rehearing has been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for reargument, reconsideration or rehearing has expired; provided, however, that the possibility of a motion under Rule 59 or 60 of the Federal Rules of Civil Procedure or any analogous Bankruptcy Rule being Filed with respect to such order, shall not cause such order to be deemed a non-Final Order.

48. “*General Unsecured Claim*” means (a) any general unsecured claim that is not (i) entitled to priority under section 507 of the Bankruptcy Code; (ii) subject to subordination under section 510 of the Bankruptcy Code, contract, or applicable non-bankruptcy law; or (iii) subordinated by an order of the Bankruptcy Court; and (b) the Pre-Petition Lender Agreed Deficiency Claim.

49. “*Governmental Unit*” has the meaning ascribed to it in Section 101(27) of the Bankruptcy Code.

50. “*Guarantor*” means Mr. Jung Jyh Wu a/k/a Mr. John Wu, as Guarantor under the Asset Purchase Agreement.

51. “*Holder*” means the Beneficial Holder of an Equity Interest or Claim.

52. “*Impaired*” means with respect to any Class of Claims or Equity Interests, a Claim or Equity Interest that is impaired within the meaning of Section 1124 of the Bankruptcy Code.

53. “*Impaired Claim*” or “*Impaired Equity Interest*” means a Claim or Equity Interest, as the case may be, classified in an Impaired Class.

54. “*Intercompany Claim*” means any Claim held by any direct or indirect subsidiary of any Debtors against any Debtor, or by any Debtor against any other Debtor.

55. “*Intercompany Interests*” means any and all Equity Interests of a Debtor or any subsidiary of a Debtor that are owned by any Debtor or any subsidiary of any Debtor as of the Record Date.

56. “*Interim DIP Order*” means that certain Interim Order approving the DIP Credit Agreement on an interim basis, as entered by the Bankruptcy Court in the Chapter 11 Cases and dated July 9, 2008.

57. “*Lender Trust*” means the trust to be established on the Effective Date in accordance with the Plan and the Lender Trust Agreement for the benefit of the Lender Trust Beneficiaries to which the Lender Trust Assets will be transferred. The Lender Trust shall conduct no business and shall qualify as a liquidation trust pursuant to Treasury Regulations § 301.7701-4(d).

58. “*Lender Trust Agreement*” means the trust agreement that, among other things, creates and establishes the Lender Trust, describes the powers, duties and responsibilities of the Lender Trustee, and provides for the liquidation and distribution of proceeds of the Lender Trust Assets, which trust agreement shall be substantially in the form filed in the Plan Supplement.

59. “*Lender Trust Assets*” means the Purchased Assets (other than as provided in the last sentence of this definition), Sale Causes of Action, Cash on hand as of the Effective Date (other than any Customs Bond Deposit), Cash equivalents and all short-term investments, all rights and interests in any tax refunds of the Debtors, and all rights to the Deposit (as defined in the Asset Purchase Agreement) and all interest earned thereon to the extent such moneys have not already been utilized to fund the administration of these Cases, and all insurance policies and proceeds relating to the foregoing (excluding those insurance policies and the proceeds thereof relating to or arising from the claims and causes of action against the Debtors’ present or former directors and officers that constitute property of the Debtors’ Estates which the Committee is prosecuting). Within 10 days prior to the Confirmation Hearing, the Pre-Petition Agent will designate in writing to the Debtors, Committee and United States Trustee which of the Purchased Assets will not be transferred to the Lender Trust.

60. “*Lender Trust Beneficiaries*” means the Holders of Pre-Petition Credit Facility Claims and DIP Facility Claims.

61. “*Lender Trust Claims*” means Claims against the Lender Trust in respect of Allowed Claims in Classes 1 through 3 (to the extent not previously paid) and Allowed Administrative Claims.

62. “*Lender Trust Funding*” shall mean the funding provided to the Lender Trust as provided herein.

63. “*Lender Trust Funding Reimbursement*” shall have the meaning given in Article III.C below.

64. “*Lender Trustee*” shall mean the Person selected by the Pre-Petition Lenders as designated in the Plan Supplement, or such other Person designated by the Pre-Petition Lenders.

65. “*Lien*” means any charge, lien, or encumbrance against, or interest in, property to secure payment of a debt or performance of an obligation, including a right of set off to secure payment of a debt or performance of an obligation.

66. “*Liquidation Trust*” means the liquidation trust established on the Effective Date, in accordance with the Plan and Liquidation Trust Agreement, for the benefit of the Liquidation Trust Beneficiaries to which the Liquidation Trust Assets will be transferred; the Liquidation Trust shall conduct no business and shall qualify as a liquidation trust pursuant to Treasury Regulations §301.7701-4(d).

67. “*Liquidation Trust Agreement*” means the trust agreement that, among other things, creates and establishes the Liquidation Trust, describes the powers, duties and responsibilities of the Liquidation Trustee, provides for the liquidation and distribution of proceeds of the Liquidation Trust Assets, and describes the powers, duties and responsibilities of the Creditor Representatives, which trust agreement shall be substantially in the form filed in the Plan Supplement.

68. “*Liquidation Trust Assets*” means all assets of the Debtors and the Estates as of the Effective Date, including, without limitation, the Causes of Action, the Customs Bond Refund, the Excluded Assets, and all rights of setoff and recoupment and other defenses that the Debtors and the Estates may have with respect to any Claim, except for and expressly excluding the Lender Trust Assets and all insurance policies and the proceeds related thereto related to or arising from the claims and causes of action against the Debtors’ present or former directors and officers that constitute property of the Debtors’ Estates which the Committee is prosecuting. The Liquidation Trust Assets shall also include any Lender Trust Assets remaining after the Lender Trust Claims have been satisfied in full.

69. “*Liquidation Trust Beneficiaries*” means the Holders of Allowed General Unsecured Claims, including Holders of the Pre-Petition Lender Agreed Deficiency Claim.

70. “*Liquidation Trust Funding*” means \$250,000.00 to be provided as of the Effective Date by the DIP Lenders to initially fund the Liquidation Trust as described in Article VI.A.1 hereof.

71. “*Liquidation Trust Funding Reimbursement*” shall have the meaning given in Article III.B below.

72. “*Liquidation Trustee*” means the Person selected by mutual agreement of the Pre-Petition Lenders and the Committee, as designated in the Plan Supplement, or, after the Effective

Date, such other Person appointed by the mutual agreement of the Creditor Representatives, or as otherwise determined by the Bankruptcy Court.

73. “*Non-Tax Priority Claims*” means any and all Claims accorded priority in right of payment under Section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or an Administrative Claim.

74. “*Official Bankruptcy Forms*” means the Official and Procedural Bankruptcy Forms, prescribed by the Judicial Conference of the United States, in accordance with Bankruptcy Rule 9009.

75. “*Other Secured Claims*” means any and all Secured Claims other than the Secured Tax Claims, DIP Facility Claims and Pre-Petition Credit Facility Claims.

76. “*Person*” means a person as defined in Section 101(41) of the Bankruptcy Code.

77. “*Petition Date*” means July 8, 2008.

78. “*Plan*” means this liquidating plan pursuant to Chapter 11 of the Bankruptcy Code, together with all exhibits hereto, either in its present form or as it may be altered, amended, modified or supplemented from time to time in accordance with the terms hereof, the Bankruptcy Code and the Bankruptcy Rules.

79. “*Plan Proponents*” or “*Proponents*” means the Debtors as proponents of the Plan.

80. “*Plan Supplement*” means the compilation of documents and form of documents, schedules and exhibits to be Filed on or before ten (10) days prior to the Voting Deadline and which may be amended from time to time until Confirmation.

81. “*Postpetition Agent*” means the Postpetition Agent as defined in the Interim DIP Order and Final DIP Order.

82. “*Pre-Petition Credit Facility*” means that certain *Credit and Guaranty Agreement*, dated October 26, 2007, as amended or modified, entered into by and among the Debtors, certain lenders, and Silver Point Finance, LLC, as administrative agent, collateral agent, and lead arranger for (1) a term loan in the aggregate principal amount of \$150,000,000, consisting of two tranches, (a) a \$110,000,000 term loan and (b) a \$40,000,000 term loan, and (2) a revolving credit facility with a maximum commitment of \$100,000,000.

83. “*Pre-Petition Credit Facility Claims*” means claims of the Pre-Petition Lenders and the Pre-Petition Agent under the Pre-Petition Credit Facility, which are Allowed in the amount of \$125,000,000.

84. “*Pre-Petition Lender Agreed Deficiency Claim*” means Pre-Petition Credit Facility Claims to be asserted against the Liquidation Trust and which are Allowed in the amount of \$70,000,000; provided, that in no event shall the recovery by the Pre-Petition Lenders on the Pre-Petition Lender Agreed Deficiency Claim and the Pre-Petition Lender Agreed Secured Claim exceed the amount of the Allowed Pre-Petition Credit Facility Claims.

85. “*Pre-Petition Agent*” means the Prepetition Agent as defined in the Interim DIP Order and Final DIP Order.

86. “*Pre-Petition Lender Agreed Secured Claim*” means Pre-Petition Credit Facility Claims to be asserted against the Lender Trust which are Allowed in the amount of \$125,000,000.00; provided, that in no event shall the recovery by the Pre-Petition Lenders on the Pre-Petition Lender Agreed Deficiency Claim and the Pre-Petition Lender Agreed Secured Claim exceed the amount of the Allowed Pre-Petition Credit Facility Claims.

87. “*Pre-Petition Lenders*” means those certain lenders party to the Pre-Petition Credit Facility from time to time.

88. “*Priority Tax Claim*” means an unsecured Claim of a Governmental Unit of the kind specified in Section 507(a)(8) of the Bankruptcy Code.

89. “*Professional*,” or collectively “*Professionals*,” means a Person or Entity employed pursuant to a Final Order in accordance with Sections 327 or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Confirmation Date, pursuant to Sections 327, 328, 329, 330 and 331 of the Bankruptcy Code, or for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to Section 503(b)(4) of the Bankruptcy Code.

90. “*Professional Fee Claims*” means all fees and expenses (including, but not limited to, transaction fees and success fees) for services rendered by Professionals in the Chapter 11 Cases.

91. “*Pro Rata*” means the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of all Allowed Claims in such Class.

92. “*Proof of Claim*” has the meaning ascribed to it in Bankruptcy Rule 3001.

93. “*Purchased Assets*” means the Purchased Assets as defined in Section 2.1 of the Asset Purchase Agreement including those assets which were to be sold to the Purchaser and/or conveyed to the Pre-Petition Lenders.

94. “*Purchaser*” means Olevia International Group, LLC.

95. “*Record Date*” means February 18, 2009, as the date to be established for the purpose of determining those Holders of Allowed Claims that are entitled to vote to accept or reject this Plan.

96. “*Residual Equity Assets*” means as determined from time to time by the Liquidating Trustee, in consultation with the Creditor Representatives, any unrestricted Cash of the Debtors’ Estates on or after the Effective Date, after payment in full (together with post-petition interest, as applicable) of (i) Professional Fee Claims, (ii) Allowed Administrative Claims, (iii) the Liquidation Trust Funding Reimbursement, (iv) DIP Facility Claims, (v) Allowed Non-Tax Priority Claims, (vi) Allowed Priority Tax Claims, (vii) Allowed Secured Tax Claims, (viii) Allowed Other Secured Claims, (ix) Allowed Pre-Petition Credit Facility Claims,

(x) Allowed General Unsecured Claims, and (xi) expenses of the Lender Trust and Liquidation Trust, in accordance with Article IV of the Plan.

