IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
	)	Case No. 23-11160 (MFW)
Vesttoo Ltd., *et al.*,[1]	)	
	)	(Jointly Administered)
Debtors.	)	
	)	

NOTICE OF FILING OF THE SECOND AMENDED COMBINED DISCLOSURE STATEMENT AND PLAN

PLEASE TAKE NOTICE that on November 21, 2023, the Official Committee of Unsecured Creditors (the "Committee") filed the *Official Committee of Unsecured Creditors' Combined Disclosure Statement and Chapter 11 Plan of Liquidation for Vesttoo Ltd. and Its Debtor Affiliates* [Docket No. 418].

PLEASE TAKE FURTHER NOTICE that on December 20, 2023, the Committee filed the solicitation version of the *Official Committee of Unsecured Creditors' Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation for Vesttoo Ltd. and Its Debtor Affiliates* [Docket No. 476] (the "Amended Combined Disclosure Statement and Plan").

PLEASE TAKE FURTHER NOTICE that on February 17, 2024, the Committee filed the *Official Committee of Unsecured Creditors' Second Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation for Vesttoo Ltd. and Its Debtor Affiliates* [Docket No. 678] (as may be modified, amended, or supplemented, the "Second Amended Combined Disclosure Statement and Plan")

PLEASE TAKE FURTHER NOTICE that attached hereto as **Exhibit 1** is a redline of the Second Amended Combined Disclosure Statement and Plan reflecting changes from the Amended Combined Disclosure Statement and Plan.

PLEASE TAKE FURTHER NOTICE that the Second Amended Combined Disclosure Statement and Plan remains subject to ongoing settlement discussions among the parties and includes certain provisions – noted in the Second Amended Disclosure Statement and Plan – related to potential settlements that have not yet been agreed to by the relevant party or parties subject to such potential settlements. The Committee reserves the right to alter, amend, modify, or supplement the Second Amended Combined Disclosure Statement and Plan and any related documents, including as a result of ongoing settlement discussions; *provided* that if any such document is altered, amended, modified, or supplemented in any material respect prior to the Combined Hearing, the Committee will file a redline of such document with the Bankruptcy Court.

[1] Due to the large number of debtor entities in these chapter 11 cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at https://dm.epiq11.com/vesttoo.

Dated: February 17, 2024

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EXHIBIT 1

REDLINE OF SECOND AMENDED COMBINED DISCLOSURE STATEMENT AND PLAN REFLECTING CHANGES FROM THE AMENDED COMBINED DISCLOSURE STATEMENT AND PLAN

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
VESTTOO LTD., *et al.*,[1]	Case No. 23-11160 (MFW)
Debtors.	(Jointly Administered)

OFFICIAL COMMITTEE OF UNSECURED CREDITORS' SECOND AMENDED COMBINED DISCLOSURE STATEMENT AND CHAPTER 11 PLAN OF LIQUIDATION FOR VESTTOO LTD. AND ITS DEBTOR AFFILIATES

A SOLICITATION OF VOTES ~~IS BEING~~WAS CONDUCTED TO OBTAIN SUFFICIENT ACCEPTANCES OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS' AMENDED PLAN OF LIQUIDATION FOR VESTTOO LTD. AND ITS DEBTOR AFFILIATES. THE INFORMATION IN THIS DISCLOSURE STATEMENT IS SUBJECT TO CHANGE. THE DISCLOSURE STATEMENT IS NOT AN OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY ANY SECURITIES.

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[1] Due to the large number of debtor entities in these chapter 11 cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at https://dm.epiq11.com/vesttoo.

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The Combined Disclosure Statement and Plan was compiled from information obtained from numerous sources believed to be accurate to the best of the Plan Proponent's knowledge, information, and belief. No governmental authority has passed on, confirmed, or determined the accuracy or adequacy of the information contained herein.

Nothing stated herein shall be (i) deemed or construed as an admission of any fact or liability by any party, (ii) admissible in any proceeding involving the Plan Proponent, the Debtors, or any other party, or (iii) deemed conclusive evidence of the tax or other legal effects of the Combined Disclosure Statement and Plan on the Debtors or Holders of Claims or Interests. Certain statements contained herein, by nature, are forward-looking and contain estimates and assumptions. There can be no assurance that such statements will reflect actual outcomes.

The statements contained herein are made as of the date hereof, unless another time is specified. The delivery of the Combined Disclosure Statement and Plan shall not be deemed or construed to create any implication that the information contained herein is correct at any time after the date hereof. Holders of Claims or Interests should not construe the contents of the Combined Disclosure Statement and Plan as providing any legal, business, financial, or tax advice. Therefore, each such Holder should consult with its own legal, business, financial, and tax advisors as to any such matters concerning the Combined Disclosure Statement and Plan and the transactions contemplated hereby.

No party is authorized to give any information with respect to the Combined Disclosure Statement and Plan other than that which is contained in the Combined Disclosure Statement and Plan. No representations concerning the Debtors or the value of their property have been authorized by the Plan Proponent other than as set forth in the Combined Disclosure Statement and Plan. Any information, representations, or inducements made to obtain an acceptance of the Combined Disclosure Statement and Plan other than, or inconsistent with, the information contained herein should not be relied upon by any Holder of a Claim or Interest. The Combined Disclosure Statement and Plan has been prepared in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016(b) and not in accordance with federal or state securities laws or other nonapplicable bankruptcy laws. The Combined Disclosure Statement and Plan has not been approved or disapproved by the United States Securities and Exchange Commission (the "SEC"), and the SEC has not passed upon the accuracy or adequacy of the statements contained herein.

INTRODUCTION

The Official Committee of Unsecured Creditors, as Plan Proponent, proposes this combined disclosure statement and chapter 11 plan of liquidation, as amended and supplemented from time to time, for the resolution of outstanding Claims against, and Interests in, the Debtors. Capitalized terms used and not otherwise defined shall have the meanings ascribed to such terms in Article I.A hereof.

In accordance with the provisions of this Combined Disclosure Statement and Plan, the Wind Down Agreement, and the Liquidating Trust Agreement, the Wind Down Officer and Liquidating Trustee will marshal the remaining assets of the Debtors' Estates, including prosecution and recovery of the Liquidating Trust Claims (including certain Contributed Non-Estate Causes of Action), review and reconcile Claims, and make Distributions from the Liquidating Trust Assets and the proceeds thereof to Holders of certain Allowed Claims, consistent with the provisions of the Bankruptcy Code.

This Combined Disclosure Statement and Plan contains, among other things, (i) a discussion of the Debtors' history and businesses, (ii) a summary of the events leading to these Chapter 11 Cases, (iii) a summary of key events in these Chapter 11 Cases, (iv) risk factors related to this Combined Disclosure Statement and Plan, (v) the terms of the plan of liquidation, and (vi) certain other related matters. The Committee and the Committee's Professionals have relied upon publicly available information and information provided by the Debtors in connection with preparation of this Combined Disclosure Statement and Plan and have not independently verified the information contained herein.

The Committee is the proponent of the Combined Disclosure Statement and Plan within the meaning of section 1129 of the Bankruptcy Code. **All Holders of Claims and Interests, to the extent applicable, are encouraged to read the Combined Disclosure Statement and Plan in its entirety before voting to accept or reject the Combined Disclosure Statement and Plan. The Plan Proponent reserves the right to alter, amend, modify, revoke, or withdraw the Combined Disclosure Statement and Plan, or any part thereof, prior to its Substantial Consummation**.

Please take note of the following important dates relating to the Combined Disclosure Statement and Plan:

General Claims Bar Date. Persons or entities, other than governmental units, must ~~file~~have filed Proofs of Claim against the Debtors on account of Claims arising, or deemed to have arisen, prior to the Petition Date, including, for the avoidance of doubt, claims arising under section 503(b)(9) of the Bankruptcy Code by **December 1, 2023, at 4:00 (prevailing Eastern Time)**.

Plan Supplement Deadline. The Plan Proponent must provide any supplemental disclosures regarding the Combined Disclosure Statement and Plan by **January 16, 2024**;

Voting Deadline. Ballots from Holders of Claims entitled to vote on the Combined Disclosure Statement and Plan must be received by **January 23, 2024 at 4:00 p.m. (prevailing Eastern Time)**;

Objection Deadline. Objections to confirmation of the Combined Disclosure Statement and Plan must be filed and served by **January 23, 2024 at 4:00 p.m. (prevailing Eastern Time)**; and

Combined Hearing. Hearing on adequacy of disclosures and confirmation of the Combined Disclosure Statement and Plan: **February 6, 2024 at 10:30 a.m. (prevailing Eastern Time)**.

ARTICLE I.
DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW

A. Defined Terms

As used in this Combined Disclosure Statement and Plan, capitalized terms have the meanings set forth below.

1. "*503(b)(9) Claims*" means Claims arising under section 503(b)(9) of the Bankruptcy Code against one or more of the Debtors that were to be Filed against one or more of the Debtors on or before the General Bar Date.

2. "*Administrative Claim*" means a Claim for costs and expenses of administration of the Debtors' Estates pursuant to sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates; (b) Allowed Professional Fee Claims; (c) all Allowed requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4), and (5) of the Bankruptcy Code; and (d) all Allowed 503(b)(9) Claims.

3. "*Administrative Claims Bar Date*" means the applicable deadline to file Administrative Claims, which (i) for 503(b)(9) Claims is the General Bar Date, (ii) for Interim Administrative Claims is the Interim Administrative Claims Bar Date, (iii) for Supplemental Administrative Claims is the Supplemental Administrative Claims Bar Date, and (iv) for Professional Fee Claims is the Professional Fee Claims Bar Date, as applicable.

4. "*Affiliate*" shall have the meaning set forth in section 101(2) of the Bankruptcy Code.

5. "*Allowed*" means with respect to any Claim, except as otherwise provided herein: (a) a Claim that is evidenced by a Proof of Claim timely Filed by the applicable deadline for filing such Claim (or for which Claim under the Combined Disclosure Statement and Plan, the Bankruptcy Code, or a Final Order of the Bankruptcy Court, a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim has been timely Filed; or (c) a Claim Allowed pursuant to the Combined Disclosure Statement and Plan, any stipulation approved by the Bankruptcy Court, any contract, instrument, indenture, or other agreement entered into or assumed in connection with the Combined Disclosure Statement and Plan, or a Final Order; *provided*, that with respect to a Claim described in clauses (a) and (b) above, such

Claim shall be considered Allowed only if and to the extent that with respect to such Claim no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Combined Disclosure Statement and Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or if such an objection is so interposed, such Claim shall have been Allowed by a Final Order. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim or Interest is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors, the Plan Proponent, or the Liquidating Trustee and without further notice to any party or action, approval, or order of the Bankruptcy Court unless otherwise ordered by the Bankruptcy Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes. For the avoidance of doubt, a Proof of Claim Filed after the applicable deadline for filing such Claim shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-Filed Claim. "*Allow*" and "*Allowing*" shall have correlative meanings.

6. "*Aon*" means Aon Corporation and Aon Insurance Managers (Bermuda) Ltd.

7. "*Arkin*" means M. Arkin (1999) Ltd.

8. ~~7.~~ "*Assets*" means all tangible and intangible assets of every kind and nature of the Debtors and their Estates within the meaning of section 541 of the Bankruptcy Code.

9. ~~8.~~ "*Assumption Schedule*" means the schedule of Executory Contracts and Unexpired Leases to be assumed by the Debtors and, if applicable, assigned to the Wind Down Debtors, pursuant to the Plan and included in the Plan Supplement, as may be amended, modified, or supplemented from time to time.

10. "*Available Assets*" has the meaning set forth in Article XII.L.1 of this Combined Disclosure Statement and Plan.

11. ~~9.~~ "*Avoidance Actions*" means Claims and Causes of Action under sections 502(d), 544, 545, 547, 548, 549, 550, and 553 of the Bankruptcy Code and any other avoidance or similar action under the Bankruptcy Code or similar state law.

12. ~~10.~~ "*Balloting Agent*" means Epiq Corporate Restructuring, LLC.

13. ~~11.~~ "*Bankruptcy Code*" means title 11 of the United States Code, 11 U.S.C. §§ 101– 1532, as amended from time to time, as applicable to the Chapter 11 Cases.

14. ~~12.~~ "*Bankruptcy Court*" means the United States Bankruptcy Court for the District of Delaware having jurisdiction over the Chapter 11 Cases.

15. ~~13.~~ "*Bankruptcy Rules*" means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court, each as amended from time to time.

16. ~~14.~~ "*Bar Date Order*" means the *Order (I) Establishing Deadlines for Filing Proofs of Claim, Including Section 503(b)(9) Claims, (II) Establishing Deadlines for Filing Applications for Allowance of*

Administrative Claims Accrued Through December 1, 2023, (III) Approving the Form and Manner of Notice Hereof, and (IV) Granting Related Relief entered by the Bankruptcy Court on October 23, 2023 [Docket No. 273].

17. "*Beazley*" means, collectively, Beazley Insurance Company Inc., Beazley Insurance DAC, Beazley Lloyd's Syndicate No 2623, Beazley Lloyd's Syndicate No 3623, Beazley Lloyd's Syndicate No 5623, and Beazley Lloyd's Syndicate No 623.

18. ~~15.~~ "*Bermuda SAC Act*" means the Bermuda Segregated Account Companies Act enacted by Bermuda in 2000.

19. ~~16.~~ "*Books and Records*" means all books and records of any of the Debtors, including any and all documents and any and all computer generated or computer-maintained books and records and computer data, as well as electronically generated or maintained books and records or data, along with books and records of any Debtor maintained by or in the possession of third parties, wherever located.

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

21. "*Case Expenses*" has the meaning set forth in Article XII.L.1 of this Combined Disclosure Statement and Plan.

22. ~~18.~~ "*Cash*" means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the United States of America.

23. ~~19.~~ "*Causes of Action*" means any Claims, damages, remedies, causes of action, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, matured or unmatured, suspected or unsuspected, in tort, law, equity, or otherwise, including all rights of setoff, counterclaim, or recoupment and commercial tort claims, claims on contracts, or for breaches of duties imposed by law.

24. ~~20.~~ "*Cedent*" means a party to a contract that passes financial obligations for certain potential losses to a reinsurer.

25. ~~21.~~ "*Chapter 11 Cases*" means, when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court, and when used with reference to all of the Debtors, the procedurally consolidated and jointly administered chapter 11 cases pending for the Debtors in the Bankruptcy Court.

26. "*Chaucer*" means, collectively, Chaucer Insurance Company DAC and Chaucer Syndicates Limited, as managing agent of Lloyd's Syndicate 1084.

27. "*Chaucer Cell*" means that certain Segregated Cell designated "T108 – Chaucer".

28. ~~22.~~ "*Claim*" means any claim as defined in section 101(5) of the Bankruptcy Code.

29. ~~23.~~ "~~"~~*Claims Agent*" means Epiq Corporate Restructuring, LLC or any successor appointed by the Bankruptcy Court.

30. ~~24.~~ "*Claims Objection Bar Date*" means the deadline for objecting to a Claim, which shall be on the date that is the later of (a) 180 days after the Effective Date and (b) such other period of limitation as may be specifically fixed by order of the Bankruptcy Court for objecting to Claims.

31. ~~25.~~ "*Claims Register*" means the official register of Claims maintained by the Claims Agent.

32. ~~26.~~ "*Class*" means a category of Claims or Interests under section 1122(a) of the Bankruptcy Code.

33. ~~27.~~ "*Class 3 Liquidating Trust Interests*" means the beneficial interests in the Liquidating Trust to be distributed to Holders of Allowed General Unsecured Claims, which shall entitle such Holders to receive Distributions of Liquidating Trust Assets pursuant to the Liquidating Trust Proceeds Waterfall.

34. ~~28.~~ "*Class 4 Liquidating Trust Interests*" means the beneficial interests in the Liquidating Trust to be distributed to Holders of Allowed Penalty Claims, which shall entitle such Holders to receive Distributions of Liquidating Trust Assets pursuant to the Liquidating Trust Proceeds Waterfall.

35. "*Clear Blue*" means, collectively, Clear Blue Specialty Insurance Company, Clear Blue Insurance Company, Rock Ridge Insurance Company, and Highlander Specialty Insurance Company.

36. ~~29.~~ "*Combined Disclosure Statement and Plan*" means this entire document and the Plan Supplement, all exhibits, schedules and related documents, whether annexed hereto or Filed in connection herewith, including the Disclosure Statement portions and the Plan portions.

37. ~~30.~~ "*Combined Hearing*" means the combined hearing before the Bankruptcy Court to consider the adequacy of the disclosures in, and confirmation of, the Combined Disclosure Statement and Plan.

38. ~~31.~~ "*Committee*" means the official committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to section 1102(a) of the Bankruptcy Code.

39. "*Committee/JPL Settlement*" means the settlement by and among the Committee and the White Rock JPLs approved by the Committee/JPL Settlement Orders.

40. "*Committee/JPL Settlement Bankruptcy Court Order*" means an order of the Bankruptcy Court approving, pursuant to, among others, Bankruptcy Rule 9019, the Committee/JPL Settlement, which order may be the Confirmation Order.

41. "*Committee/JPL Settlement Bermuda Court Order*" means an order of the Supreme Court of Bermuda sanctioning the Committee/JPL Settlement and authorizing the JPLs to implement the Committee/JPL Settlement.

42. "*Committee/JPL Settlement Orders*" means, together, the Committee/JPL Settlement Bankruptcy Court Order and the Committee/JPL Settlement Bermuda Court Order.

43. ~~32.~~ "*Confirmation Date*" means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

44. ~~33.~~ "*Confirmation Order*" means the order of the Bankruptcy Court confirming this Combined Disclosure Statement and Plan pursuant to, among others, section 1129 of the Bankruptcy Code.

45. "*Constructive Trust Claim*" means a claim or assertion of beneficial ownership interest in Cash or other property held by a Debtor, as putative trustee, in a constructive trust or other equitable device imposed as a matter of equity pursuant to applicable U.S. federal or state law and/or the Bermuda SAC Act.

46. "*Constructive Trust Priority Payment*" has the meaning set forth in Article XII.L.3 of this Combined Disclosure Statement and Plan.

47. ~~34.~~ "*Consummation*" means the occurrence of the Effective Date.

48. ~~35.~~ "*Contributed Non-Estate Causes of Action*" means the Non-Estate Causes of Action held by a Contributing Creditor that are contributed and assigned to the Liquidating Trust pursuant to the Contribution Election.

49. ~~36.~~ "*Contributing Creditor*" means a Holder of an Allowed General Unsecured Claim that elects to contribute and assign such Holder's Non-Estate Causes of Action to the Liquidating Trust pursuant to the Contribution Election.

50. ~~37.~~ "*Contributing Creditor Enhancement Multiplier*" means 10%.

51. ~~38.~~ "*Contribution Election*" means the agreement of a Contributing Creditor to contribute and assign such Contributing Creditor's Non-Estate Causes of Action to the Liquidating Trust, as evidenced by the submission of an Election Form for Contributing Creditors, which form shall also be provided to Holders of Class 3 General Unsecured Claims in accordance with the Confirmation Order.

52. ~~39.~~ "*Contribution Election Deadline*" means the date that is 30 calendar days after the Effective Date.

53. ~~40.~~ "*Contribution Election Effective Date*" means (a) with respect a Contributing Creditor that submits its executed Election Form for Contributing Creditors prior to the Effective Date, the Effective Date, and (b) with respect to a Contributing Creditor that submits its executed Election Form for Contributing Creditors on or after the Effective Date, the date on which such Contributing Creditor delivers its executed Election Form for Contributing Creditors to the Liquidating Trustee in accordance with the terms thereof and the terms of this Combined Disclosure Statement and Plan.

54. ~~41.~~ "*Convenience Claim*" means a General Unsecured Claim (i) that is either (a) an Allowed Claim in an amount that is equal to or less than $200,000, or (b) an Allowed Claim in an amount that is greater than $200,000 which the Holder thereof has elected to reduce to $200,000 pursuant to the procedures provided in the Solicitation Procedures Order, and (ii) which the Holder thereof has elected pursuant to the procedures provided in the Solicitation Procedures Order to be reclassified and treated in Class 3A – Convenience Claims.

55. ~~42.~~ "*Convenience Claims Pool*" means Cash in the amount of $200,000.00, the maximum aggregate amount to be distributed to Holders of Allowed Convenience Claims.

56. ~~43.~~ "*Cure/Assumption Objection Deadline*" means, with respect to an Executory Contract or Unexpired Lease to be assumed, or assumed and assigned, pursuant to the Plan, the earlier of (i) 14 days after service of the Cure Notice with respect to such Executory Contract or Unexpired Lease and (ii) the date of the Combined Hearing.

57. ~~44.~~ "*Cure Claim*" means a monetary Claim on account of the amount required to cure any monetary defaults under any Executory Contract or Unexpired Lease at the time such contract or lease is assumed pursuant to section 365 of the Bankruptcy Code.