97. *"Sale Causes of Action"* means all Claims, actions, causes of action, choses in action, suits, debts, dues, damages, judgments, third-party claims, counterclaims, and crossclaims of the Debtors or any Debtor, the Estates or any Estate arising out of or related to the Asset Purchase Agreement, the documents or instruments executed in connection with or related to the Asset Purchase Agreement and/or the Purchased Assets, that are or may be (i) pending or existing on the Effective Date, or (ii) based on any facts or circumstances occurring on or before the Effective Date, against any Person or Entity, including but not limited to the Purchaser, the Guarantor, and their respective officers, directors and affiliates, based in law or equity, whether direct, indirect, whether known or unknown, derivative, or otherwise and whether asserted or unasserted as of the date of entry of the Confirmation Order. For the avoidance of doubt, Sale Causes of Action shall include all rights, claims and causes of action under or related to: (i) the adversary proceeding commenced by the Debtors styled "Syntax-Brilliant Corporation, Syntax-Brilliant SPE, Inc., and Syntax Groups Corporation, Plaintiffs v. Olevia International Group, LLC and Jung-Jy Wu (a/k/a John Wu), Defendants, Adversary Proceeding No. 08-51409 (BLS); (ii) the Sale Order; (iii) the Order Denying Emergency Motion of Olevia International Group, LLC and Entering Judgment in Favor of Plaintiffs, Adversary Proceeding Docket No. 26, entered on October 10, 2008; and (iv) the Order and Judgment of Civil Contempt, Adversary Proceeding Docket No. 47, entered on October 28, 2008, but shall not include any claims or causes of action arising under chapter 5 of the Bankruptcy Code (which shall be Liquidation Trust Assets).

98. *"Sale Order"* means that certain Order (I) Approving Sale of Certain of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Other Interests Pursuant to Bankruptcy Code Sections 105, 363(b), (f) and (m); (II) Authorizing the Assumption, Assignment, and Sale of Certain Executory Contracts and Unexpired Leases Pursuant to Bankruptcy Code Sections 363 and 365; and (III) Granting Related Relief entered as docket number 317 in the Debtors' Chapter 11 Cases on August 25, 2008.

99. *"SBC Asset Holding"* means SBC Asset Holding Corp., formerly known as Vivitar Corporation, a wholly-owned, non-Debtor subsidiary of Syntax-Brilliant Corporation.

100. *"Schedules"* mean the schedules of assets and liabilities, schedules of executory contracts, and the statement of financial affairs that were filed by the Debtors in accordance with section 521 of the Bankruptcy Code, the Official Bankruptcy Forms and the Bankruptcy Rules, as they may be amended and supplemented from time to time.

101. *"Secured Claim"* means (a) a Claim that is secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected and enforceable under applicable law or by reason of a Final Order, or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Creditor's interest in the Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code, or (b) a Claim Allowed under this Plan as a Secured Claim.

102. *"Secured Tax Claim"* means a Secured Claim for taxes held by a governmental unit, including cities, counties, school districts and hospital districts (a) entitled by statute to

assess taxes based on the value or use of real and personal property and/or to obtain an encumbrance against such property to secure payment of taxes or (b) entitled to obtain an encumbrance on property to secure payment of any tax claim specified in section 507(a)(8) of the Bankruptcy Code.

103. “*Substantive Consolidation Order*” means the Order of the Bankruptcy Court substantively consolidating the Estates (which may be part of the Confirmation Order).

104. “*SPC*” means Silver Point Finance, LLC and its successors and assigns.

105. “*Tempe Lease*” shall mean the short term lease governing the use of office space for the Debtors and, upon the Effective Date, the Liquidation Trust, as successor, located at 1600 North Desert Drive, Tempe, Arizona 85281.

106. “*Unimpaired*” means, with respect to a Class of Claims, a Claim that is unimpaired within the meaning of Section 1124 of the Bankruptcy Code.

107. “*Unknown Causes of Action*” has the meaning set forth in Article XII.B of the Plan.

108. “*Voting Deadline*” means the deadline to vote on the Plan as may be set by the Bankruptcy Court.

109. “*Voting Instructions*” means the instructions for voting on the Plan contained in Article V of the Disclosure Statement and in the Ballots.

ARTICLE II

SUBSTANTIVE CONSOLIDATION OF ASSETS AND LIABILITIES OF DEBTORS; CANCELLATION OF INTERCOMPANY CLAIMS

A. *Substantive Consolidation*

Pursuant to the Substantive Consolidation Order, upon the Effective Date, the Debtors’ Estates and all of the debts of all of the Debtors will be substantively consolidated for purposes of treating the Claims pursuant to Article IV hereof, including for voting, confirmation and distribution purposes. The entry of the Substantive Consolidation Order shall not be interpreted or enforced in any way so as to enhance any right, claim, lien, mortgage or security interest of any Holder of a Secured Claim. The Estates shall be substantively consolidated as of the Effective Date of the Plan. Nothing in the Substantive Consolidation Order shall: (i) alter the state of incorporation of any Debtor for purposes of determining the applicable law of any of the Causes of Action or Sale Causes of Action, (ii) alter or impair the legal and equitable rights of the Liquidation Trust or the Lender Trust to enforce any of the Causes of Action or Sale Causes of Action, respectively or (iii) otherwise impair, release, discharge, extinguish or affect any of the Causes of Action or Sale Causes of Action or issues raised as a part thereof.

If the Bankruptcy Court determines that the Plan is confirmable except for the foregoing provision for substantive consolidation, the Plan Proponents shall seek confirmation of the Plan without substantive consolidation so that distributions hereunder shall be made to Holders of Allowed Claims against each Debtor separately from distributions in the cases of the other Debtors.

B. *Cancellation of Intercompany Claims*

In the event the Estates are substantively consolidated, all Intercompany Claims and Intercompany Interests will be extinguished except as necessary to preserve the Causes of Action and Sale Causes of Action and the other Liquidation Trust Assets and Lender Trust Assets. Further, all Claims which lie or could lie against more than one Debtor shall be Allowed, if at all, as a single claim against the Debtors' Estates.

ARTICLE III

UNCLASSIFIED CLAIMS AGAINST THE DEBTORS

A. *Administrative Claims*

1. Administrative Claims Bar Dates

Pursuant to the Bankruptcy Court's Administrative Claim Bar Date Order dated July 31, 2008, requests for allowance of Administrative Claims that arose on or before September 8, 2008 were required to be Filed no later than September 8, 2008, in accordance with the Administrative Claim Bar Date Order. Any request for allowance of any other Administrative Claim, including, without limitation, Professional Fee Claims, and Administrative Claims accruing between September 8, 2008 and April 10, 2009, shall be Filed no later than April 10, 2009 at 5:00 p.m. (Eastern time) as established by the Bankruptcy Court's Order (A) Fixing Deadline for Filing Requests for Allowance of Administrative Expense Claims Incurred Between September 8, 2008 and April 10, 2009 and (B) Designating Form and Manner of Notice Thereof [Docket No. 989] (the "**Second Administrative Claims Bar Date**"). Any request for allowance of any other Administrative Claim, including, without limitation, Professional Fee Claims, and Administrative Claims accruing between this Second Administrative Claims Bar Date and the Effective Date, shall be Filed no later than thirty (30) days after the Effective Date.

Objections to Professional Fee Claims shall be due no later than twenty (20) days after the respective Professional Fee Claims have been Filed. Any Holder of an Administrative Claim who fails to file a timely request for the allowance of an Administrative Claim: (i) shall be forever barred, estopped and enjoined from asserting such Administrative Claim against the Debtors or the Liquidation Trust Assets or Lender Trust Assets (or filing a request for the allowance thereof), and the Debtors, their property, the Liquidation Trust Assets and Lender Trust Assets shall be forever discharged from any and all indebtedness or liability with respect to such Administrative Claim; and (ii) such Holder shall not be permitted to participate in any distribution under the Plan on account of such Administrative Claim.

2. Treatment

Unless otherwise agreed by the Holder of an Allowed Administrative Claim, Allowed Administrative Claims will be paid in full in Cash on the Effective Date, or if Allowed after the Effective Date, as soon as practicable thereafter from the Carve-Out Reserve or from the Lender Trust Funding and Lender Trust Assets, as applicable.

B. *Liquidation Trust Funding Reimbursement*

Notwithstanding anything contained in this Plan to the contrary, the Liquidation Trust Funding shall be paid in full from the proceeds of the Liquidation Trust Assets. The amount to be paid pursuant to this paragraph with respect to such funding is referred to herein as the "Liquidation Trust Funding Reimbursement." The Liquidation Trust Funding Reimbursement shall be paid in Cash in full prior to the payment of any Claims of the Liquidation Trust Beneficiaries, all as more fully provided in the Liquidation Trust Agreement, but after the payment of Allowed Administrative Claims and Allowed Priority Claims.

The Debtors shall timely pay to Anthony Ostlund all fees and expenses for services rendered and expenses incurred in connection with the Chapter 11 Cases. After the Effective Date, the DIP Lenders shall be paid (i) solely from the Custom Bond Refund, an amount equal to the fees and expenses actually paid by the Debtors' estates to Anthony Ostlund for services rendered and expenses incurred between December 1, 2008 and February 13, 2009 in connection with the Chapter 11 Cases and (ii) from the Liquidation Trust Assets, including, but not limited to the Custom Bond Refund, an amount equal to the fees and expenses actually paid by the Debtors' estates to Anthony Ostlund for services rendered and expenses incurred after February 13, 2009 through the Effective Date in connection with the Chapter 11 Cases. Any payment made to the DIP Lenders pursuant to this paragraph shall be made pursuant to the priority of distributions set forth in Article VIII,A.1 of the Plan.

In addition to the foregoing, the following amount shall be reimbursed to the DIP Lenders to the extent that such amount has been paid by the Debtors prior to the Effective Date or is included in the Carve-Out Reserve or is otherwise funded by the DIP Lenders: one half of any increase in compensation payable to Michael Miller for the period subsequent to February 15, 2009 through the Effective Date. Any payment made to the DIP Lenders pursuant to this paragraph shall be made pursuant to the priority of distributions set forth in Article VIII,A.1 of the Plan.

C. *Lender Trust Funding Reimbursement*

Notwithstanding anything contained in this Plan to the contrary, the Lender Trust Funding, including all amounts funded by any of the Pre-Petition Lenders or DIP Lenders to the Lender Trust pursuant to Article VI.B.2.C of the Plan or otherwise, shall be paid in full from the proceeds of the Lender Trust Assets. The amount to be paid pursuant to this paragraph with respect to such funding is referred to herein as the "Lender Trust Funding Reimbursement." The Lender Trust Funding Reimbursement shall be paid in Cash in full after the payment of all Allowed Administrative Claims and Allowed Priority Claims, but prior to the payment of any

other Claims of the Lender Trust Beneficiaries, all as more fully provided in the Lender Trust Agreement.

D. *DIP Facility Claims*

Unless otherwise agreed to by the Holder of an Allowed DIP Facility Claim and the Proponents, each Holder of an Allowed DIP Facility Claim shall receive, in full and final satisfaction of such Allowed DIP Facility Claim (i) its Pro Rata distributions from the Lender Trust, as provided therein, until the earlier of such time as (x) the DIP Facility Claims are paid in full or (y) the Lender Trust Assets are exhausted.

ARTICLE IV

**CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS
AND EQUITY INTERESTS**

A. *Summary*

The categories of Claims and Equity Interests listed below classify Claims against and Equity Interests in the Debtors for all purposes, including voting, confirmation and distribution pursuant hereto and pursuant to Sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Equity Interest shall be deemed classified in a particular Class only to the extent that the Claim or Equity 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 Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that such Claim or Equity Interest is Allowed in that Class and has not been paid or otherwise satisfied prior to the Effective Date.

THIS PLAN SUBSTANTIVELY CONSOLIDATES THE DEBTORS' ESTATES AS DESCRIBED IN ARTICLE II HEREIN. THE COMBINED CASH AND OTHER ASSETS OF ALL OF THE DEBTORS SHALL SATISFY THE ALLOWED CLAIMS AGAINST THE DEBTORS OR THEIR ESTATES AS PROVIDED HEREIN.

Summary of Classification and Treatment of Claims and Equity Interests

<u>Class</u>	<u>Claim</u>	<u>Status</u>	<u>Voting Right</u>
1	Non-Tax Priority Claims	Unimpaired	Deemed to accept
2	Priority Tax Claims	Unimpaired	Deemed to accept
3	Secured Tax Claims	Unimpaired	Deemed to accept
4	Other Secured Claims	Unimpaired	Deemed to accept
5	Pre-Petition Credit Facility Claims	Impaired	Entitled to vote
6	General Unsecured Claims	Impaired	Entitled to vote
7	Equity Interests	Impaired	Deemed to reject

1. Class 1 – Non-Tax Priority Claims

(a) *Classification:* Class 1 comprises the Non-Tax Priority Claims against the Debtors.