58. ~~45.~~ "*Cure Notice*" means a notice related to an Executory Contract or Unexpired Lease that may be assumed under the Plan pursuant to section 365 of the Bankruptcy Code, the form and substance of which notice shall be approved by the Solicitation Procedures Order, and which notice shall include: (a) procedures for objecting to proposed assumptions of Executory Contracts and Unexpired Leases; (b) the proposed amount of the Cure Claim to be paid in connection therewith; and (c) procedures for resolution by the Bankruptcy Court of any related disputes, all in accordance with the procedures set forth in the Solicitation Procedures Order.

59. ~~46.~~ "*D&O*" means any current or former officer, director, member, manager, or employee of any of the Debtors, solely in his or her capacity as such.

60. ~~47.~~ "*D&O Liability Insurance Policies*" means all insurance policies for current or former D&O's liability, including, for the avoidance of doubt, any professional indemnity and errors and omissions policies, maintained by the Debtors and issued prior to the Effective Date, including any such "tail" policies, in each case with any amendments, supplements, or modifications.

61. "*Debtor-by-Debtor Allocation*" has the meaning set forth in Article XII.L.1 of this Combined Disclosure Statement and Plan

62. ~~48.~~ "*Debtors*" means, collectively, the debtors and debtors in possession in the Chapter 11 Cases.

63. ~~49.~~ "*Disallowed*" means, with respect to any Claim, a Claim or any portion thereof that: (a) has been disallowed by a Final Order; (b) is listed on the Schedules in an unknown amount or the amount of zero dollars or as contingent, disputed, or unliquidated and as to which no Proof of Claim or request for payment of an Administrative Claim has been timely Filed or deemed timely Filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order or otherwise deemed timely Filed under applicable law or the Combined Disclosure Statement and Plan; (c) is not listed on the Schedules and as to which no Proof of Claim or request for payment of an Administrative Claim has been timely Filed or deemed timely Filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order or otherwise deemed timely Filed under applicable law or the Combined Disclosure Statement and Plan; (d) has been withdrawn by agreement of the applicable Debtor or the Wind Down Officer, as applicable, and the Holder thereof; or (e) has been withdrawn by the Holder thereof.

64. ~~50.~~ "*Disbursing Agent*" means mean the Liquidating Trustee; *provided*, *however*, that the Liquidating Trustee may, in its discretion, retain a third party to act as Disbursing Agent.

65. ~~51.~~ "*Disclosure Statement*" means the disclosure statement, as amended, supplemented or modified from time to time, that is embodied within the Combined Disclosure Statement and Plan and

distributed in accordance with, among others, sections 1125, 1126(b), and 1145 of the Bankruptcy Code, Bankruptcy Rule 3018, and other applicable law.

66. ~~52.~~ "*Disputed*" means a Claim that is not yet Allowed or Disallowed.

67. ~~53.~~ "*Distribution*" shall mean any distribution made pursuant to the Combined Disclosure Statement and Plan by the Liquidating Trustee or another Entity acting as the Disbursing Agent, to the Holders of Allowed Claims.

68. "*Distribution Notice*" has the meaning set forth in Article XII.L.2(c) of this Combined Disclosure Statement and Plan.

69. ~~54.~~ "*Distribution Reserve Accounts*" means the Undeliverable Distribution Reserve, the Wind Down Expense Fund, the Liquidating Trust Expense Fund, the GUC Disputed Claims Reserve, and the Professional Fee Escrow Account established pursuant to this Combined Disclosure Statement and Plan, and any other reserve account the Wind Down Officer or Liquidating Trustee deems necessary or appropriate, subject to the consent and approval of the Wind Down Advisory Board.

70. ~~55.~~ "*Effective Date*" means the first Business Day after the Confirmation Date on which the conditions precedent specified in Article XIV.B have been either satisfied or waived.

71. ~~56.~~ "*Election Form for Contributing Creditors*" means the form pursuant to which a Contributing Creditor may make a Contribution Election, which form shall be provided to Holders of Class 3 General Unsecured Claims in accordance with the Confirmation Order. The Election Form for Contributing Creditors will be filed with the Plan Supplement and approved by the Confirmation Order.

72. ~~57.~~ "*Entity*" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

73. ~~58.~~ "*Estate*" means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

74. ~~59.~~ "*Estate Causes of Action*" means all Causes of Action of any of the Debtors and their Estates, including, but not limited to, (a) the right to object to or otherwise contest Claims or Interests; (b) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code, including, but not limited to, Avoidance Actions; and (c) such claims and defenses as fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code. For the avoidance of doubt, the Estate Causes of Action include direct or derivative Claims or Causes of Action of any of the Debtors or their Estates (including Claims or Causes of Action relating to or arising out of invalid letters of credit described in the Disclosure Statement portions of this Combined Disclosure Statement and Plan) against: (a) any and all current and former officers, directors, shareholders, members, managers, employees, Affiliates, or insiders of any of the Debtors, including but not limited to for breach of fiduciary duty or aiding and abetting breach of fiduciary duty, contract, tort, equity or under and pursuant to any D&O Liability Insurance Policy (including for bad faith); (b) any other Person who transacted business with any of the Debtors or engaged in conduct with the parties identified in subsection (a) of this paragraph to the detriment of the Debtors; (c) all Persons or Entities that provided professional services to any of the Debtors, including, without limitation, all attorneys, accountants, auditors, financial advisors and other parties providing services to the Debtors; and (d) any Affiliates of the Persons described in subsections (a) through (c). A nonexclusive list of Estate Causes of Action shall be set forth in the Plan Supplement.

75. ~~60.~~ "*Exculpated Parties*" means, collectively, and in each case in its capacity as such: (a) the Debtors' Professionals retained in these Chapter 11 Cases, (b) the Committee, the members of the Committee in their capacity as such, and (c) the Committee's Professionals retained in these Chapter 11 Cases.

76. ~~61.~~ "*Executory Contract*" means a contract to which one or more of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

77. ~~62.~~ "*File,*" "*Filed,*" or "*Filing*" means file, filed, or filing in the Chapter 11 Cases with the Bankruptcy Court or, with respect to the filing of a Proof of Claim or proof of Interest, the Claims Agent.

78. ~~63.~~ "*Final Order*" means (i) an order or judgment of the Bankruptcy Court, as entered on the docket in any Chapter 11 Case (or any related adversary proceeding or contested matter) or the docket of any other court of competent jurisdiction, or (ii) an order or judgment of any other court having jurisdiction over any appeal from (or petition seeking certiorari or other review of) any order or judgment entered by the Bankruptcy Court (or any other court of competent jurisdiction, including in an appeal taken) in any Chapter 11 Case (or in any related adversary proceeding or contested matter), in each case that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired according to applicable law and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely Filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; *provided*, that the possibility a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or the Local Rules, may be Filed relating to such order shall not prevent such order from being a Final Order.

79. ~~64.~~ "*General Bar Date*" means the deadline for persons or entities, other than Governmental Units, to file Proofs of Claim against the Debtors on account of Claims arising, or deemed to have arisen, prior to the Petition Date, including, for the avoidance of doubt, claims arising under section 503(b)(9) of the Bankruptcy Code, which deadline was established by the Bar Date Order as December 1, 2023, at 4:00 (prevailing Eastern Time).

80. ~~65.~~ "*General Unsecured Claim*" or "*GUC*" means any Claim other than (a) an Administrative Claim, (b) an Other Secured Claim, (c) a Priority Tax Claim, (d) an Other Priority Claim, (e) an Intercompany Claim, (f) a Penalty Claim, or (g) a Subordinated Claim.

81. ~~66.~~ "*Governmental Penalty Claim*" means any Claim by a Governmental Unit on account of a fine, penalty, assessment, or forfeiture other than on account of a Priority Tax Claim.

82. ~~67.~~ "*Governmental Unit*" shall have the meaning set forth in section 101(27) of the Bankruptcy Code.

83. ~~68.~~ "*GUC Disputed Claims Reserve*" means a reserve account with respect to Disputed General Unsecured Claims to be established and funded by the Liquidating Trustee pursuant to Article XI.E and the Liquidating Trust Agreement.

84. ~~69.~~ "*Holder*" means any Person holding a Claim or Interest, as applicable.

85. ~~70.~~ "*Impaired*" means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

86. ~~71.~~ "*Indemnification Obligations*" means each of the Debtors' indemnification obligations in effect immediately prior to the Confirmation Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, indemnification agreements, or employment or other contracts, for their current and former D&Os.

87. ~~72.~~ "*Initial Liquidating Trust Assets*" means the Initial Liquidating Trust Cash Amount and the Liquidating Trust Claims and proceeds thereof.

88. ~~73.~~ "*Initial Liquidating Trust Cash Amount*" means the amount of all ~~unrestricted~~ cash of the Debtors on the Effective Date (including, for the avoidance of doubt, the Vesttoo Bay XIV Contribution Amount and the Vesttoo Bay XIX Contribution Amount) minus (a) the Wind Down Cash Amount, (b) the Vesttoo Bay XIV Distribution Amount, (c) the Vesttoo Bay XIX Distribution Amount, and (c) the Vesttoo Bay XXIV Cash; *provided* that the Initial Liquidating Trust Cash Amount shall not include the Professional Fee Escrow Account.

89. ~~74.~~ "*Insurance Policies*" mean all insurance policies that have been issued at any time to provide coverage to any of the Debtors and all agreements, documents, or instruments relating thereto and, for the avoidance of doubt, shall include all D&O Liability Insurance Policies.

90. ~~75.~~ "*Intercompany Claim*" means any Claim held by a Debtor against another Debtor.

91. ~~76.~~ "*Intercompany Interest*" means an Interest in one Debtor held by another Debtor or Debtor's Affiliate.

92. ~~77.~~ "*Interest*" means any equity security (as defined in section 101(16) of the Bankruptcy Code) in any Debtor, including any rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor.

93. ~~78.~~ "*Interim Administrative Claims*" means Administrative Claims, other than 503(b)(9) Claims and Professional Fee Claims, that accrued on or after the Petition Date through and including December 1, 2023.

94. ~~79.~~ "*Interim Administrative Claims Bar Date*" means the deadline by which all Holders of Interim Administrative Claims must file a request for allowance of any such claims via the form approved by the Bar Date Order, which deadline is 4:00 p.m. (prevailing Eastern Time) on January 12, 2024.

95. ~~80.~~ "*Interim Compensation Order*" means the order of the Bankruptcy Court establishing procedures for interim compensation and reimbursement of expenses for professionals [Docket No. 188].

96. ~~81.~~ "*IRS*" means the Internal Revenue Service.

97. ~~82.~~ "*Judicial Code*" means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as amended from time to time, as applicable to the Chapter 11 Cases.

98. ~~83.~~ "*Lien*" shall have the meaning set forth in section 101(37) of the Bankruptcy Code.

99. ~~84.~~ "*Liquidating Trust*" means a Liquidating Trust to be established on the Effective Date for the benefit of Holders of Allowed General Unsecured Claims pursuant to the terms of the Liquidating Trust Agreement and the Plan.

100. ~~85.~~ "*Liquidating Trust Agreement*" means the trust or similar agreement that establishes the Liquidating Trust and governs the powers, duties, and responsibilities of the Liquidating Trustee, on terms materially consistent with the Plan, filed as part of the Plan Supplement, as may be amended, modified, or supplemented from time to time, which shall be on terms acceptable to the Committee.

101. ~~86.~~ "*Liquidating Trust Assets*" means (i) the Initial Liquidating Trust Assets, (ii) any Remaining Assets contributed and transferred by the Wind Down Officer to the Liquidating Trust after the Effective Date in accordance with this Combined Disclosure Statement and Plan, (iii) the proceeds of all Remaining Assets liquidated by the Wind Down Officer, which proceeds shall be contributed and transferred to the Liquidating Trust by the Wind Down Officer, and (iv) all Books and Records regarding each of the foregoing.

102. ~~87.~~ "*Liquidating Trust Beneficiaries*" means the Holders of Liquidating Trust Interests.

103. ~~88.~~ "*Liquidating Trust Claims*" means collectively, all Estate Causes of Action and all Contributed Non-Estate Causes of Action.

104. ~~89.~~ "*Liquidating Trust Expense Fund*" has the meaning set forth in Article XI.D of this Combined Disclosure Statement and Plan.

105. ~~90.~~ "*Liquidating Trust Expenses*" ~~shall have~~has the meaning set forth in Article XI.D of this Combined Disclosure Statement and Plan.

106. ~~91.~~ "*Liquidating Trust Interests*" means the beneficial interests in the Liquidating Trust, which shall be distributed in accordance with the Plan to Holders of Allowed Class 3 General Unsecured Claims and Holders of Class 4 Penalty Claims.

107. ~~92.~~ "*Liquidating Trust Proceeds Waterfall*" means the following priority of distributions with respect to the Liquidating Trust Assets: (a) first, any outstanding Allowed Administrative Claims and Allowed Priority Claims, if any; (b) second, after the amounts in clause (a) are fully satisfied or reserved, all Liquidating Trust Expenses and, to the extent that the Wind Down Expense Fund is insufficient to satisfy in full all Wind Down Expenses, the Wind Down Expenses; *provided* that the Liquidating Trust Expenses and Wind Down Expenses shall be paid on a *pari passu* basis; (c) third, after the amounts in clauses (a) and (b) are fully satisfied or reserved, to pay Holders of Class 3 Liquidating Trust Interests; and (d) fourth, after the amounts in clauses (a) through (c) are fully satisfied or reserved, to pay Holders of Class 4 Liquidating Trust Interests; *provided* that any Constructive Trust Priority Payments shall be made as set forth in Article XII.L.3 hereof.

108. ~~93.~~ "*Liquidating Trustee*" means the Person designated by the Committee to serve as the trustee of the Liquidating Trust, identified and disclosed in the Plan Supplement, and any successor thereto appointed pursuant to the Liquidating Trust Agreement; *provided* that the Liquidating Trustee shall be the same Person as the Wind Down Officer.

109. ~~94.~~ "*Local Rules*" means the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware.

110. "*Matag*" means Matag Investment Ltd.

111. ~~95.~~ "*Non-Estate Causes of Action*" means all direct Causes of Action of a Holder of a General Unsecured Claim, arising from any matter involving any of the Debtors, including any of the conduct described in the Disclosure Statement portions of this Combined Disclosure Statement and Plan, against Persons or Entities that are not Debtors. The nature and scope of Non-Estate Causes of Action shall be described and set forth in the Election Form for Contributing Creditors.

112. "*Notes*" has the meaning set forth in Article XII.L.4 of this Combined Disclosure Statement and Plan.

113. "*Note Proceeds*" has the meaning set forth in Article XII.L.4 of this Combined Disclosure Statement and Plan.

114. ~~96.~~ "*Other Priority Claim*" means any Claim entitled to priority in right of payment under section 507(a) of the Bankruptcy Code, other than: (a) an Administrative Claim; or (b) a Priority Tax Claim, to the extent such Claim has not already been paid or satisfied.

115. ~~97.~~ "*Penalty Claim*" means any Claim or portion of a Claim, including a Governmental Penalty Claim, on account of any fine, penalty, or forfeiture, or for multiple, exemplary, or punitive damages to the extent that such fine, penalty, forfeiture, or damages are not compensation for actual pecuniary loss suffered by the Holder of such Claim.

116. ~~98.~~ "*Person*" shall have the meaning set forth in section 101(41) of the Bankruptcy Code.

117. ~~99.~~ "*Petition Date*" for each Debtor, the date on which such Debtor commenced its respective Chapter 11 Case, which date is August 14, 2023 or August 15, 2023.

118. ~~100.~~ "*Plan*" means this Combined Disclosure Statement and Plan and the Plan Supplement, which is incorporated herein by reference, including all exhibits and schedules hereto and thereto.

119. ~~101.~~ "*Plan Documents*" means all documents, forms of documents, schedules, and exhibits to this Combined Disclosure Statement and Plan to be executed, delivered, assumed, or performed in conjunction with consummation of this Combined Disclosure Statement and Plan on the Effective Date.

120. ~~102.~~ "*Plan Proponent*" means the Committee in its capacity as proponent of this Combined Disclosure Statement and Plan.

121. ~~103.~~ "*Plan Supplement*" means the compilation of all Plan Documents to be entered into as of the Effective Date and which, if not attached to this Combined Disclosure Statement and Plan, will be filed with the Bankruptcy Court not later than seven calendar days prior to the Voting Deadline.

122. "*Porch*" means, together, Porch Group Inc. and Porch.com Inc.

123. ~~104.~~ "*Priority Claims*" means, collectively, Priority Tax Claims and Other Priority Claims.

124. ~~105.~~ "*Priority Tax Claim*" means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

125. ~~106.~~ "*Pro Rata Share*" means, with respect to any Distribution on account of any Allowed Claim, the ratio that the amount of such Allowed Claim bears to the aggregate amount of all Allowed Claims in the same Class.

126. ~~107.~~ "*Professional*" means an Entity employed pursuant to a Bankruptcy Court order in accordance with sections 327, 328, or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Effective Date pursuant to sections 327, 328, 329, 330, or 331 of the Bankruptcy Code.

127. ~~108.~~ "*Professional Fee Claims*" means all Administrative Claims for the compensation of Professionals and the reimbursement of expenses incurred by such Professionals through and including the Effective Date to the extent such fees and expenses have not been previously paid.

128. ~~109.~~ "*Professional Fee Claims Bar Date*" means the deadline for Professionals to file requests for payment of Professional Fee Claims, which shall be 45 days after the Effective Date.

129. ~~110.~~ "*Professional Fee Escrow Account*" means an interest-bearing account to be funded by the Debtors in an amount equal to the Professional Fee Reserve Amount on or prior to the Effective Date for payment of Professional Fee Claims.

130. ~~111.~~ "*Professional Fee Reserve Amount*" means the aggregate amount of Professional Fee Claims that the Professionals estimate they have incurred or will incur in rendering services prior to and as of the Effective Date, which estimates Professionals shall deliver in accordance with Article VI.B.2.

131. ~~112.~~ "*Proof of Claim*" means a proof of Claim Filed in the Chapter 11 Cases.

132. ~~113.~~ "*Quarterly Fees*" shall have the meaning set forth in Article VI.D.

133. ~~114.~~ "*Remaining Assets*" means all Assets that are not Initial Liquidating Trust Assets. For the avoidance of doubt, (a) neither the Vesttoo Bay XIV Distribution Amount nor the Vesttoo Bay XIX Distribution Amount are Remaining Assets, and (b) the Vesttoo Bay XXIV Cash is a Remaining Asset only to the extent set forth in Article XIII.F.3 hereof.

134. "*Restored Vesttoo Bay XIX Cash*" has the meaning set forth in Article VIII.F.2 of this Combined Disclosure Statement and Plan.

135. ~~115.~~ "*Retained Employees*" means those employees of the Debtors identified on a schedule to be filed with the Plan Supplement.

136. ~~116.~~ "*Secured*" means when referring to a Claim: (a) secured by a Lien on property in which any of the Debtors has an interest, which Lien is valid, perfected, enforceable, and unavoidable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the applicable Holder's interest in the applicable Debtor'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) Allowed pursuant to the Combined Disclosure Statement and Plan, or separate order of the Bankruptcy Court, as a secured claim.

137. ~~117.~~ "*Segregated Account*" means an account formed pursuant to the Bermuda SAC Act for the purpose of legally segregating assets and liabilities owed to a Cedent.

138. ~~118.~~ "*Segregated Account Claim*" means a right or claim of a Cedent to assets held in a Segregated Account to which a Cedent ceded risks pursuant to a contract of reinsurance with such Segregated Account, or Traceable Segregated Account Funds.

139. ~~119.~~ "*Solicitation Procedures Order*" means the *Order (A) Approving the Disclosure Statement on an Interim Basis, (B) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Plan, (C) Approving the Form of Ballot and Solicitation Materials, (D) Establishing Voting Record Date, (E) Fixing the Date, Time, and Place for the Hearing on Final Approval of the Disclosure Statement and Confirmation of the Plan and the Deadline for Filing Objections Thereto, and (F) Approving Related Notice Procedures and Deadlines* entered by the Bankruptcy Court on December 20, 2023.

140. ~~120.~~ "*Subordinated Claim*" means a Claim of the type described in and subject to subordination pursuant to section 510(b) of the Bankruptcy Code.

141. ~~121.~~ "*Supplemental Administrative Claims*" means Administrative Claims, other than 503(b)(9) Claims and Professional Fee Claims, that accrued on or after December 2, 2023 through and including the Effective Date.

142. ~~122.~~ "*Supplemental Administrative Claims Bar Date*" means the deadline for Filing requests for payment of Supplemental Administrative Claims, which shall be 30 days after the Effective Date.

143. ~~123.~~ "*Traceable Segregated Account Funds*" means any funds advanced by White Rock or a Cedent on behalf of, or in connection with, a Segregated Account to a transferee from which such funds may be recovered under applicable law.

144. ~~124.~~ "*U.S. Trustee*" means the Office of the United States Trustee for the District of Delaware and the U.S. Trustee for Region 3.

145. ~~125.~~ "*Unexpired Lease*" means a lease of nonresidential real property to which one or more of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

146. ~~126.~~ "*Unimpaired*" means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that are unimpaired within the meaning of section 1124 of the Bankruptcy Code, including through payment in full in Cash.