(b) *Treatment:* The Plan will not alter any of the legal, equitable and contractual rights of the Holders of Non-Tax Priority Claims. Unless otherwise agreed to by the Holder of an Allowed Non-Tax Priority Claim and the Pre-Petition Agent, each Holder of an Allowed Non-Tax Priority Claim shall be paid (i) in full, in Cash on the Effective Date, or (ii) if such Allowed Non-Tax Priority Claim is allowed after the Effective Date, as soon as practicable thereafter from the Lender Trust Funding; or (iii) on such other day as agreed to by the Lender Trustee and such Creditor, or as otherwise ordered by the Bankruptcy Court.

(c) *Voting:* Class 1 is Unimpaired and the Holders of Class 1 Claims are conclusively deemed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 1 are not entitled to vote to accept or reject the Plan.

2. Class 2 – Priority Tax Claims

(a) *Classification:* Class 2 comprises the Priority Tax Claims against the Debtors.

(b) *Treatment:* The Plan will not alter any of the legal, equitable and contractual rights of the Holders of Priority Tax Claims. Unless otherwise agreed to by the Holder of an Allowed Priority Tax Claim and the Pre-Petition Agent, each Holder of an Allowed Priority Tax Claim shall be paid (i) in full, in Cash on the Effective Date, or (ii) if such Priority Tax Claim is allowed after the Effective Date, as soon as practicable thereafter from the Lender Trust Funding; or (iii) on such other day as agreed to by the Lender Trustee and such Creditor, or as otherwise ordered by the Bankruptcy Court.

(c) *Voting:* Class 2 is Unimpaired and the Holders of Class 2 Claims are conclusively deemed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 2 are not entitled to vote to accept or reject the Plan.

3. Class 3 – Secured Tax Claims

(a) *Classification:* Class 3 comprises the Secured Tax Claims against the Debtors.

(b) *Treatment:* The Plan will not alter any of the legal, equitable and contractual rights of the Holders of Secured Tax Claims. Unless otherwise agreed to by the Holder of an Allowed Secured Tax Claim and the Pre-Petition Agent, each Holder of an Allowed Secured Tax Claim shall be paid in full, in Cash on the Effective Date, or if allowed after the Effective Date, as soon as practicable thereafter from the Lender Trust Funding; or at the option of the Proponents, over a period not to exceed six years from

the date of assessment, together with interest thereon at such a rate as may be required under the Bankruptcy Code.

(c) *Voting:* Class 3 is Unimpaired and the Holders of Class 3 Claims are conclusively deemed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 3 are not entitled to vote to accept or reject the Plan.

4. Class 4 – Other Secured Claims

(a) *Classification:* Class 4 comprises the Other Secured Claims against the Debtors.

(b) *Treatment:* The Plan will not alter any of the legal, equitable and contractual rights of the Holders of Other Secured Claims. Unless otherwise agreed to by the Holder of an Allowed Other Secured Claim and the Proponents, the collateral subject to the Allowed Other Secured Claim shall be abandoned to the Creditor as of the Effective Date in full satisfaction of the Allowed Other Secured Claim.

(c) *Voting:* Class 4 is Unimpaired and the Holders of Class 4 Claims are conclusively deemed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 4 are not entitled to vote to accept or reject the Plan.

5. Class 5—Pre-Petition Credit Facility Claims

(a) *Classification:* Class 5 comprises the Pre-Petition Credit Facility Claims.

(b) *Treatment:* Holders of Allowed Class 5 Claims shall receive, in full and final satisfaction of their Allowed Class 5 Claims (i) after payment in full of Allowed DIP Facility Claims, Allowed Administrative Claims, the Lender Trust Funding Reimbursement and Allowed Claims in Classes 1 through 3, their Pro Rata distributions from the Lender Trust until the Lender Trust Assets are exhausted and (ii) as to the Pre-Petition Lender Agreed Deficiency Claim, their Pro Rata distributions from the Liquidation Trust until the Liquidation Trust Assets are exhausted.

(c) *Voting:* Class 5 is Impaired and the Holders of Class 5 Claims are entitled to vote to accept or reject the Plan.

(d) *Order of Distributions from Lender Trust and Liquidation Trust:* Distributions on the Pre-Petition Credit Facility Claims shall be made from the Lender Trust and distributions on the Pre-Petition Lender Agreed Deficiency Claim shall be made from the Liquidation Trust. The distributions from the Lender Trust and Liquidation Trust shall be handled as follows:

(i) The Pre-Petition Lender Agreed Secured Claim shall be entitled to be paid in full from the Lender Trust Assets.

(ii) The Pre-Petition Lender Agreed Deficiency Claim will be entitled to recover from the Liquidation Trust Assets up to the Allowed amount of that Claim; provided, that to the extent the Pre-Petition Lenders actually receive any distributions on the Pre-Petition Lender Agreed Deficiency Claim such distribution shall reduce the Pre-Petition Lender Agreed Secured Claim which thereafter can recover from the Lender Trust Assets dollar for dollar.

(iii) After the Pre-Petition Lenders have received Cash distributions on account of the Pre-Petition Lender Agreed Secured Claim from the Lender Trust or from any other third party in an amount equal to \$55 million, any further Cash distributions from the Lender Trust or from such third-parties on account of the Pre-Petition Lender Agreed Secured Claim shall reduce such claim and the Pre-Petition Lender Agreed Deficiency Claim dollar for dollar. For purposes of this clause (iii) any amounts received from third parties shall be reduced by the costs and expenses (including reasonable attorneys' fees and expenses) incurred in connection with obtaining such amounts and such costs and expenses shall not count toward the \$55 million amount set forth above.

6. Class 6—General Unsecured Claims

(a) *Classification:* Class 6 comprises the General Unsecured Claims against the Debtors.

(b) *Treatment:* Holders of Allowed Class 6 Claims shall receive, in full and final satisfaction of their Allowed Class 6 Claims, after payment in full of expenses of the Liquidation Trust, and after payment in full of the Liquidation Trust Funding Reimbursement and all other amounts provided for in Article III.B, their Pro Rata (including the Pre-Petition Lender Agreed Deficiency Claim) distributions from the Liquidation Trust.

(c) *Voting:* Class 6 is Impaired and the Holders of Class 6 Claims are entitled to vote to accept or reject the Plan.

7. Class 7—Equity Interests

(a) *Classification:* Class 7 comprises the Equity Interests in the Debtors.

(b) *Treatment:* On the Effective Date, Class 7 Equity Interests will be cancelled. Holders of Allowed Equity Interests will not receive any distribution of any kind under the Plan on account of Allowed Equity Interests; provided, however, that if prior to the closing of the Chapter 11 Cases the Liquidating Trustee, in consultation with the Creditor Representatives, determines that Residual Equity Assets are available for distribution to Holders of Allowed Equity Interests (meaning that additional assets are available after satisfying in full all other pre- and post-Petition Date claims), then, upon reasonable notice to the Holders of Allowed Equity Interests as of the Equity Interest Record Date (which will be March 11, 2009), and to the United States Trustee, the Liquidating Trustee will file a motion with the Bankruptcy Court requesting approval of procedures for making distributions to the Holders of Allowed Equity Interests as of the

Equity Interest Record Date. The Debtors do not believe that any assets will be available for such distributions.

(c) Voting: Class 7 is Impaired and the Holders of Class 7 Equity Interests are deemed to reject the Plan.

ARTICLE V

ACCEPTANCE OR REJECTION OF THE PLAN

A. *Voting Classes*

Holders of Claims in each Impaired Class of Claims are entitled to vote as a class to accept or reject the Plan. Each Holder of an Allowed Class 5 Claim or Allowed Class 6 Claim shall be entitled to vote to accept or reject the Plan. Class 7 is deemed to reject the Plan because the Holders of Class 7 Equity Interests will receive no distribution on account of their Equity Interests.

B. *Acceptance by Impaired Classes*

An Impaired Class of Claims shall be deemed to have accepted the Plan if (a) the Holders (other than any Holder designated under Section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Claims actually voting in such Class have voted to accept the Plan and (b) the Holders (other than any Holder designated under Section 1126(e) of the Bankruptcy Code) of more than one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

C. *Presumed Acceptance of the Plan*

Class 1, Class 2, Class 3 and Class 4 are Unimpaired under the Plan, and, therefore, are presumed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code.

D. *Non-Consensual Confirmation*

To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Proponents will request confirmation of the Plan under Section 1129(b) of the Bankruptcy Code. The Proponents reserve the right to alter, amend, modify, revoke or withdraw this Plan or any document in the Plan Supplement, including to amend or modify it to satisfy the requirements of Section 1129(b) of the Bankruptcy Code, if necessary.

ARTICLE VI

PROVISIONS FOR IMPLEMENTATION OF THE PLAN

A. *Establishment of the Liquidation Trust and the Lender Trust*

1. *The Liquidation Trust*

Establishment of the Liquidation Trust

On the Effective Date, the Debtors and the Liquidation Trustee shall execute the Liquidation Trust Agreement and shall take all other steps necessary to establish the Liquidation Trust in accordance with the Plan. Notwithstanding any prohibition of assignability under applicable non-bankruptcy law, on the Effective Date and periodically thereafter if additional Liquidation Trust Assets become available, the Debtors shall be deemed to have automatically transferred to the Liquidation Trust all of their right, title, and interest in and to all of the Liquidation Trust Assets, and in accordance with Section 1141 of the Bankruptcy Code, all such assets shall automatically vest in the Liquidation Trust free and clear of all Claims and Liens, subject only to the Allowed Claims of the Liquidation Trust Beneficiaries as set forth in the Plan and the expenses of the Liquidation Trust as provided in the Liquidation Trust Agreement. Thereupon, the Debtors shall have no interest in or with respect to the Liquidation Trust Assets or the Liquidation Trust. In connection with the vesting and transfer of the Liquidation Trust Assets, including rights and Causes of Action, any attorney-client privilege, work-product protection, or other privilege or immunity attaching to any documents or communications (whether written or oral) transferred to the Liquidation Trust shall vest in the Liquidation Trust. The Debtors and the Liquidation Trustee are authorized to take all necessary actions to effectuate the transfer of such privileges, protections and immunities.

Any refund received by the Debtors relating to or arising from any Customs Bond Deposit shall be segregated by the Debtors and, upon the establishment of the Liquidation Trust on the Effective Date, be transferred to the Liquidation Trust.

To effectively investigate, defend or pursue the Causes of Action and the Liquidation Trust Assets, the Debtors, the Liquidation Trust, the Creditor Representatives and the Liquidation Trustee, and all counsel thereto, must be able to exchange information with each other on a confidential basis and cooperate in common interest efforts without waiving any applicable privilege. Given the common interests of the parties and the Liquidation Trust's position as successor to the Causes of Action, sharing such information among the Debtors, the Liquidation Trust, the Creditor Representatives or their respective counsel shall not waive or limit any applicable privilege or exemption from disclosure or discovery related to such information.

Treatment of Liquidation Trust for Federal Income Tax Purposes; No Successor in-Interest

The Liquidation Trust shall be established for the primary purpose of liquidating its assets, in accordance with Treas. Reg. § 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Liquidation Trust. Accordingly, the Liquidation Trustee shall in an expeditious but orderly manner, liquidate and convert to Cash the Liquidation Trust Assets, including the Causes of Action, make timely distributions to the Liquidation Trust Beneficiaries and not unduly prolong its duration. The Liquidation Trust shall not be deemed a successor-in-interest of the Debtors for any purpose other than as specifically set forth herein or in the Liquidation Trust Agreement.

The Liquidation Trust is intended to qualify as a "grantor trust" for federal income tax purposes with the Liquidation Trust Beneficiaries treated as grantors and owners of the Liquidation Trust. For all federal income tax purposes, all parties (including, without limitation, the Debtors, the Liquidation Trustee, and the Liquidation Trust Beneficiaries) shall treat the transfer of the Liquidation Trust Assets by the Debtors to the Liquidation Trust, as set forth in the Liquidation Trust Agreement, as a transfer of such assets by the Debtors to the Holders of Allowed Claims of Liquidation Trust Beneficiaries entitled to distributions from the Liquidation Trust Assets, followed by a transfer by such Holders to the Liquidation Trust. Thus, the Liquidation Trust Beneficiaries shall be treated as the grantors and owners of a grantor trust for federal income tax purposes.