147. "*Vescor Bay*" has the meaning set forth in Article XII.L.4 of this Combined Disclosure Statement and Plan

148. "*Vescor Bay Surplus*" has the meaning set forth in Article XII.L.4 of this Combined Disclosure Statement and Plan

149. "*Vesttoo Bay XIV Settlement*" means the settlement by and among the Plan Proponent and Clear Blue regarding the Vesttoo Bay XIV Cash, which shall be approved pursuant to the Confirmation Order.

150. "*Vesttoo Bay XIV Settlement Motion*" means a motion of the Committee filed in the Chapter 11 Cases requesting approval, pursuant to, among others, Bankruptcy Rule 9019, of the Vesttoo Bay XIV Settlement.

151. "*Vesttoo Bay XIV*" means Vesttoo Bay XIV, Limited Partnership.

152. "*Vesttoo Bay XIV Cash*" means all Cash held by Vesttoo Bay XIV on the Petition Date.

153. "*Vesttoo Bay XIV Distribution Amount*" means 50% of the Vesttoo Bay XIV Cash, which Cash shall be distributed to Clear Blue or its designee on the Effective Date in accordance with Article VIII.F.1 hereof.

154. "*Vesttoo Bay XIV Contribution Amount*" means 50% of the Vesttoo Bay XIV Cash, which Cash constitutes Initial Liquidating Trust Assets.

155. "*Vesttoo Bay XIX Settlement*" means the settlement by and among the Plan Proponent and the Vesttoo Bay XIX Cedents regarding the Vesttoo Bay XIX Cash, which shall be approved pursuant to the Confirmation Order.

156. "*Vesttoo Bay XIX Settlement Motion*" means a motion of the Committee filed in the Chapter 11 Cases requesting approval, pursuant to, among others, Bankruptcy Rule 9019, of the Vesttoo Bay XIX Settlement.

157. "*Vesttoo Bay XIX*" means Vesttoo Bay XIX, Limited Partnership.

158. "*Vesttoo Bay XIX Cash*" means all Cash held by Vesttoo Bay XIX on the Petition Date.

159. "*Vesttoo Bay XIX Cedents*" means, collectively, Beazley and Porch.

160. "*Vesttoo Bay XIX Contribution Amount*" means 50% of the Vesttoo Bay XIX Cash, which Cash constitutes Initial Liquidating Trust Assets.

161. "*Vesttoo Bay XIX Distribution Amount*" means 50% of the Vesttoo Bay XIX Cash which Cash shall be distributed to the Vesttoo Bay XIX Cedents or their respective designees on a pro rata basis in accordance with Article VIII.F.2 hereof.

162. "*Vesttoo Bay XIX Ordered Transfer*" has the meaning set forth in Article VIII.F.2 of this Combined Disclosure Statement and Plan.

163. "*Vesttoo Bay XXIV*" means Vesttoo Bay XXIV, Limited Partnership.

164. "*Vesttoo Bay XXIV Cash*" means all Cash held by Vesttoo Bay XXIV on the Petition Date.

165. "*Vesttoo Bay XXIV Contribution Amount*" means 17.5% of the Vesttoo Bay XIX Cash, equal to $[•], which Cash constitutes Initial Liquidating Trust Assets.

166. "*Vesttoo Bay XXIV Distribution Amount*" means 82.5% of the Vesttoo Bay XXIV Cash, equal to $[•], which Cash shall be distributed Chaucer or its designee in accordance with Article VIII.F.3 hereof.

167. "*Vesttoo Bay XXIV Settlement*" means the settlement by and among the Plan Proponent and Chaucer regarding the Vesttoo Bay XXIV Cash, which shall be approved pursuant to the Confirmation Order.

168. "*Vesttoo Bay XXIV Settlement Motion*" means a motion of the Committee filed in the Chapter 11 Cases requesting approval, pursuant to, among others, Bankruptcy Rule 9019, of the Vesttoo Bay XXIV Settlement.

169. ~~127.~~ "*Voting Deadline*" means January 23, 2024, at 4:00 p.m. (prevailing Eastern Time).

170. ~~128.~~ "*White Rock*" means White Rock Insurance (SAC) Ltd., which is a subsidiary of Aon, and which holds certain assets and liabilities in Segregated Accounts to facilitate reinsurance transactions with certain Debtors.

171. "*White Rock Bermuda Proceeding*" means White Rock's proceeding pending in Bermuda styled *In the Matter of White Rock Insurance (SAC) Limited*, Case No. 2023-261.

172. "*White Rock JPLs*" means Charles Thresh and Michael Morrison as Joint Provisional Liquidators (for restructuring purposes only) of White Rock Insurance (SAC), Ltd. appointed pursuant to the Order, dated August 18, 2023, of the Supreme Court of Bermuda.

173. ~~129.~~ "*Wind Down*" means, following the Effective Date, the process to sell, abandon, wind down, dissolve, liquidate, or distribute the Remaining Assets of the Debtors' Estates in accordance with the Plan.

174. ~~130.~~ "*Wind Down Advisory Board*" means the board that shall oversee the Wind Down Officer and Liquidating Trustee in accordance with the Wind Down Agreement, Liquidating Trust Agreement, and this Combined Disclosure Statement and Plan, the initial composition of which shall consist of five members. Each member of the Committee shall designate one member of the Wind Down Advisory Board (the identity of whom, to the extent known, shall be disclosed prior to the Effective Date in the Plan Supplement).

175. ~~131.~~ "*Wind Down Agreement*" means the agreement, substantially in the form to be included in the Plan Supplement (as it may be subsequently modified from time to time), governing the powers, duties, and responsibilities of the Wind Down Officer on terms materially consistent with the Combined Disclosure Statement and Plan.

176. ~~132.~~ "*Wind Down Cash Amount*" means Cash in an amount to be determined, which shall be used by the Wind Down Officer to fund the Wind Down Expense Fund.

177. ~~133.~~ "*Wind Down Debtors*" means, as of the Effective Date, the Debtors, or any successor thereto, by merger, consolidation or otherwise (which may be, among other things, a corporation, limited liability company or a liquidating trust) to effectuate the Wind Down.

178. ~~134.~~ "*Wind Down Expense Fund*" has the meaning set forth in Article XI.C of this Combined Disclosure Statement and Plan.

179. ~~135.~~ "*Wind Down Expenses*" ~~shall have~~has the meaning set forth in Article XI.C.

180. ~~136.~~ "*Wind Down Officer*" means the person or entity selected by the Committee who is the designated representative of the Wind Down Debtors on and after the Effective Date and charged with overseeing the tasks outlined in Article VIII of this Combined Disclosure Statement and Plan and the Wind Down Agreement; *provided* that the Wind Down Officer and the Liquidating Trustee shall be the same Person.

B. Rules of Interpretation

For purposes herein: (1) in the appropriate context, 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; (2) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, modified, or supplemented; (4) any reference to a Person as a Holder of a Claim or Interest includes that Person's successors and assigns; (5) unless otherwise specified, all references herein to "Articles" are references to Articles hereof or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) unless otherwise specified, the words "herein," "hereof," and "hereto" refer to the Combined Disclosure Statement and Plan in its entirety rather than to a particular portion of the Combined Disclosure Statement and Plan; (8) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Combined Disclosure Statement and Plan; (9) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (10) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (11) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court's CM/ECF system; (12) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (13) any immaterial effectuating provisions may be interpreted by the Plan Proponent, the Wind Down Officer, or the Liquidating Trustee in such a manner that is consistent with the overall purpose and intent of the Combined Disclosure Statement and Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Person; and (14) all reference to "corporate action" shall mean with respect to any Entity, corporate, limited liability, partnership or other organizational action, as applicable to such Entity.

C. Computation of Time

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Combined Disclosure Statement and Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day. Any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable after the Effective Date.

D. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of Delaware, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Combined Disclosure Statement and Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Combined Disclosure Statement and Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided*, that corporate governance matters relating to the Debtors shall be governed by the laws of the state of incorporation or formation of the relevant Debtor.

E. Reference to Monetary Figures

All references in the Combined Disclosure Statement and Plan to monetary figures shall refer to currency of the United States of America unless otherwise expressly provided herein.

F. Nonconsolidated Plan

For purposes of administrative convenience and efficiency, the Plan has been filed as a joint plan for each of the Debtors and presents together Classes of Claims against, and Interests in, the Debtors. The Plan does not provide for the substantive consolidation of any of the Debtors. The Wind Down Advisory Board, the Wind Down Officer, the Liquidating Trustee, or any other party in interest may seek to substantively consolidate the Estates subject to approval of the Bankruptcy Court.

ARTICLE II.
SUMMARY OF CLASSIFICATION OF CLAIMS AND INTERESTS AND ESTIMATED RECOVERIES

The information in the table below is provided in summary form for illustrative purposes only and is subject to material change based on certain contingencies, including those related to the reconciliation process of Claims. Actual recoveries may widely vary within these ranges, and any changes to any of the assumptions underlying these amounts could result in material adjustments to recovery estimates provided herein and/or the actual distribution received by Creditors. The projected recoveries are based on information available to the Plan Proponent as of the date hereof and reflect the Plan Proponent's estimates as of the date hereof only. In addition to the cautionary notes contained elsewhere in the Combined Disclosure Statement and Plan, it is underscored that the Plan Proponent makes no representation as to the accuracy of these recovery estimates. The Plan Proponent expressly disclaims any obligation to update any estimates or assumptions after the date hereof on any basis (including new or different information received and/or errors discovered).

A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest falls within the description of such other Classes. A Claim or Interest is also placed in a particular Class for the purpose of receiving Distributions

pursuant to the Combined Disclosure Statement and Plan only to the extent that such Claim or Interest is an Allowed Claim in that Class and such Claim or Interest has not been paid, released, or otherwise satisfied prior to the Effective Date.

All Claims and Interests, except Administrative Claims, Professional Fee Claims, and Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims (including Professional Fee Claims) and Priority Tax Claims, as described herein, have not been classified, and the respective treatment of such unclassified Claims is set forth below in Article VI of the Combined Disclosure Statement and Plan. The categories of Claims and Interests listed below classify Claims and Interests for all purposes, including voting, confirmation, and distribution pursuant to the Combined Disclosure Statement and Plan and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code.

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND ARE THEREFORE SUBJECT TO CHANGE.

Class/Designation	Combined Disclosure Statement and Plan Treatment	Estimated Amount of Allowed Claims	Status	Projected Recovery
Class 1: Other Priority Claims	In full and final satisfaction of each Allowed Other Priority Claim, except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, each Holder thereof will receive payment in full in Cash.	$200,000 – $300,000	Unimpaired; Deemed to accept Combined Disclosure Statement and Plan	100%
Class 2: Secured Claims	In full and final satisfaction of each Allowed Secured Claim, except to the extent that a Holder of an Allowed Secured Claim agrees to less favorable treatment, each Holder thereof will receive at the option of the Liquidating Trustee: (a) payment in full in Cash, payable on the later of the Effective Date and the date that is ten Business Days after the date on which such Secured Claim becomes an Allowed Secured Claim, in each case, or as soon as reasonably practicable thereafter or (b) delivery of the collateral securing any such Claim.	$0	Unimpaired; Deemed to accept Combined Disclosure Statement and Plan	100%
Class 3: General Unsecured Claims	In full and final satisfaction of	$1.6 billion – $2.5 billion	Impaired; Entitled to Vote	3 – 100%

Class/Designation	Combined Disclosure Statement and Plan Treatment	Estimated Amount of Allowed Claims	Status	Projected Recovery
	each Allowed General Unsecured Claim, each Holder thereof shall receive its Pro Rata Share of the Class 3 Liquidating Trust Interests. Each Holder of a General Unsecured Claim shall also have the right to make a Contribution Election.			
Class 3A: Convenience Claims	In full and final satisfaction of each Allowed Convenience Claim, Each Holder thereof shall receive payment in Cash, payable on the later of the Effective Date and the date that is ten Business Days after the date on which such Convenience Claim becomes an Allowed Claim, in the amount of the lesser of (i) 15% of the Allowed amount of such Convenience Claim and (ii) such Holder's Pro Rata Share of the Convenience Class Pool.	$0 – $1.3 million	Impaired; Entitled to Vote	15%
Class 4: Penalty Claims	In full and final satisfaction of each Allowed Penalty Claim, each Holder thereof shall receive its Pro Rata Share of the Class 4 Liquidating Trust Interests.	Unknown[2]	Impaired; Deemed to reject Combined Disclosure Statement and Plan	0%
Class 5: Subordinated Claims	Subordinated Claims will be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and each Holder of a Subordinated Claim will not	Unknown[3]	Impaired; Deemed to reject Combined Disclosure	0%

[2] As of the date of this Combined Disclosure Statement and Plan, the Plan Proponent does not have adequate information to estimate the aggregate amount of Allowed Penalty Claims.

[3] As of the date of this Combined Disclosure Statement and Plan, the Plan Proponent does not have adequate information to estimate the aggregate amount of Allowed Subordinated Claims.

Class/Designation	Combined Disclosure Statement and Plan Treatment	Estimated Amount of Allowed Claims	Status	Projected Recovery
	receive any distribution on account of such Subordinated Claim.		Statement and Plan	
Class 6: Intercompany Claims	Holders of Intercompany Claims shall not receive a distribution on account of such Intercompany Claims.	N/A	Impaired; Deemed to reject Combined Disclosure Statement and Plan	0%
Class 7: Interests in the Debtors	On the Effective Date, all Interests shall be deemed canceled, extinguished and of no further force or effect, provided that Intercompany Interests may be reinstated for administrative convenience solely to the extent necessary to maintain the Debtors' corporate structure, provided that Holders of Interests shall not be entitled to receive or retain any property on account of such Interest.	N/A	Impaired / Deemed to reject the Combined Disclosure Statement and Plan	0%

ARTICLE III.
BACKGROUND

The information in this Article III is provided in order to enable voting creditors to make an informed decision regarding rejection or approval of the Combined Disclosure Statement and Plan. By order entered on December 20, 2023, the Combined Disclosure Statement and Plan was approved on an interim basis by the Bankruptcy Court as containing "adequate information" within the meaning of section 1125 of the Bankruptcy Code. If you are a voting creditor and believe additional information is necessary for this purpose, please contact counsel for the Plan Proponent[4] as soon as possible to request such information.

The Plan Proponent will make reasonable efforts to comply with requests for additional information and to make any such information available to all voting creditors by filing a supplement on the docket of the Chapter 11 Cases and requesting such information be posted on the Claims Agent's case website at https://dm.epiq11.com/vesttoo.

[4] Greenberg Traurig, LLP, (a) 222 Delaware Avenue, Suite 1600, Wilmington, Delaware 19801 (Attn: Anthony W. Clark, Esq. (anthony.clark@gtlaw.com) and Dennis A. Meloro, Esq. (melorod@gtlaw.com)) and (b) 3333 Piedmont Road NE, Suite 2500, Atlanta, Georgia 30305 (Attn: David B. Kurzweil, Esq. (kurzweild@gtlaw.com)).

The descriptions of the Debtors, their operations, and the events leading to the commencement of the Chapter 11 Cases contained in this Combined Disclosure Statement and Plan is based on information contained in the *Amended and Restated Declaration of Ami Barlev in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 27] (the "Barlev Declaration") and the *Debtors' First Interim Report dated September 7, 2023* [Docket No. 118] (the "Interim Report"). The Plan Proponent refers all parties in interest to the Barlev Declaration and the Interim Report for further detail regarding the Debtors, their operations, and the events leading to these Chapter 11 Cases, including the Debtors' statements regarding the preliminary results of their investigation into fraud. The Plan Proponent makes no representations or warranties regarding the accuracy of any information contained in the Barlev Declaration or Interim Report. As noted herein, the Committee is investigating claims that have arisen from the fraudulent conduct identified by the Debtors, and that investigation remains ongoing.

A. Background and Procedural History

1. The Debtors and Overview of Operations

As described in the Interim Report, the Debtors were founded in 2018 in Israel and subsequently expanded to New York, London, Hong Kong, Seoul, Tokyo, and Dubai. A copy of the Vesttoo's corporate structure chart is attached to the Interim Report as **Exhibit A**. In summary, Vesttoo Ltd., the ultimate parent company of the Debtors, owns 100% of Vesttoo Holdings Ltd., Vesttoo Hong Kong Limited, Vesttoo Ltd., Korea Branch, Vesttoo UK Ltd., Vesttoo US Inc., and Vesttoo Alpha Holdings Ltd. Vesttoo Holdings Ltd. is the general partner of several Israeli limited partnerships, each of which is a Debtor in these Chapter 11 Cases (the "Vesttoo Bay Partnerships").

The Debtors assert as follows. The foundation of their business is a fintech platform built to connect global insurance markets with the global capital markets. The Debtors' AI-powered technologies analyze and build risk models from the large volumes of complex data associated with insurance liabilities to offer access to a range of products, such as property and casualty risks (e.g., auto and home and cyber risk) and life and health risks (mortality/longevity and morbidity risk). The Debtors combine conventional actuarial models and proprietary machine-learning algorithms. Its process analyzes hundreds of models, performs thousands of tests, and selects the optimal risk model for a reinsurance transaction.

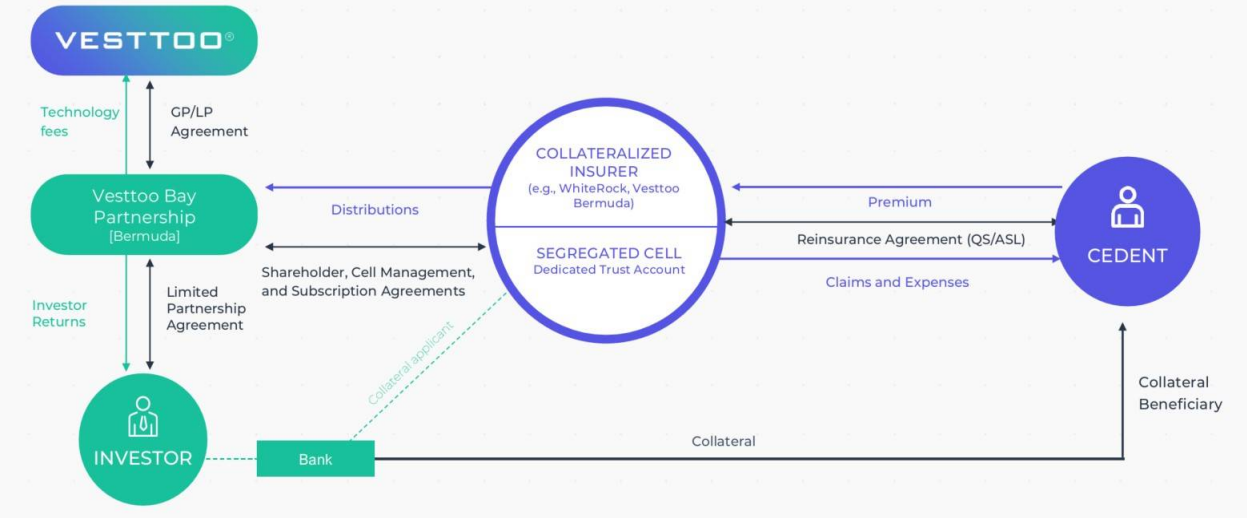
In a reinsurance transaction an insurance company (called the "reinsured," "Cedent," or "retro-Cedent") cedes, "spreads" or transfers to another insurer (called the "reinsurer" or "retrocessionaire") a portion of the risk that the Cedent underwrote under certain of its policies, along with a portion of the premium. Reinsurance of reinsurance is called retrocession. In both instances, the two insurers effectively share the financial exposure resulting from the risks the Cedent underwrote. This spreading of risk permits a Cedent to, among other things, reduce the amount of reserves it must hold for the protection of policyholders, and thereby increases the Cedent's capacity to underwrite additional insurance.

The Debtors' businesses leveraged "unique technology in the field of risk management, which allows insurance and reinsurance companies (Cedents or, in the case of a Cedent that

cedes risks that it has reinsured, 'retro-Cedents') to transfer their insurance risks to capital market investors through a technological reinsurance transaction platform and reinsurance-related financial instruments."[5] To support the transfers by Cedents of their insurance risks to investors and to enable the investors' investments in reinsurance transactions with each such Cedent, the Debtors, through various Debtors that were partnerships with investors and through Vesttoo Holdings Ltd., as the general partner of each such partnership, allowed investors to become shareholders of the Segregated Accounts and offered collateral support of three basic types of reinsurance: (1) aggregate stop-loss reinsurance, a type of reinsurance in which the reinsurer pays losses in excess of an "attachment point," which is a total amount of covered loss paid by the Cedent, (2) quota share reinsurance treaties, which are pro-rata reinsurance contracts in which the insurer and reinsurer share premiums and losses arising under a book of insurance policy business according to a fixed percentage from the first dollar of loss (and is therefore said to be "proportional"), and (3) excess of loss reinsurance in which the reinsurer indemnifies – or compensates – the ceding company for losses that exceed a specified amount or limit of the Cedent. Excess of loss provides non- proportional reinsurance based on loss retention; that is, the ceding company agrees to accept all losses up a predetermined level. The collateral support was to have been held and legally segregated pursuant to Bermuda law in a Segregated Account in which each Debtor partnership invested.