As soon as practicable after the Effective Date, the Liquidation Trustee (to the extent that the Liquidation Trustee deems it necessary or appropriate in his or her sole discretion) shall value the Liquidation Trust Assets based on the good faith determination of the Liquidation Trust and shall apprise the Creditor Representatives of such valuation. The valuation shall be used consistently by all parties (including the Debtors, the Liquidation Trustee, and the Liquidation Trust Beneficiaries) for all federal income tax purposes. The Bankruptcy Court shall resolve any dispute regarding the valuation of the Liquidation Trust Assets.

The right and power of the Liquidation Trustee to invest the Liquidation Trust Assets transferred to the Liquidation Trust, the proceeds thereof, or any income earned by the Liquidation Trust, shall be limited to the right and power to (i) invest such Liquidation Trust Assets (pending distributions in accordance with the Plan) in (a) short-term direct obligations of, or obligations guaranteed by, the United States of America, (b) short-term obligations of any agency or corporation which is or may hereafter be created by or pursuant to an act of the Congress of the United States as an agency or instrumentality thereof or (c) such other investments as the Bankruptcy Court and the Creditor Representatives may approve from time to time; or (ii) deposit such assets in demand deposits or certificates of deposit at any bank or trust company, which has, at the time of the deposit, a capital stock and surplus aggregating at least \$1,000,000,000 (collectively, the "Permissible Investments"); provided, however, that the scope of any such Permissible Investments shall be limited to include only those investments that a liquidating trust, within the meaning of Treas. Reg. § 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements or otherwise.

Subject to the provisions of this Article VI, the Liquidation Trustee shall distribute to the Liquidation Trust Beneficiaries all net cash income plus all net cash proceeds from the liquidation of the Liquidation Trust Assets (including as Cash for this purpose, all cash equivalents) at such time intervals as decided by the Liquidation Trustee in his or her discretion, after consultation with the Creditor Representatives pursuant to the terms of the Plan. The Liquidation Trust shall make distributions no less frequently than once per twelve-month period, such period to be measured from the Effective Date; provided however, that the Liquidation Trustee may, in his or her sole discretion, cause the Liquidation Trust to retain an amount of net cash proceeds or net cash income reasonably necessary to maintain the value of its assets or to meet Claims and contingent liabilities (including Disputed Claims). The Liquidation Trustee may also determine that in a given period or on the anniversary of the Effective Date, there are insufficient assets to make a distribution.

The Liquidation Trustee shall require any Liquidation Trust Beneficiary or other distributee to furnish to the Liquidation Trustee in writing his or its Employer or Taxpayer Identification Number as assigned by the Internal Revenue Service and the Liquidation Trustee may condition any distribution to any Liquidation Trust Beneficiary or other distributee upon receipt of such identification number.

Funding of the Liquidation Trust

The Liquidation Trust Funding Amount shall be provided by the DIP Lenders in the initial amount of \$250,000.00.

Appointment of the Liquidation Trustee

From and after the Effective Date, the Liquidation Trustee shall serve as trustee of the Liquidation Trust, and shall have all powers, rights and duties of a trustee, as set forth in the Liquidation Trust Agreement. Among other things, the Liquidation Trustee shall: (i) hold and administer the Liquidation Trust Assets, including the Causes of Action, (ii) have the sole authority and discretion on behalf of the Liquidation Trust to evaluate and determine strategy with respect to the Causes of Action, and to litigate, settle, transfer, release or abandon any and all Causes of Action on behalf of the Liquidation Trust, in each case, on any terms and conditions as it may determine in good faith based on the best interests of the Liquidation Trust Beneficiaries, and subject to the approval of the Creditor Representatives as provided in the Liquidation Trust Agreement, (iii) have the power and authority to retain, as an expense of the Liquidation Trust and subject to the approval of the Creditor Representatives, attorneys, advisors, other professionals and employees as may be appropriate to perform the duties required of the Liquidation Trustee hereunder or in the Liquidation Trust Agreement, (iv) make distributions to the Liquidation Trust Beneficiaries as provided in the Liquidation Trust Agreement and the Plan, (v) have the right to receive reasonable compensation for performing services as Liquidation Trustee and to pay the reasonable fees, costs and expenses of any counsel, professionals, advisors or employees as may be necessary to assist the Liquidation Trustee in performing the duties and responsibilities required under the Plan and the Liquidation Trust Agreement, (vi) file, litigate, settle, compromise or withdraw objections to Claims as set forth in Article IX.A herein, and (vii) provide periodic reports and updates to the Creditor Representatives regarding the status of the administration of the Liquidation Trust Assets, including the Causes of Action, and the assets, liabilities and transfers of the Liquidation Trust. In the event the Liquidation Trustee is no longer willing or able to serve as trustee, then the successor shall be appointed by the mutual agreement of the Creditor Representatives, or as otherwise determined by the Bankruptcy Court, and notice of the appointment of such Liquidation Trustee shall be filed with the Bankruptcy Court.

Appointment of the Creditor Representatives

Prior to the Confirmation Hearing, the Committee shall appoint one Committee Member to serve as a Creditor Representative under the Liquidation Trust Agreement. Also prior to the Confirmation Hearing, the Pre-Petition Lenders shall appoint one representative to serve as a Creditor Representative under the Liquidation Trust Agreement. In the event any such Committee Member or representative of the Pre-Petition Lenders is no longer willing or able to

serve as a Creditor Representative, then the Creditor Representative may thereafter appoint any other Committee Member or representative of the Pre-Petition Lenders, as applicable, to serve as successor Creditor Representative by providing notice to the Liquidation Trustee. The Liquidation Trustee shall file notice of such appointment with the Bankruptcy Court. The Creditor Representatives shall: (i) have access to all reports, documents, memoranda and other work product of the Liquidation Trustee related to the Causes of Action and the Liquidation Trust Assets, and, to the extent such items are subject to any privilege or protection against disclosure, the Creditor Representatives and Liquidation Trustee shall enter into a common interest and joint privilege and non-disclosure agreements containing customary terms and conditions, (ii) have the right to monitor the actions of the Liquidation Trustee and to receive monthly status reports from the Liquidation Trustee as to the status of the litigation, settlement, administration and pursuit of the Causes of Action, (iii) have the right of reimbursement from the Liquidation Trust Assets of any reasonable and necessary expenses incurred in connection with serving as Creditor Representatives under the Liquidation Trust Agreement, and (iv) have the right to monitor and receive periodic reports and updates from the Liquidation Trustee regarding the status of the administration of the Liquidation Trust Assets, including the Causes of Action, and the assets, liabilities and transfers of the Liquidation Trust.

Termination of the Liquidation Trust

The Liquidation Trust will terminate as soon as practicable, but in no event later than the fifth (5th) anniversary of the Effective Date; provided, however, that, on or prior to the date of such termination, the Bankruptcy Court, upon motion by a party-in-interest, may extend the term of the Liquidation Trust for a finite period, if such an extension is necessary to liquidate the Liquidation Trust Assets or for other good cause. Notwithstanding the foregoing, multiple extensions may be obtained so long as Bankruptcy Court approval is obtained prior to the expiration of each extended term; provided, however, that the Liquidation Trustee receives an opinion of counsel or a favorable ruling from the Internal Revenue Service that any further extension would not adversely affect the status of the Liquidation Trust as a grantor trust for federal income tax purposes.

Termination of Liquidation Trustee and Creditor Representatives

The duties, responsibilities and powers of the Liquidation Trustee and Creditor Representatives shall terminate in accordance with the terms of the Liquidation Trust Agreement.

Exculpation; Indemnification

The Liquidation Trustee and Creditor Representatives, and their respective professionals, shall be exculpated and indemnified pursuant to and in accordance with the terms of the Liquidation Trust Agreement.

Preservation of Records and Documents

The Debtors and Liquidation Trustee shall: (i) take commercially reasonable efforts to preserve all records and documents (including any electronic records or documents) related to the Causes of Action and the Liquidation Trust Assets for a period of five (5) years from the

Effective Date or, if actions with respect to the Causes of Action are then pending, until the Liquidation Trustee notifies the Debtors such records are no longer required to be preserved; and (ii) provide the Liquidation Trustee, Creditor Representatives, the Pre-Petition Agent, the Pre-Petition Lenders and their respective counsel, agents and advisors, with reasonable access to such records and documents.

2. *The Lender Trust*

Establishment of the Lender Trust

On the Effective Date, the Debtors, the Pre-Petition Lenders and the Lender Trustee shall execute the Lender Trust Agreement and shall take all other steps necessary to establish the Lender Trust in accordance with the Plan. Notwithstanding any prohibition of assignability under applicable non-bankruptcy law, on the Effective Date and periodically thereafter if additional Lender Trust Assets become available, the Debtors shall be deemed to have automatically transferred to the Lender Trust all of their right, title, and interest in and to all of the Lender Trust Assets, and in accordance with Section 1141 of the Bankruptcy Code, all such assets shall automatically vest in the Lender Trust free and clear of all Claims and Liens, and shall be subject only to the Lender Trust Claims and Lender Trust Funding Reimbursement as set forth in the Plan and the expenses of the Lender Trust as provided in the Lender Trust Agreement. Within 10 days prior to the Confirmation Hearing, the Pre-Petition Agent will designate in writing to the Debtors, Committee and United States Trustee which of the Purchased Assets will not be transferred to the Lender Trust. To the extent such Purchased Assets which are not transferred to the Lender Trust still exist on the Effective Date, the Confirmation Order will provide that they are deemed abandoned by the Debtors. Thereupon, the Debtors shall have no interest in or with respect to the Lender Trust Assets or the Lender Trust. In connection with the vesting and transfer of the Lender Trust Assets, including rights and Sale Causes of Action, any attorney-client privilege, work-product protection, or other privilege or immunity attaching to any documents or communications (whether written or oral) transferred to the Lender Trust shall vest in the Lender Trust. The Debtors and the Lender Trustee are authorized to take all necessary actions to effectuate the transfer of such privileges, protections and immunities.

To effectively investigate, defend or pursue the Sale Causes of Action and the Lender Trust Assets, the Debtors, the Pre-Petition Agent, the Pre-Petition Lenders, the Postpetition Agent, the DIP Lenders, the Lender Trust and the Lender Trustee, and all counsel thereto, must be able to exchange information with each other on a confidential basis and cooperate in common interest efforts without waiving any applicable privilege. Given the common interests of the parties and the Lender Trust's position as successor to the Sale Causes of Action, sharing such information among the Debtors, the Pre-Petition Agent, the Pre-Petition Lenders, the Postpetition Agent, the DIP Lenders, the Lender Trustee and the Lender Trust or their respective counsel shall not waive or limit any applicable privilege or exemption from disclosure or discovery related to such information.

Treatment of Lender Trust for Federal Income Tax Purposes; No Successor-in-Interest

The Lender Trust shall be established for the primary purpose of liquidating its assets, in accordance with Treas. Reg. § 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Lender Trust. Accordingly, the Lender Trustee shall in an expeditious but orderly manner, liquidate and convert to Cash the Lender Trust Assets, including the Sale Causes of Action, make timely distributions to the Lender Trust Beneficiaries and not unduly prolong its duration. The Lender Trust shall not be deemed a successor-in-interest of the Debtors for any purpose other than as specifically set forth herein or in the Lender Trust Agreement.

The Lender Trust is intended to qualify as a “grantor trust” for federal income tax purposes with the Lender Trust Beneficiaries treated as grantors and owners of the Lender Trust. For all federal income tax purposes, all parties (including, without limitation, the Debtors, the Lender Trustee, and the Lender Trust Beneficiaries) shall treat the transfer of the Lender Trust Assets by the Debtors to the Lender Trust, as set forth in the Lender Trust Agreement, as a transfer of such assets by the Debtors to the Holders of Allowed Claims of Lender Trust Beneficiaries entitled to distributions from the Lender Trust Assets, followed by a transfer by such Holders to the Lender Trust. Thus, the Lender Trust Beneficiaries shall be treated as the grantors and owners of a grantor trust for federal income tax purposes.

As soon as practicable after the Effective Date, the Lender Trustee (to the extent that the Lender Trustee deems it necessary or appropriate in his or her sole discretion) shall value the Lender Trust Assets based on the good faith determination of the Lender Trustee and shall apprise the Pre-Petition Lenders of such valuation. The valuation shall be used consistently by all parties (including the Debtors, the Lender Trustee, and the Lender Trust Beneficiaries) for all federal income tax purposes. The Bankruptcy Court shall resolve any dispute regarding the valuation of the Lender Trust Assets.

The right and power of the Lender Trustee to invest the Lender Trust Assets transferred to the Lender Trust, the proceeds thereof, or any income earned by the Lender Trust, shall be limited to the right and power to (i) invest such Lender Trust Assets (pending distributions in accordance with the Plan) in (a) short-term direct obligations of, or obligations guaranteed by, the United States of America, (b) short-term obligations of any agency or corporation which is or may hereafter be created by or pursuant to an act of the Congress of the United States as an agency or instrumentality thereof or (c) such other investments as the Bankruptcy Court and the Pre-Petition Agent may approve from time to time; or (ii) deposit such assets in demand deposits or certificates of deposit at any bank or trust company, which has, at the time of the deposit, a capital stock and surplus aggregating at least \$1,000,000,000; provided, however, that the scope of any such Permissible Investments shall be limited to include only those investments that a liquidating trust, within the meaning of Treas. Reg. § 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements or otherwise.

Subject to the provisions of this Article VI.B.2, the Lender Trustee shall distribute to the Holders of Lender Trust Claims the Lender Trust Funding Reimbursement, and to the Lender Trust Beneficiaries all net cash income plus all net cash proceeds from the liquidation of the Lender Trust Assets (including as Cash for this purpose, all cash equivalents) at such time intervals as decided by the Lender Trustee in its discretion, after consultation with the Pre-Petition Agent pursuant to the terms of the Plan. The Lender Trust shall make distributions no less frequently than once per twelve-month period, such period to be measured from the Effective Date; provided however, that the Lender Trustee may, in its sole discretion, cause the Lender Trust to retain an amount of net cash proceeds or net cash income reasonably necessary to maintain the value of its assets or to meet Lender Trust Claims. The Lender Trustee may also determine that in any period or on the anniversary of the Effective Date, there are insufficient assets to make a distribution.

The Lender Trustee may require any Holder of Lender Trust Claims or any Lender Trust Beneficiary or other distributee to furnish to the Lender Trustee in writing his or its Employer or Taxpayer Identification Number as assigned by the Internal Revenue Service and the Lender Trustee may condition any distribution to any Lender Trust Beneficiary or other distributee upon receipt of such identification number.

Funding of the Lender Trust

The Lender Trust Funding Amount shall be provided by the Pre-Petition Lenders in the initial amount agreed to by the DIP Lenders and the Lender Trustee, provided that the Lender Trust Funding Amount shall be sufficient to make distributions to Holders of Allowed Administrative Claims and Holders of Allowed Claims in Classes 1, 2 and 3 to the extent not otherwise satisfied on the Effective Date.

Appointment of the Lender Trustee

From and after the Effective Date, the Lender Trustee shall serve as trustee of the Lender Trust, and shall have all powers, rights and duties of a trustee, as set forth in the Lender Trust Agreement. Among other things, the Lender Trustee shall: (i) hold and administer the Lender Trust Assets, including the Sale Causes of Action, (ii) have the sole authority and discretion on behalf of the Lender Trust to evaluate and determine strategy with respect to the Sale Causes of Action, and to litigate, settle, transfer, release or abandon any and all Sale Causes of Action on behalf of the Lender Trust, in each case, on any terms and conditions as it may determine in good faith based on the best interests of the Lender Trust Beneficiaries, and subject to the approval of the Pre-Petition Agent as provided in the Lender Trust Agreement, (iii) have the power and authority to retain, as an expense of the Lender Trust and subject to the approval of the Pre-Petition Agent, attorneys, advisors, other professionals and employees as may be appropriate to perform the duties required of the Lender Trustee hereunder or in the Lender Trust Agreement, (iv) make distributions to the Holders of Lender Trust Claims and to the Lender Trust Beneficiaries as provided in the Lender Trust Agreement and the Plan, (v) have the right to receive reasonable compensation for performing services as Lender Trustee and to pay the reasonable fees, costs and expenses of any counsel, professionals, advisors or employees as may be necessary to assist the Lender Trustee in performing the duties and responsibilities required under the Plan and the Lender Trust Agreement, (vi) file, litigate, settle, compromise or

withdraw objections to Claims as set forth in Article IX.A herein, and (vii) provide periodic reports and updates to the Pre-Petition Agent regarding the status of the administration of the Lender Trust Assets, including the Sale Causes of Action, and the assets, liabilities and transfers of the Lender Trust. In the event the Lender Trustee is no longer willing or able to serve as trustee, then the successor shall be appointed by the Pre-Petition Agent, or as otherwise determined by the Bankruptcy Court, and notice of the appointment of such Lender Trustee shall be filed with the Bankruptcy Court. In addition, the Pre-Petition Agent may replace the Lender Trustee at any time and notice of such replacement shall be Filed with the Bankruptcy Court.

Termination of the Lender Trust

The Lender Trust will terminate as soon as practicable, but in no event later than the fifth (5th) anniversary of the Effective Date; provided, however, that, on or prior to the date of such termination, the Bankruptcy Court, upon motion by a party-in-interest, may extend the term of the Lender Trust for a finite period, if such an extension is necessary to liquidate the Lender Trust Assets or for other good cause. Notwithstanding the foregoing, multiple extensions may be obtained so long as Bankruptcy Court approval is obtained prior to the expiration of each extended term; provided, however, that the Lender Trustee receives an opinion of counsel or a favorable ruling from the Internal Revenue Service that any further extension would not adversely affect the status of the Lender Trust as a grantor trust for federal income tax purposes.

Termination of Lender Trustee

The duties, responsibilities and powers of the Lender Trustee shall terminate in accordance with the terms of the Lender Trust Agreement.

Exculpation; Indemnification

The Lender Trustee, and its professionals, shall be exculpated and indemnified pursuant to the terms of the Lender Trust Agreement.

Preservation of Records and Documents

The Debtors, Lender Trustee and the Pre-Petition Lenders shall: (i) take commercially reasonable efforts to preserve all records and documents (including any electronic records or documents) related to the Sale Causes of Action and the Lender Trust Assets for a period of five (5) years from the Effective Date or, if actions with respect to the Sale Causes of Action are then pending, until the Lender Trustee notifies the Debtors such records are no longer required to be preserved; and (ii) provide the Lender Trustee and the Pre-Petition Lenders and their respective counsel, agents and advisors, with reasonable access to such records and documents.

3. *Identity of Trustees*

The Liquidation Trustee and the Lender Trustee may be the same or a different Person. Co-trustees may be designated in place of a single Person.

4. *International Recognition*

The Liquidation Trustee and the Lender Trustee shall be: (i) recognized by foreign courts, tribunals and jurisdictions, (ii) the subject of the recognition of comity of such foreign courts, tribunals and jurisdictions, (iii) vested with the authority of a statutory trustee pursuant to the Liquidation Trust Agreement and Lender Trust Agreement, and, as well, with the authority of a Chapter 7 bankruptcy trustee in foreign pursuits and actions.

5. *Discovery*

The Liquidation Trust and Lender Trust shall be authorized to employ Bankruptcy Rule 2004 and any other bankruptcy tools of discovery as such are available prior to the Effective Date to the Estates.

B. *Corporate Action*

Upon the entry of the Confirmation Order by the Bankruptcy Court, all matters provided under the Plan involving the corporate structure of the Debtors shall be deemed authorized and approved without any requirement of further action by the Debtors, the Debtors' shareholders or the Debtors' boards of directors. To the extent such action has not been completed subsequent to the entry of the Substantive Consolidation Order, the Debtors (and their boards of directors) shall dissolve or otherwise terminate their existence on the Effective Date, by filing a certificate of dissolution and a copy of the Confirmation Order with the Delaware Secretary of State, and are authorized to dissolve or terminate the existence of wholly-owned non-Debtor subsidiaries following the Effective Date as well as any remaining health, welfare or benefit plans.

C. *Cancellation of Notes, Instruments, Debentures and Equity Securities*

On the Effective Date, except to the extent provided otherwise in the Plan, all notes, instruments, certificates and other documents evidencing Claims and all Equity Interests in any of the Debtors shall be cancelled and deemed terminated.

D. *Compromise and Settlement of Claims*

The distributions provided for herein represent the compromise and settlement within the meaning of section 1123(b)(3) of the Bankruptcy Code, and Bankruptcy Rule 9019, of any and all claims and issues that have been asserted, or may be asserted, against the DIP Lenders, the Postpetition Agent, SPC, the Pre-Petition Agent or the Pre-Petition Lenders, including, without limitation, all Claims and Defenses (as such term is defined in the Final DIP Order), claims under section 506(c) of the Bankruptcy Code, claims with respect to the allocation or determination of values of any assets of the Estates, the magnitude of the Adequate Protection Claims and the validity, priority and extent of the Pre-Petition Lenders' Claims and Liens and the DIP Lenders' Claims and Liens. Confirmation of the Plan shall constitute approval of such compromise and settlement in accordance with Bankruptcy Rule 9019, and, notwithstanding any claims or defenses that may have been asserted or may be asserted against the Pre-Petition Lenders, the Pre-Petition Agent, the DIP Lenders or the Postpetition Agent in accordance with the provisions of the Interim DIP Order or the Final DIP Order or otherwise, upon the Effective Date and without any further action or order of any court, any and all such claims shall forever be barred, released, dismissed, with prejudice, and discharged, and the Confirmation Order shall so provide.

E. *Relationship to the Lender Trust Agreement and Liquidation Trust Agreement*

The principal purpose of the Lender Trust Agreement and Liquidation Trust Agreement is to aid in the implementation of the Plan. The Lender Trustee and the Liquidation Trustee shall have full power and authority to take any action consistent with the purpose and provisions of the Plan and the Lender Trust Agreement and Liquidation Trust Agreement, as applicable, and to seek any orders from the Bankruptcy Court in furtherance of implementation of the Plan and the Lender Trust Agreement and the Liquidation Trust Agreement.

ARTICLE VII

EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. *Assumption and Rejection of Executory Contracts and Unexpired Leases*

Any executory contracts or unexpired leases, except the Tempe Lease, that have not expired by their own terms on or prior to the Effective Date, which the Debtors have not assumed and assigned or rejected with the approval of the Bankruptcy Court (whether as part of the Sale Transaction or otherwise), or that are not the subject of a motion to assume the same pending as of the Effective Date, shall be deemed rejected by the Debtors on the Effective Date and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejections pursuant to Sections 365(a) and 1123 of the Bankruptcy Code, unless the Debtors identify any executory contracts or unexpired leases in the Plan Supplement which the Debtors do not intend to reject.

B. *Rejection Claims; Cure of Defaults*

If the rejection of an executory contract or unexpired lease results in damages to the other party or parties to such contract or lease, any Claim for such damages, if not heretofore evidenced by a Proof of Claim that has been Filed, shall be forever barred and shall not be enforceable against the Debtors, the Liquidation Trust, the Lender Trust or their properties, successors or assigns, unless a Proof of Claim is Filed and served upon (i) the Liquidation Trustee, and (ii) any counsel for the Liquidation Trustee, on or before (x) thirty (30) days after the later to occur of (a) the Effective Date, and (b) the date of entry of an order by the Bankruptcy Court authorizing rejection of a particular executory contract or unexpired lease, or (y) such other date as may be ordered by the Bankruptcy Court.

ARTICLE VIII

PROVISIONS REGARDING DISTRIBUTIONS

A. *Time and Method of Distributions*

1. *Liquidation Trust Distributions*

The Liquidation Trustee, on behalf of the Liquidation Trust, or such other Entity as may be designated in accordance with the Liquidation Trust Agreement, will make the distributions to

Liquidation Trust Beneficiaries required under the Plan in accordance with the Liquidation Trust Agreement and in accordance with the priorities set forth in and the other provisions of the Plan. The Liquidation Trustee will make distributions to Liquidation Trust Beneficiaries in consultation with the Creditor Representatives. Whenever any distribution to be made under the Plan or the Liquidation Trust Agreement is due on a day other than a Business Day, such distribution shall be made, without interest, on the immediately succeeding Business Day, but any such distribution will have been deemed to have been made on the date due.