With respect to the Debtors' business, the assumed insurance risks were placed into segregated accounts created under Bermudan law. As demonstrated in the following sample Transaction Flow for a typical transaction, an insurance company cedes its risk as a Cedent under a Reinsurance Agreement with a transformer entity. The transformer entity is a reinsurer that in effect converts the insurance risk into an investible form of security or ownership interest. In the Debtors' business, the transformer then entered into agreements with one of the Vesttoo Bay Funds limited partnerships, such as a Shareholder Agreement, a Cell Management Agreement, and a Subscription Agreement. Under these agreements, the Reinsurance Agreement was transformed into an equity security in a segregated and protected cell created under the Bermuda Segregated Accounts Companies Act 2000. This equity security was sold to a Vesttoo Bay Funds entity and resulted in the Vesttoo Bay entity and a private investor becoming the beneficial owners of the applicable segregated cell and any funds held on account for that entity.

[5] Barlev Declaration ¶ 6.



(Source: Vesttoo Ltd.).

The Debtors also provided reinsurance collateral security outside the Vesttoo cell structure in three different ways. First, in one instance, a Vesttoo Bay Partnership entered into an agreement as a reinsurer, even though it was not licensed to do so. Second, Vesttoo Bay Partnerships provided reinsurance collateral for reinsurers that owed collateral to their own Cedents, either individually or in groups. And third, Vesttoo Bay Partnerships entered into swap transactions with a group of companies that included one or more insurers, special purpose companies and cells, and intermediaries.

The Debtors claimed that one of the foundational benefits of the Vesttoo platform was that for their Cedent and retro-Cedent clients, the Debtors sought to enhance risk transfer. For investor clients, the Debtors enabled institutional investors to invest in risk-remote, short-term, medium and long-term, and main non-catastrophe insurance risk structures. Specifically, Vesttoo Bay Partnerships became the beneficial owner of the accounts and cells and either sold interests in such accounts or cells to, or shared such beneficial ownership with, capital markets investors. As part of the agreements related to the segregated cells, there was an agreement for collateral security to be posted to support a reinsurer's financial obligation to its Cedents. That security typically took the form of standby or other letters of credit (collectively, "LOCs") with associated trust agreements. The investors were required to provide collateral security for the insurance risks placed in the segregated accounts and protective cells.

2. Fraudulent Letters of Credit and the Debtors' Initial Investigation

In mid-July 2023, media reports began to emerge that certain LOCs that were posted by[6] certain of the Segregated Accounts, and/or to trusts established by such Segregated Accounts as collateral for the benefit of Cedents were invalid. This public awareness stemmed from an

[6] All references in this Combined Disclosure Statement and Plan to actions "by" a Segregated Account are intended to mean actions by White Rock, as a Bermuda Segregated Account Company of which each such Segregated Account is a part, on behalf of such Segregated Account.

incident where Santander Bank ("Santander") reportedly denied knowledge of an LOC presented by one of the companies involved in an intellectual property transaction the Debtors facilitated. The Debtors engaged legal and forensic advisors to assist in investigating the allegations and, if necessary, to propose remedial steps to address any operational weaknesses and recover assets of the Debtors that may have been misappropriated. Specifically, the Debtors retained DLA Piper LLP (US) as lead counsel to assist in investigations in the United States, Israel, and elsewhere and to identify potential causes of action and avenues of recovery for the Debtors' estates, as well as addressing anticipated requests from regulators in the United States and abroad. DLA Piper in turn engaged Kroll Associates UK to assist in the investigation in Bermuda and Israel. As the investigation and subsequent litigation continued, DLA Piper was also engaged as counsel prepare the Chapter 11 Cases. Following commencement of the investigation, the Debtors have engaged other advisors in the United States, United Kingdom, Bermuda, Israel, and Hong Kong to assist in completing the investigation, prosecuting claims, addressing regulatory and other issues, and assisting in the Chapter 11 Cases.

As part of that investigation, DLA Piper and Kroll conducted interviews of current and former employees of the Debtors and processed emails, Google Drive documents, and Slack messages. These interviews included the Debtors' founders, Yaniv Bertele ("Bertele"), Ben Zickel ("Zickel"), and Alon Lifshitz ("Lifshitz"), and other key participants in the pervasive schemes that impacted the Debtors.

As described in the Interim Report, the Debtors' investigation team was given access to the Debtors' documents and systems, as well as to employees and others within the control of the Debtors. The Debtors' investigation identified pervasive and systematic misconduct by Vesttoo executives and others within their sphere of influence, including external entities and individuals.

Based on the investigation, the Debtors believe that they have identified any employees, agents, or others who had any culpable involvement with the conspiracy and have removed or severed all ties with those individuals. The Debtors believe that no current employees are implicated in the underlying conspiracy. Bertele and Lifshitz are contesting their dismissal under Israeli labor law and the Debtors are pursuing the required legal process to finalize their dismissal as well as other legal avenues of redress. The Debtors have also dismissed Ehud "Udi" Ginati ("Ginati") and Joshua Rurka ("Rurka"). All of the dismissed former executives have been stripped of any access to the Debtors' e-mails and system.

3. Preliminary Results of the Debtors' Investigation

On September 7, 2023, the Debtors filed the Interim Report setting forth the preliminary results of the Debtors' investigation to date. As described in the Interim Report, the forensic and documentary evidence has confirmed that a conspiracy to perpetuate a fraudulent scheme relating to the LOCs existed. It has also confirmed that that conspiracy included two members of Vesttoo's senior leadership (Bertele and Lifshitz). Participants in the conspiracy included the following individuals who were employees of the Debtors: Bertele, Lifshitz, Ginati (Senior Director of Capital Markets, and worked as a "finder," ostensibly locating and developing investors), Rurka (Senior Director, Capital Markets, and worked with Ginati as a finder), and Tal Eli Ezer ("Ezer") (who worked as another finder).

In addition to Bertele, Lifshitz, Ginati, Ezer, and Rurka, the Interim Report explained that this conspiracy involved individuals associated with the largest investor in the Debtors' transactions, a company known as Yu Po Holdings Ltd. ("Yu Po"), as well as employees of China Construction Bank ("CCB") and Standard Chartered Bank ("SCB"). One of the individuals associated with Yu Po is an individual referred to as both "Alan Wang" and "David Fu" ("Wang/Fu"). Wang/Fu communicated with Ginati using four separate email addresses, including an e-mail address specifically indicating he was potentially an employee or principal of Yu Po. Precisely what formal role he played at Yu Po remains unclear, but it is apparent that he represented Yu Po's interests. Although Wang/Fu appears to have played such a role for Yu Po and may have had some formal affiliation – as indicated by a "Yu Po Finance" e-mail address – he was also treated by Bertele and Ginati as a "finder" for the Debtors, working with Ginati to locate investors. Indeed, in September 2021, Wang/Fu was named by Bertele as a "Senior Director, Asian Markets" for the Debtors, and Bertele requested that he be given an official Vesttoo e-mail address.

Significantly, the evidence set forth in the Interim Report establishes the direct involvement of Bertele and Lifshitz in the creation of fraudulent documents, a process of creation that in many cases can be pieced together from forensic evidence retrieved from the Debtors' computer systems. The evidence also establishes the leading role played by Ginati, in collusion with Yu Po and an employee of CCB, to generate the fraudulent CCB LOCs.

The evidence also supports the following key findings (some of which are described in further detail below):

- In numerous instances Ginati and others worked with bank employees and the principals of Yu Po, apparently behind the backs of fellow Vesttoo employees, to draft documents and emails that the bank employees then sent to the other Vesttoo employees, without any disclosure that those communications were drafted by and coordinated with Ginati.

- In multiple instances Bertele and Lifshitz were directly involved in personally creating fraudulent documents (including Proof of Funds statements and LOCs) that on their face appear to be coming from two banks, and then sending them to White Rock and others.

- This creation of fraudulent documents includes multiple instances where Bertele used his personal Gmail account to create forged signatures that purported to be the signatures of bank employees on those documents, which then get submitted by Lifshitz to White Rock and others.

- The investigation also uncovered instances where Bertele used multiple constituent parts (e.g., a Word version of a draft LOC, a bank's letterhead and logo, and a purported signature of a bank executive) to cobble together a single Word document that was converted to PDF apparently showing a final LOC, on bank letterhead and signed by a bank officer, which document was then sent by Lifshitz to the counterparty.

- The evidence presented in the Interim Report demonstrates that to protect their scheme, Bertele and Lifshitz went so far as to create a wholly fictitious person they held out as an employee of Santander, using this non-existent person to "sign" fraudulent documents and giving this "person" his own telephone number (which was in fact forwarded to Bertele's cell phone) that Bertele and Lifshitz used to thwart efforts of external parties to verify the existence of certain LOCs.

- Indeed, although numerous and very serious red flags were raised about Yu Po, including in the face of very substantial evidence that the CCB LOCs, which on their face indicated that they were issued out of New York, were in fact issued out of China, no significant action was taken. As early as June 2022 (and perhaps earlier), the CFO of Vesttoo believed Yu Po raised "existential" risks to Vesttoo, but these concerns were disregarded angrily by Bertele and any efforts of others to meet directly with Yu Po without Ginati were blocked.

- Other described circumstantial evidence identifies that three separate banks (CCB, Standard Chartered, and Santander) were used for forged and fraudulent LOCs and that all but one of the LOCs from the three separate banks appear to have been fraudulent.

The Interim Report presents substantial evidence that the LOCs that were the foundation of the Debtors' business were largely illusory. An understanding of the magnitude of the underlying transactions is critical. Since 2020, Vesttoo quoted 96 but closed 65 transactions with collateral totaling $3.932 billion, of which 79% ($3.1 billion) were with Yu Po. Approximately $586 million were with the Chinese investor Cheng Yuan Holdings. Of these transactions, fraudulent standby LOCs were issued in the names of CCB ($2.81 billion), SCB ($362.5 million), and Santander Bank ($186 million).

While the investigation continues, the above summary provides concrete proof of a concerted scheme by senior management of the Debtors, as well as the network of finders used by the Debtors to find investors, to defraud the insurance markets.

B. Events Leading to the Chapter 11 Cases

As noted above, in mid-July 2023, media reports began to emerge that certain LOCs that were posted as collateral for the benefit of Cedents were invalid. Consequently, on August 1, 2023, the Debtors announced they were laying off about 75% of their staff and closing offices in Tokyo, Hong Kong, and Seoul, but would maintain staff in Tel Aviv, New York, London, Dubai, and Bermuda. Additionally, two of Vesttoo's founders, including its CEO, Mr. Bertele, were placed on paid leave during the investigation into the fraud, and the board appointed Ami Barlev as interim CEO.