Distributions will be made by the Liquidation Trustee in the following order of priority: (i) first, to satisfy the expenses of administering the Liquidation Trust, including reasonable fees and expenses of any attorneys, advisors, other professionals and employees employed by the Liquidation Trustee; (ii) second, to repay in full the Liquidation Trust Funding Reimbursement and all other amounts provided for in Article III.B; and (iii) third to make distributions to Liquidation Trust Beneficiaries in accordance with the terms of the Plan and Liquidation Trust Agreement.

2. Lender Trust Distributions

The Lender Trustee, on behalf of the Lender Trust, or such other Entity as may be designated in accordance with the Lender Trust Agreement, will make the distributions to Lender Trust Beneficiaries in accordance with the Lender Trust Agreement and in accordance with the priorities set forth in and the other provisions of the Plan. The Lender Trustee will make distributions to Holders of Lender Trust Claims and the Lender Trust Beneficiaries in consultation with the Pre-Petition Agent. Whenever any distribution to be made under the Plan or the Lender Trust Agreement is due on a day other than a Business Day, such distribution shall be made, without interest, on the immediately succeeding Business Day, but any such distribution will have been deemed to have been made on the date due.

Distributions will be made by the Lender Trustee in the following order of priority: (i) first, to satisfy the expenses of administering the Lender Trust, including reasonable fees and expenses of any attorneys, advisors, other professionals and employees employed by the Lender Trustee; (ii) second, to repay in full the Lender Trust Funding Reimbursement; and (iii) third to make distributions to Holders of Lender Trust Claims and to the Lender Trust Beneficiaries in accordance with the terms of the Plan and Lender Trust Agreement.

B. Reserve for Disputed Claims

The Liquidation Trustee shall maintain a reserve for any distributable amounts required to be set aside on account of Disputed Claims and shall distribute such amounts (net of any expenses, including any taxes relating thereto), as provided herein and in the Liquidation Trust Agreement, as such Disputed Claims are resolved by Final Order, and such amounts shall be distributable in respect of such Disputed Claims as such amounts would have been distributable had the Disputed Claims been Allowed Claims as of the Effective Date, provided that no interest shall be distributable or accrue with respect thereto.

C. *Manner of Payment under the Plan, Liquidation Trust and Lender Trust*

Any payment in Cash to be issued hereunder shall, at the election of the issuer, be made by check drawn on a domestic bank or by wire transfer from a domestic bank.

D. *Delivery of Distributions*

Subject to the provisions of Federal Rule of Bankruptcy Procedure 2002(g), and except as otherwise provided herein, distributions and deliveries to Holders of record of Allowed Claims shall be made at the address of each such Holder set forth on the Debtors' books and records unless superseded by the address set forth on proofs of claim filed by any such Holders. By no later than the Effective Date, the Debtors and/or the Pre-Petition Lenders shall provide the Liquidation Trustee and/or Lender Trustee with the addresses and other books and records relating to the Liquidation Trust Beneficiaries and/or Lender Trust Beneficiaries, including, without limitation, all taxpayer identification information.

E. *Undeliverable Distributions*

1. Holding of Undeliverable Distributions

If any distribution hereunder to any Holder is returned as undeliverable, no further distributions shall be made to such Holder unless and until the issuer of the distribution is notified in writing of such Holder's then-current address. All Entities ultimately receiving undeliverable Cash shall not be entitled to any interest or other accruals of any kind. Nothing contained in the Plan, Liquidation Trust Agreement or Lender Trust Agreement shall require the issuer of any distribution to attempt to locate any Holder of an Allowed Claim.

2. Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim that does not assert its rights pursuant to the Plan, Liquidation Trust Agreement or Lender Trust Agreement to receive a distribution within three (3) months from and after the date such distribution is returned as undeliverable shall have such Holder's Claim for such undeliverable distribution discharged and shall be forever barred from asserting any such Claim against the Debtors, Liquidation Trust, the Liquidation Trustee, the Lender Trust, the Lender Trustee and their respective professionals, the Liquidation Trust Assets or the Lender Trust Assets. In such case, any consideration held for distribution on account of such Claim shall belong, as applicable (i) to the Liquidation Trust for distribution by the Liquidation Trustee to the Liquidation Trust Beneficiaries in accordance with the terms of the Plan and Liquidation Trust Agreement or (ii) to the Lender Trust for distribution by the Lender Trustee to the Holders of the Lender Trust Claims and to the Lender Trust Beneficiaries in accordance with the terms of the Plan and Lender Trust Agreement. After final distributions have been made in accordance with the terms of the Plan, Liquidation Trust Agreement and Lender Trust Agreement, if the amount of undeliverable cash remaining is less than \$50,000.00, the Liquidation Trustee or Lender Trustee, as applicable, in his sole discretion, may donate such amount to a charity.

F. *Compliance with Tax Requirements/Allocation*

The issuer of any distribution under the Plan, Liquidation Trust or Lender Trust shall comply with all applicable tax withholding and reporting requirements imposed by any Governmental Unit, and all distributions pursuant to the Plan, Liquidation Trust or Lender Trust shall be subject to any such applicable withholding and reporting requirements. For tax purposes, distributions received in respect of Allowed Claims will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid accrued interest.

G. *Time Bar to Cash Payments*

Checks issued on account of Allowed Claims shall be null and void if not negotiated within forty-five (45) days from and after the date of issuance thereof. Requests for reissuance of any check shall be made directly to the issuer of the check by the Holder of the Allowed Claim with respect to which such check originally was issued. Any claim in respect of such a voided check shall be made within six (6) months from and after the date of issuance of such check. After such date, all Claims in respect of voided checks shall be discharged and forever barred and the Liquidation Trust or Lender Trust, as applicable, shall be entitled to retain all monies related thereto for distribution to the Liquidation Trust Beneficiaries or Lender Trust Beneficiaries, as applicable, in accordance with the terms of the Plan and Liquidation Trust Agreement or Lender Trust Agreement, as applicable.

H. *Distributions After Effective Date*

Distributions made after the Effective Date to Holders of Claims that are not Allowed Claims as of the Effective Date, but which later become Allowed Claims, shall be deemed to have been made on the Effective Date. Except as otherwise specifically provided in the Plan, the Liquidation Trust Agreement or the Lender Trust Agreement, no interest shall be payable on account of any Allowed Claim not paid on the Effective Date.

I. *Fractional Dollars; De Minimis Distributions*

Notwithstanding anything contained herein to the contrary, payments of fractions of dollars will not be made. Whenever any payment of a fraction of a dollar under the Plan, Liquidation Trust or Lender Trust would otherwise be called for, the actual payment made will reflect a rounding of such fraction to the nearest dollar (up or down), with half dollars being rounded down. No payment shall be made on account of any distribution less than Fifty Dollars (\$50) with respect to any Allowed Claim unless a request therefor is made in writing to the issuer of such payment on or before ninety (90) days after the Effective Date.

J. *Setoffs*

The Liquidation Trustee may, pursuant to Sections 502(d) or 553 of the Bankruptcy Code or applicable nonbankruptcy law, set off against any Allowed Claim or Allowed Administrative Claim and the distributions to be made pursuant to the Liquidation Trust Agreement on account thereof (before any distribution is made on account of such Claim), the Claims, rights and Causes of Action of any nature that it may hold against the Holder of such Allowed Claim or Allowed Administrative Claim; provided, however, that neither the failure to effect such a set-off

nor the allowance of any Claim hereunder shall constitute a waiver or release of any such claims, rights and Causes of Action that the Liquidation Trust may possess against such Holder, and, *provided further*, that the Liquidation Trustee may not effect setoffs against any Claims of the DIP Lenders or the Pre-Petition Lenders.

K. *Preservation of Subordination Rights*

Except as otherwise provided herein, all subordination rights and claims relating to the subordination by the Debtors or the Liquidation Trustee of any Allowed Claim shall remain valid, enforceable and unimpaired in accordance with Section 510 of the Bankruptcy Code or otherwise.

L. *Waiver by Creditors of All Subordination Rights*

Except as otherwise ordered by the Bankruptcy Court, each Holder of a Claim shall be deemed to have waived all contractual, legal and equitable subordination rights that they may have, whether arising under general principles of equitable subordination, Section 510(c) of the Bankruptcy Code or otherwise, with respect to any and all distributions to be made under the Plan, and all such contractual, legal or equitable subordination rights that each Holder has individually and collectively with respect to any such distribution made pursuant to this Plan shall be discharged and terminated, and all actions related to the enforcement of such subordination rights will be permanently enjoined.

M. *Settlement of Claims and Controversies*

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of this Plan shall constitute a good faith compromise and settlement of claims or controversies relating to the contractual, legal and subordination rights that a Holder of a Claim may have with respect to any Allowed Claim, or any distribution to be made on account of any such Allowed Claim.

ARTICLE IX

PROCEDURES FOR RESOLUTION OF DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS OR EQUITY INTERESTS

N. *Objections to Claims; Prosecution of Disputed Claims*

The Debtors, prior to the Effective Date, and thereafter the Liquidation Trustee, on behalf of the Liquidation Trust and in accordance with the Liquidation Trust Agreement, shall have the right to object to the allowance of Claims in Class 6 other than the Pre-Petition Lender Agreed Deficiency Claim, and expressly excluding Lender Trust Claims, with respect to which they dispute liability or allowance in whole or in part, by no later than the Claim Objection Deadline. All objections shall be litigated or settled prior to Final Order; *provided, however*, that the Liquidation Trustee (within any parameters as may be established by the Liquidation Trust Agreement) shall have the authority to file, settle, compromise or withdraw any objections to such Claims, without approval of the Bankruptcy Court.

The Debtors, prior to the Effective Date, and thereafter the Lender Trustee, on behalf of the Lender Trust and in accordance with the Lender Trust Agreement, shall have the right to object to the allowance of (i) Administrative Claims and (ii) Claims in Class 1, Class 2, Class 3 or Class 4 Filed with the Bankruptcy Court (other than any DIP Facility Claims and Pre-Petition Credit Facility Claims) with respect to which they dispute liability or allowance in whole or in part, by no later than the Claim Objection Deadline. All objections shall be litigated or settled prior to Final Order; *provided, however*, that the Lender Trustee (within any parameters as may be established by the Lender Trust Agreement) shall have the authority to file, settle, compromise or withdraw any objections to such Claims, without approval of the Bankruptcy Court.

O. *Estimation of Claims*

The Debtors, prior to the Effective Date, and thereafter the Liquidation Trustee or Lender Trustee in accordance with the Liquidation Trust Agreement or Lender Trust Agreement, respectively, may at any time request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to Section 502(c) of the Bankruptcy Code regardless of whether the Debtors, the Liquidation Trustee or Lender Trustee previously have objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including, without limitation, during the pendency of any appeal relating to any such objection. Subject to the provisions of Section 502(j) of the Bankruptcy Code, in the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, the amount so estimated shall constitute the maximum allowed amount of such Claim. If the estimated amount constitutes a maximum limitation on the amount of such Claim, the Debtors, the Liquidation Trustee or Lender Trustee may pursue supplementary proceedings to object to the allowance of such Claim. All of the aforementioned objection, estimation and resolution procedures are intended to be cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

P. *Controversy Concerning Impairment*

If a controversy arises as to whether any Claims or Class of Claims are Impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, determine that controversy before the Confirmation Date.

Q. *Payments and Distributions on Disputed Claims*

1. Notwithstanding any provision hereof to the contrary, any issuer of a distribution hereunder may, in its discretion, pay the undisputed portion of a Disputed Claim. Notwithstanding the foregoing, the issuer of a distribution hereunder will set aside for each Holder of a Disputed Claim such portion of Cash as may be necessary to provide required distributions if that Claim were an Allowed Claim, either based upon the amount of the Claim as filed with the Bankruptcy Court or the amount of the Claim as estimated by the Bankruptcy Court.

2. At such time as a Disputed Claim becomes, in whole or in part, an Allowed Claim, the issuer of a distribution hereunder shall distribute to the Holder thereof the distributions, if any, to which such Holder is then entitled under the Plan, the Liquidation Trust or the Lender Trust. Such distribution, if any, will be made as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed Claim becomes a Final Order. No interest will be paid on Disputed Claims that later become Allowed or with respect to any distribution in satisfaction thereof to a Holder.

ARTICLE X

CONDITIONS PRECEDENT TO CONFIRMATION AND EFFECTIVE DATE OF THE PLAN

R. *Conditions Precedent to Confirmation*

The following are conditions precedent to confirmation of this Plan that must be (i) satisfied or (ii) waived in accordance with Article X.C below.

1. The entry of the Confirmation Order and the Substantive Consolidation Order in form and substance satisfactory to the Proponents and the DIP Lenders.

2. The Plan Supplement and all of the schedules, documents, and exhibits contained therein shall have been filed in form and substance reasonably acceptable to the Proponents and the DIP Lenders.

3. Allowed Administrative Claims shall not exceed an amount to be agreed between the Proponents and the DIP Lenders and to be provided in the Plan Supplement.

4. Allowed Priority Claims and Secured Tax Claims shall not exceed an amount to be agreed between the Proponents and the DIP Lenders and to be provided in the Plan Supplement.

S. *Conditions Precedent to Effective Date of the Plan*

The following are conditions precedent to the Effective Date of the Plan that must be (i) satisfied or (ii) waived in accordance with Article X.C below:

1. All other actions and documents necessary to implement the Plan shall have been effected or executed, including the Liquidation Trust Agreement and Lender Trust Agreement.

2. There shall be sufficient Cash to permit payment of all amounts required to be paid on the Effective Date, including taking into account the Liquidation Trust Funding Amount and Lender Trust Funding Amount.

3. The Liquidation Trust Agreement shall have been fully executed and the Liquidation Trust Funding Amount shall have been delivered to the Liquidation Trust.

4. The Effective Date shall occur no later than May 4, 2009.

T. *Waiver of Conditions Precedent*

Only the Proponents, upon consent of the DIP Lenders, may waive the conditions listed in Article X of the Plan.

U. *Effect of Non-Occurrence of the Effective Date*

If the Confirmation Order is vacated, this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtors; (2) prejudice in any manner the rights of the Debtors or any other party; or (3) constitute an admission, acknowledgment, offer or undertaking by the Debtors in any respect.

ARTICLE XI

EXCULPATION, INJUNCTIVE AND RELATED PROVISIONS

A. *Exculpation*

The (i) Debtors and all officers, directors, employees, managers, partners, attorneys, actuaries, financial advisors, investment bankers, agents, professionals (other than accountants) and representatives of each of the Debtors (in each case in their capacity as such, and only if serving in any such capacity on the Petition Date or thereafter), (ii) the Pre-Petition Lenders, (iii) the Pre-Petition Agent, (iv) the DIP Lenders, (v) the Postpetition Agent, (vi) the Committee, (vii) FTI Consulting, Inc., (viii) FTI Palladium Partners and (ix) as to the entities listed in clauses (ii) - (ix) of this paragraph, all of their respective officers, directors, affiliates, employees, members, managers, partners (general and limited), attorneys, actuaries, financial advisors, accountants, investment bankers, agents, professionals and representatives (all entities in clauses (i) - (ix) hereof, the "Exculpated Parties") shall neither have, nor incur any liability to any Person or Entity for any post-petition act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming or consummating the Plan, the Disclosure Statement, or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other post-petition act taken or omitted to be taken in connection with or in contemplation of the restructuring or liquidation of the Debtors and/or relating to these Chapter 11 Cases; provided, however, that the foregoing shall have no effect on the liability of any Person or Entity that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct, and, provided further, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan or the Chapter 11 Cases.

B. *Release and Satisfaction of Claims; Termination of Equity Interests; Injunction*

Except as otherwise provided herein, and as set forth in the Confirmation Order: (a) the rights afforded herein and the treatment of all Claims and Equity Interests herein, shall be in exchange for and in complete satisfaction and release of, all Claims and Equity Interests of any nature whatsoever, including any interest accrued on Claims from and after

the Petition Date, against the Debtors or any of their assets and properties, (b) on the Effective Date, all such Claims against the Debtors and Equity Interests shall be satisfied and released in full, and (c) all Persons shall be precluded from asserting and shall be permanently enjoined from commencing or continuing in any manner any action or proceeding (whether directly, indirectly, derivatively or otherwise) against the Debtors, the Liquidation Trust, the Lender Trust, their successors or their assets or properties, or any other or further Claims or Equity Interests based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date.

C. Release By Debtors

For good and valuable consideration, the adequacy of which is hereby confirmed, upon the Effective Date, the Debtors in their individual capacities and as debtors-in-possession, shall be deemed, to forever release, waive and discharge each Pre-Petition Lender each DIP Lender (in consideration for, among other things, funding the Liquidation Trust Funding Amount and Lender Trust Funding Amount), SPC (in its capacity as agent for the Pre-Petition Lenders) the Postpetition Agent and the Committee, and their respective officers, partners, directors, members, trustees, employees, representatives, agents and retained professionals (each in their capacities as such) from and with respect to all claims, obligations, suits, judgments, damages, demands, debts, rights, and liabilities (other than the rights of the Debtors to enforce the terms of the Plan and the contracts, instruments, releases and other agreements or documents delivered in connection with the Plan); whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part on any act, omission, transaction, event or other occurrence taking place before the Effective Date in any way relating to the Debtors, the Chapter 11 Cases, the Plan or the Disclosure Statement.

ARTICLE XII

RETENTION AND PRESERVATION OF CAUSES OF ACTION

A. *Retention of Causes of Action*

1. *Liquidation Trust Causes of Action*

Except as otherwise provided in the Plan, all Causes of Action that the respective Debtors and their Estates may hold against any Person or Entity shall, on the Effective Date, automatically vest in the Liquidation Trust free and clear of liens, claims, encumbrances and interests. The Liquidation Trustee, on behalf of the Liquidation Trust, shall have the exclusive right, authority, and discretion to institute, prosecute, abandon, settle, or compromise any and all such Causes of Action without the consent or approval of any third party and without any further order of the Bankruptcy Court, except as otherwise provided herein or in the Liquidation Trust Agreement. From and after the Effective Date, the Liquidation Trustee, in accordance with Section 1123(b)(3) of the Bankruptcy Code, and on behalf of the Liquidation Trust, shall serve as a representative of the Debtors' Estates and shall retain and possess the sole and exclusive right to commence, pursue, settle, compromise or abandon, as appropriate, any and all Causes of

Action, whether arising before or after the Petition Date, in any court or other tribunal. On the Effective Date, the Liquidation Trustee shall be automatically substituted for the Committee, as plaintiff in any litigation commenced by the Committee.

2. Sale Causes of Action

Except as otherwise provided in the Plan, all Sale Causes of Action that the respective Debtors and their Estates may hold against any Person or Entity, including but not limited to the Purchaser and the Guarantor, shall automatically vest in the Lender Trust. The Lender Trustee, on behalf of the Lender Trust, shall have the exclusive right, authority, and discretion to institute, prosecute, abandon, settle, or compromise any and all such Sale Causes of Action without the consent or approval of any third party and without any further order of the Bankruptcy Court, except as otherwise provided herein or in the Lender Trust Agreement. From and after the Effective Date, the Lender Trustee, in accordance with Section 1123(b)(3) of the Bankruptcy Code, and on behalf of the Lender Trust, shall serve as a representative of the Debtors' Estates and shall retain and possess the sole and exclusive right to commence, pursue, settle, compromise or abandon, as appropriate, any and all Sale Causes of Action, whether arising before or after the Petition Date, in any court or other tribunal.

B. Preservation of All Causes of Action Not Expressly Settled or Released

The Debtors and the Committee are currently investigating potential Causes of Action against certain Persons or Entities but have not yet completed their investigations. Therefore, on the Effective Date, all Causes of Action shall vest in the Liquidation Trust, which shall hold and possess all rights on behalf of the Debtors, their Estates and the Liquidation Trust to commence and pursue any and all Causes of Action (under any theory of law, including, without limitation, the Bankruptcy Code, and in any court or other tribunal). The Liquidation Trustee, on behalf of the Liquidation Trust, shall have the sole and exclusive right to commence, prosecute, pursue, settle, compromise or abandon such Causes of Action as set forth herein and in the Liquidation Trust Agreement.

The potential Causes of Action which may be pursued by the Liquidation Trustee, on behalf of the Liquidation Trust, after the Effective Date, include, without limitation, the Causes of Action listed or described on the Schedule of Causes of Action attached to the Disclosure Statement as an exhibit. The Debtors and, after the Effective Date, the Liquidation Trustee, on behalf of the Liquidation Trust, reserve all rights to pursue any and all Causes of Action, whether or not listed or described on the Schedule of Causes of Action attached to the Disclosure Statement as an exhibit. In addition to the Causes of Action listed on the Schedule of Causes of Action attached to the Disclosure Statement as an exhibit, the Debtors hereby reserve the rights of the Liquidation Trust and the Liquidation Trustee, on behalf of the Liquidation Trust, to pursue, administer, settle, litigate, enforce and liquidate:

- (a) Any other Causes of Action, whether legal, equitable or statutory in nature;

(b) Any and all actions arising under or actionable pursuant to the Bankruptcy Code, including, without limitation, Sections 544, 545, 547 (except as provided below), 548, 549, 550, 551, 553(b) and/or 724(a) of the Bankruptcy Code; and

(c) Any other Causes of Action that currently exist or may subsequently arise and which have not been otherwise set forth herein or in the Schedule of Causes of Action, because the facts upon which such Causes of Action are based are not currently or fully known by the Debtors, the Committee, and the Pre-Petition Lenders (collectively, the "**Unknown Causes of Action**"). The failure to list or describe any such Unknown Cause of Action herein, or in the Schedule of Causes of Action, is not intended to limit the rights of the Liquidation Trustee, on behalf of the Liquidation Trust, to pursue any Unknown Cause of Action.

Unless Causes of Action against a Person or Entity are expressly waived, relinquished, released, compromised or settled in the Plan, or any Final Order, the Debtors (before the Effective Date) and the Liquidation Trustee, on behalf of the Liquidation Trust (post-Effective Date), expressly reserve all Causes of Action (including the Unknown Causes of Action) for later adjudication and therefore, no preclusion doctrine or other rule of law, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such Causes of Action upon, after, or as a result of the confirmation or Effective Date of the Plan, or the Confirmation Order. In addition, the Debtors and the Liquidation Trustee, on behalf of the Liquidation Trust, and any successors-in-interest thereto, expressly reserve the right to pursue or adopt any Causes of Action not so waived, relinquished, released, compromised or settled that are alleged in any lawsuit in which the Debtors are a defendant or an interested party, against any Person or Entity, including, without limitation, the plaintiffs and co-defendants in such lawsuits. Causes of Action arising under section 547 of the Bankruptcy Code against any Person who both (i) has never been an officer, director, employee, affiliate or insider of any of the Debtors and (ii) is not named on the Schedule of Causes of Action attached to the Disclosure Statement (as the same may be amended, with the consent of the Committee, at least five days prior to the Voting Deadline) are not preserved under the Plan.

C. Preservation of All Sale Causes of Action Not Expressly Settled or Released

The Debtors are currently investigating potential Sale Causes of Action against certain Persons or Entities, including but not limited to the Purchaser and the Guarantor, but have not yet completed their investigations. Therefore, on the Effective Date, all Sale Causes of Action shall vest in the Lender Trust, which shall hold and possess all rights on behalf of the Debtors, their Estates and the Lender Trust to commence, prosecute, pursue, settle, compromise or abandon any and all Sale Causes of Action (under any theory of law, including, without limitation, the Bankruptcy Code, and in any court or other tribunal). The Lender Trustee, on behalf of the Lender Trust, shall pursue such Sale Causes of Action as set forth herein and in the Lender Trust Agreement.

The potential Sale Causes of Action currently being investigated by Debtors, which may be pursued by the Lender Trustee, on behalf of the Lender Trust, after the Effective Date, include, without limitation, the Sale Causes of Action listed or described on the Schedule of Sale

Causes of Action attached to the Disclosure Statement as an exhibit. The Debtors and, after the Effective Date, the Lender Trustee, on behalf of the Lender Trust, reserve all rights to pursue any and all Sale Causes of Action, whether or not listed or described on the Schedule of Sale Causes of Action attached to the Disclosure Statement as an exhibit. In addition to the Sale Causes of Action listed on the Schedule of Sale Causes of Action attached to the Disclosure Statement as an exhibit, the Debtors hereby reserve the rights of the Lender Trust and the Lender Trustee, on behalf of the Lender Trust, to pursue, administer, settle, litigate, enforce and liquidate:

(a) Any other Sale Causes of Action, whether legal, equitable or statutory in nature; and

(b) Any other Sale Causes of Action that currently exist or may subsequently arise and which have not been otherwise set forth herein or in the Schedule of Sale Causes of Action, because the facts upon which such Sale Causes of Action are based are not currently or fully known by the Debtors, the Pre-Petition Lenders, the DIP Lenders, the Postpetition Agent and the Committee (collectively, the "**Unknown Sale Causes of Action**"). The failure to list or describe any such Unknown Sale Cause of Action herein, or in the Schedule of Sale Causes of Action, is not intended to limit the rights of the Lender Trustee, on behalf of the Lender Trust, to pursue any Unknown Sale Cause of Action.

The Debtors (before the Effective Date) and the Lender Trustee, on behalf of the Lender Trust (post-Effective Date), expressly reserve all Sale Causes of Action (including the Unknown Sale Causes of Action) for later adjudication and therefore, no preclusion doctrine or other rule of law, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such Sale Causes of Action upon, after, or as a result of the confirmation or Effective Date of the Plan, or the Confirmation Order. In addition, the Debtors and the Lender Trustee, on behalf of the Lender Trust, and any successors-in-interest thereto, expressly reserve the right to pursue or adopt any Sale Causes of Action that are alleged in any lawsuit in which the Debtors are a defendant or an interested party, against any Person or Entity, including, without limitation, the plaintiffs and co-defendants in such lawsuits.

ARTICLE XIII

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain such jurisdiction over any matter arising under the Bankruptcy Code, or arising in or related to the Chapter 11 Cases or the Plan after Confirmation and after the Effective Date, and any other matter or proceeding that is within the Bankruptcy Court's jurisdiction pursuant to 28 U.S.C. § 1334 or 28 U.S.C. § 157, including, without limitation, jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including the resolution of any

request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of Claims;

2. Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date;

3. Resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract and unexpired lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine and, if necessary, liquidate, any Claims arising therefrom;

4. Ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions hereof;

5. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters, including all Causes of Action or Sale Causes of Action and objections or estimations to Claims or Equity Interests, and grant or deny any applications involving a Debtor that may be pending on the Effective Date, or that, pursuant to the Plan, may be instituted by (i) the Liquidation Trustee or the Liquidation Trust, (ii) the Lender Trustee or the Lender Trust, or (iii) any other Person or Entity after the Effective Date; provided, however, that (a) the Liquidation Trustee and the Liquidation Trust shall reserve the right to prosecute the Causes of Action in all proper jurisdictions and (b) the Lender Trustee and Lender Trust shall reserve the right to prosecute the Sale Causes of Action in all proper jurisdictions;

6. Enter such orders as may be necessary or appropriate to implement or consummate the provisions hereof and of all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, the Disclosure Statement, the Liquidation Trust Agreement, or Lender Trust Agreement;

7. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan, the Liquidation Trust Agreement, the Lender Trust Agreement or any Person's or Entity's obligations incurred in connection with the Plan, the Liquidation Trust Agreement, or the Lender Trust Agreement including, relating to determining the scope and extent of the Liquidation Trust Assets or the Lender Trust Assets;

8. Issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with consummation or enforcement of the Plan, except as otherwise provided herein;

9. Resolve any cases, controversies, suits or disputes with respect to the releases, injunctions and other provisions contained in Article XI hereof and enter any orders that may be necessary or appropriate to implement such releases, injunctions and other provisions;

10. Enter and implement any orders that are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

11. Determine any other matters that may arise in connection with or related to this Plan, the Disclosure Statement, the Confirmation Order, the Liquidation Trust Agreement, the Lender Trust Agreement or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan or the Disclosure Statement or the Liquidation Trust Agreement or the Lender Trust Agreement;

12. Resolve any issues that arise in connection with the administration of and distributions from the Liquidation Trust and Lender Trust; and

13. Enter an order and/or Final Decree concluding the Chapter 11 Cases.

Notwithstanding any other provision in this article to the contrary, nothing herein shall prevent the Liquidation Trustee or Lender Trustee from commencing and prosecuting any cause of action before any other court or judicial body which would otherwise have appropriate jurisdiction over the matter and parties thereto and nothing herein shall restrict any such courts or judicial bodies from hearing and resolving such matters.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

A. *Plan Supplement*

The Plan Supplement may be inspected in the office of the Clerk of the Bankruptcy Court or its designee during normal business hours. Holders of Claims and Equity Interests may obtain a copy of the Plan Supplement by contacting Epiq Bankruptcy Solutions, LLC, or by visiting <http://chapter11.epiqsystems.com>. The documents contained in the Plan Supplement are an integral part of the Plan and shall be approved by the Bankruptcy Court pursuant to the Confirmation Order.

B. *Effectuating Documents, Further Transactions and Corporation Action*

Each of the Debtors is authorized to execute, deliver, file or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and provisions hereof.

Prior to, on or after the Effective Date (as appropriate), all matters provided for hereunder that would otherwise require approval of the shareholders or directors of the Debtors shall be deemed to have occurred and shall be in effect prior to, on or after the Effective Date (as appropriate) pursuant to the general corporation laws of the applicable States without any requirement of further action by the shareholders or directors of the Debtors.

C. *Dissolution of Committee*

Upon the Effective Date, the Committee shall be deemed dissolved, except with respect to, and to the extent of any applications for Professional Fee Claims or Committee Member

expense reimbursement, and the Committee Members and the Committee's Professionals shall be relieved and discharged of all duties related to the Chapter 11 Cases.

D. *Payment of Statutory Fees*

All fees payable pursuant to Section 1930(a) of Title 28 of the United States Code, as determined by the Bankruptcy Court at the hearing pursuant to Section 1128 of the Bankruptcy Code, shall be paid for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed or closed, whichever occurs first, responsibility for which shall be divided equally between the Liquidation Trustee and Lender Trustee.

E. *Modification of Plan*

Subject to the limitations contained in the Plan:

1. The Proponents reserve the right, upon consent of the DIP Lenders, and in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify the Plan prior to the entry of the Confirmation Order.

2. After the entry of the Confirmation Order, upon consent of the DIP Lenders, the Proponents may amend or modify, upon order of the Bankruptcy Court, the Plan, in accordance with Section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

3. After the Effective Date, the Liquidation Trustee and the Lender Trustee, subject to the consent of the DIP Lenders (until the Allowed DIP Facility Claims are paid in full pursuant to the terms of the Plan), may amend or modify, upon order of the Bankruptcy Court, the Plan, in accordance with Section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

F. *Revocation of Plan*

The Proponents reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent plans of reorganization or liquidation. If the Proponents revoke or withdraw the Plan, or if Confirmation or the Effective Date does not occur, then (a) the Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Equity Interest or Class of Claims or Equity Interests), assumption or rejection of executory contracts or leases effected by the Plan, and any document or agreement executed pursuant hereto, shall be deemed null and void, and (c) nothing contained in the Plan shall (i) constitute a waiver or release of any Claims by or against, or any Equity Interests in, any Debtor or any other Person, (ii) prejudice in any manner the rights of such Debtor or any other Person, or (iii) constitute an admission of any sort by any Debtor or any other Person.

G. *Successors and Assigns*

The rights, benefits and obligations of any Person or Entity named or referred to herein shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign of such Person or Entity.

H. *Reservation of Rights*

Except as expressly set forth herein, this Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the filing of this Plan, any statement or provision contained herein, or the taking of any action by any Debtor with respect to this Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders of Claims or Equity Interests prior to the Effective Date.

I. *Section 1146 Exemption*

Pursuant to Section 1146(a) of the Bankruptcy Code, under this Plan, (i) the issuance, distribution, transfer or exchange of any debt, equity security or other interest in the Debtors; (ii) the creation, modification, consolidation or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (iii) the making, assignment or recording of any lease or sublease; or (iv) the making, delivery or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, this Plan, including any deeds, bills of sale, assignments or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to this Plan shall not be subject to any document recording tax, mortgage recording tax, stamp tax or similar government assessment, and the appropriate state or local government official or agent shall be directed by the Bankruptcy Court to forego the collection of any such tax or government assessment and to accept for filing and recording any of the foregoing instruments or other documents without the payment of any such tax or government assessment.

All subsequent issuances, transfers or exchanges of securities, or the making or delivery of any instrument of transfer by the Debtors in the Chapter 11 Cases, whether in connection with a sale under Section 363 of the Bankruptcy Code or otherwise, shall be deemed to be or have been done in furtherance of this Plan.

J. *Further Assurances*

The Holders of Claims receiving distributions hereunder and all other parties in interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan, the Liquidation Trust Agreement, or the Lender Trust Agreement.

K. *Approval of Creditor Representatives*

Unless otherwise provided herein, all references herein and in the Liquidation Trust Agreement to approval of the Creditor Representatives shall mean the unanimous approval of the Creditor Representatives.

L. *Service of Documents*

Any pleading, notice or other document required by the Plan to be served on or delivered upon the Debtors shall be sent by first class U.S. mail, postage prepaid, as follows:

To the Debtors:

Greenberg Traurig, LLP
Attn: Nancy A. Mitchell, Esq.
Allen G. Kadish, Esq.
200 Park Avenue
New York, New York 10166

and

Greenberg Traurig, LLP
Attn: Victoria W. Counihan, Esq.
1007 N. Orange St., 12th Floor
Wilmington, Delaware 19801

M. *Transactions on Business Days*

If the date on which a transaction may occur under this Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

N. *Filing of Additional Documents*

On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and provisions hereof.

O. *Post-Effective Date Fees and Expenses*

From and after the Effective Date, the Liquidation Trustee, on behalf of the Liquidation Trust, shall, in the ordinary course of business and without the necessity for any approval by the Bankruptcy Court, pay the reasonable professional fees and expenses incurred by the Liquidation Trust, and any professionals retained by the Liquidation Trust, related to the consummation and to the implementation of this Plan, except as otherwise provided in the Liquidation Trust Agreement.

From and after the Effective Date, the Lender Trustee, on behalf of the Lender Trust, shall, in the ordinary course of business and without the necessity for any approval by the Bankruptcy Court, pay the reasonable professional fees and expenses incurred by the Lender Trust, and any professionals retained by the Lender Trust, related to the consummation and to the implementation of this Plan, except as otherwise provided in the Lender Trust Agreement.

P. *Severability*

The provisions of this Plan shall not be severable unless such severance is agreed to by the Proponents or, if after the Effective Date, by the Liquidation Trustee, on behalf of the Liquidation Trust, the Lender Trustee on behalf of the Lender Trust, and by the Pre-Petition Agent, and such severance would constitute a permissible modification of this Plan pursuant to Section 1127 of the Bankruptcy Code.

Q. *Conflicts*

To the extent any provision of the Liquidation Trust Agreement, the Lender Trust Agreement, the Disclosure Statement, or any document executed in connection therewith or any documents executed in connection with the Confirmation Order (or any exhibits, schedules, appendices, supplements or amendments to any of the foregoing) conflicts with, or is in any way inconsistent with, the terms of this Plan, the terms and provisions of the Confirmation Order and the Plan shall govern and control other than any inconsistencies or clarifications in furtherance of the treatment of the Lender Trust or Liquidation Trust as a liquidation trust for federal income tax purposes.

R. *Term of Injunctions or Stays*

Unless otherwise provided herein or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases under Sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and still extant on the Confirmation Date (excluding any injunctions or stays contained in this Plan or the Confirmation Order), shall remain in full force and effect until the closing of the Chapter 11 Cases in accordance with Article XIII.13 of the Plan. All injunctions or stays contained in this Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

S. *Entire Agreement*

This Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings and representations on such subjects, all of which have become merged and integrated into this Plan.

T. *Closing of the Chapter 11 Cases*


The Liquidation Trustee shall promptly, upon the full administration of the Chapter 11 Cases, and upon the consent of the Lender Trustee, File with the Bankruptcy Court all documents required by the Bankruptcy Rules and any applicable orders of the Bankruptcy Court to close the Chapter 11 Cases.

Dated: March 11, 2009

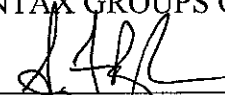
SYNTAX-BRILLIAN CORPORATION

By: 
Title: CEO

SYNTAX-BRILLIAN SPE, INC.

By: 
Title: CEO

SYNTAX GROUPS CORPORATION

By: 
Title: CEO