The Bermuda Monetary Authority appointed investigators to inquire into the operations of Vesttoo Alpha P&C Ltd. and shortly thereafter applied for appointment of Joint Provisional Liquidators, which the Bermuda court granted, appointing Michael Morrison and Charles Thresh from Teneo to serve as joint provisional liquidators (the "Vesttoo Alpha JPLs") for Vesttoo Alpha P&C Ltd.

Additionally, on August 10, 2023, one of the transformer entities in Bermuda, White Rock, filed a petition for a preliminary injunction in the District Court for the Southern District of New York seeking to freeze Vesttoo's U.S. bank accounts and compel it to provide information about the nature and scope of fraud. Later that night, the court in New York entered a temporary restraining order freezing Vesttoo's assets except for $1 million for payroll and other business expenses in the ordinary course. The temporary restraining order required Vesttoo to respond to the Petition for Preliminary Injunction by noon on Monday, August 14, 2023, and scheduled a hearing on the preliminary injunction petition for Tuesday, August 15, 2023. Thereafter, White Rock served discovery on Vesttoo and demanded to take depositions of a number of its U.S.-based employees. While Vesttoo submitted a response on August 14, 2023, White Rock's petition, and the related discovery, was stayed by the filing of these Chapter 11 Cases, and the temporary restraining order has been dissolved as reflected by an order entered by the District Court on August 15 after a brief hearing on the petition.

In addition to the appointment of the Vesttoo Alpha JPLs and the White Rock litigation, the Company has received correspondence from regulators, Cedents, banks that issued LOCs, and fronting brokers that arranged reinsurance on their platform inquiring into the facts and circumstances around the press reports and the allegations regarding the LOCs. In light of these events and the pressures created by the LOC crisis, Vesttoo's board decided to file these Chapter 11 Cases to obtain the benefits of the automatic stay to give it the breathing spell its needs to complete its investigation, take remedial action to ensure that wrongdoers within the Company are removed, and those outside the Company are identified and appropriate remedies pursued.

C. Debtors' Prepetition Capital Structure

The Debtors do not have any secured lenders and have not issued any funded debt. The Debtors have trade debt owed to various vendors, consultants, and law firms of about $2.3 million as of the Petition Date.

In August 2021, the Debtors raised $6 million in a Series A funding round led by Hanaco Ventures. Vesttoo raised another $15 million a few months later in November 2021 in a Series B funding round led by Mouro Capital and included investment from MS&AD Ventures, the corporate venture capital fund of Japan-based MS&AD Insurance Group Holdings, the fifth largest insurance conglomerate in the world. In October 2022, the Debtors announced an $80 Million Series C financing round co-led by Mouro Capital. Gramercy Ventures, Black River Ventures, and Hanaco Ventures also participated in the round. In May 2023, Vesttoo embarked on a Series D funding round, which did not close.

As a result of these financing rounds and other equity investment activity, Vesttoo Ltd. is owned by the shareholders identified on the List of Equity Security Holders it filed with its voluntary petition.

D. The Segregated Accounts

Certain Debtors are limited partnerships that have invested in Segregated Accounts, each of which entered into a reinsurance agreement with a Cedent and secured that reinsurance agreement with certain assets (including purported LOCs later found to be falsified) that are

legally segregated under Bermuda law from the claims of creditors other than the particular Cedent to which the Segregated Account owes its individual obligations. The assets of a Segregated Account may be increased to the extent that recovery actions by the Liquidating Trust result in recovery from third parties of assets traceable to a transaction by a Segregated Account.

E. The Debtors' Bankruptcy Filings and "First-Day" Relief

On the applicable Petition Date, each of the Debtors filed a voluntary chapter 11 bankruptcy petition. Also on or shortly after the Petition Date, the Debtors filed several motions and applications seeking customary relief intended to facilitate a smooth transition for the Debtors into the Chapter 11 Cases (the "First-Day Motions"), namely:

- a motion for authority to jointly administer the Debtors' Chapter 11 Cases [Docket Nos. 3 and 4];
- an application to appoint Epiq Corporate Restructuring, LLC ("Epiq") as the Debtors' official claims and noticing agent [Docket No. 9];
- a motion for authority to honor prepetition employee wage and withholding obligations [Docket No. 10];
- a motion for authority to continue using the Debtors' cash management system, prepetition bank accounts and business forms, and to modify certain investment and deposit guidelines [Docket No. 11] (the "Cash Management Motion");
- a motion prohibiting utility providers from discontinuing, altering, or refusing services and other related relief [Docket No. 146].

The Bankruptcy Court held hearings on August 23, 2023, August 31, 2023, and October 2, 2023, to consider the relief requested in the First Day Motions. The Bankruptcy Court granted each First Day Motion, several of which were first granted on an interim basis and then on a final basis. [Docket Nos. 34, 35, 42, 43, 101, 155, 187, 193, and 379]. Consideration of the relief requested in the Cash Management Motion on a final basis will be heard at the hearing scheduled for December 6, 2023.

F. "Second-Day" Relief

After the Petition Date, the Debtors also filed a number of "second-day" motions and applications for retention of professionals including:

- On September 18, 2023, the Debtors filed a motion to establish interim procedures for compensation and reimbursement of expenses of professionals [Docket No. 145], which was granted by the Bankruptcy Court [Docket No. 188].
- On October 4, 2023, the Debtors filed an application to retain DLA Piper LLP (US) and DLA Piper International LLP as counsel for the Debtors [Docket No. 202], which was granted by the Bankruptcy Court [Docket No. 384].

- On November 1, 2023, the Debtors filed an application to retain Kroll Bermuda Ltd and Kroll U.K. Limited as financial advisors and investigation professionals for the Debtors [Docket No. 346], which was granted by the Bankruptcy Court [Docket No. 415].

G. Formation of a Creditors' Committee

On August 31, 2023, the U.S. Trustee appointed the Committee [Docket No. 95], and on September 20, 2023, the U.S. Trustee reconstituted the Committee pursuant to the *Amended Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 151]. The Committee is currently comprised of: Clear Blue Specialty Insurance Company and its subsidiaries, Porch.com, Inc., Markel Bermuda Limited, Proventus Holdings, LP, and United Automobile Insurance Co. The Committee retained Greenberg Traurig, LLP [Docket Nos. 110, 183, and 275] as its legal counsel and Alvarez & Marsal North America, LLC ("A&M") as its financial advisor [Docket Nos. 289 and 407].

H. The Committee's Investigation

The Committee is investigating claims that have arisen from the fraudulent conduct, and that investigation remains ongoing. In connection with its investigation, the Committee's Professionals have reviewed documents provided by the Debtors and met with the Debtors' Professionals to understand the scope and findings of their investigation. Since early September 2023, the Debtors' Professionals have met with the Committee's Professionals to convey information related to the Debtors' investigation described in the Interim Report, which focused on the Debtors and not on third parties. During these meetings, the Debtors provided more detail about the investigation than was provided in the Interim Report and have given the Committee's Professionals access to tens of thousands of documents, including many related to the underlying transaction documents and purported LOCs.

In furtherance of the Committee's investigation, on September 14, 2023, the Committee filed its *Motion of the Committee of Unsecured Creditors for Leave to Conduct Discovery Pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure* [Docket No. 132], and the Court issued its order granting the motion on October 2, 2023 [Docket No. 196]. Among other things, the order provides that the Committee will have access to all documents and devices the Debtors' Professionals collected in connection with its investigation, explanations about the scope and process of the investigation, and all witness notes, recordings, and statements plus documents used during witness interviews and related correspondence with each witness. The order further authorizes the Committee to interview the Debtors' CEO, Ami Barlev, and may request to interview any employee of the Debtors and provides the Committee the right to attend and participate in all future witness interviews that the Debtors' Professionals may conduct.

While the order authorizing the Committee to conduct discovery with respect to the Debtors has accelerated the Committee's investigation, the Committee determined that it also needs information from third parties, including Aon and White Rock. White Rock holds certain assets and liabilities in Segregated Accounts to facilitate reinsurance transactions with the Debtor limited partnerships. The Debtor limited partnerships purportedly obtained numerous LOCs from banks, including CCB, Santander, and SCB, as collateral for White Rock's reinsurance contracts. As detailed herein and in the Interim Report, the LOCs were fraudulent. Under the relevant

agreements among Aon, White Rock, and the Debtors, Aon was responsible for providing accounting, treasury, and regulatory compliance service to the Cells. As manager of the Segregated Accounts, Aon was contractually obligated, among other things, to establish and maintain proper accounting records for the Segregated Accounts, prepare timely, error-free annual financial reports for the Segregated Accounts, and monitor compliance with the Segregated Accounts' business plans. Aon's failure to fulfill these duties enabled the widespread fraud involving the LOCs to occur.

Accordingly, on October 11, 2023, the Committee filed the *Motion of the Committee of Unsecured Creditors for Leave to Conduct Discovery Pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure Against Aon and White Rock* [Docket No. 209]. The Committee has sought discovery from Aon and White Rock of information and documents about, among other things, the structure and operation of the Segregated Accounts, the conduct of Aon and White Rock in connection with the formation and management of the Segregated Accounts, the fraudulent LOCs, and the knowledge of Aon and White Rock about the fraud. On October 23, 2023, the Court issued its order granting the Committee's motion and authorizing discovery from Aon and White Rock [Docket No. 265].

The Committee anticipates pursuing additional discovery under Bankruptcy Rule 2004 from several additional third parties with information relevant to the Committee's ongoing investigation.

In addition, the Committee and the joint provisional liquidators of White Rock appointed by the Bermuda Court in White Rock's proceeding pending in the Bermuda Court styled *In the Matter of White Rock Insurance (SAC) Limited*, Case No. 2023-261, are cooperating and working to implement protocols for the sharing of information and coordination of claims in the U.S. proceedings and the Bermuda proceedings.

I. 341 Meeting and Schedules and Statements

On September 18, 2023, the U.S. Trustee conducted a telephonic meeting of creditors (the "341 Meeting") at which the U.S. Trustee and creditors had the opportunity to question the Debtors under oath concerning the Debtors' acts, conduct, property, and the administration of the Chapter 11 Cases. At the conclusion of the initial 341 Meeting, the U.S. Trustee continued the 341 Meeting to a date to be determined [Docket No. 144].

On October 30, 2023 and October 31, 2023, the Debtors filed their schedules of assets and liabilities and statements of financial affairs [Docket Nos. 291–339] (collectively, the "Schedules and Statements"). On November 3, 2023, Debtor Vesttoo Ltd. filed amended Schedules and Statements [Docket No. 362]. If you would like to view the Schedules and Statements, you may do so by visiting: https://dm.epiq11.com/vesttoo.

J. Omnibus Rejections of Executory Contracts including Unexpired Leases of Nonresidential Real Property

To date, the Debtors have filed two omnibus motions seeking court approval to reject certain executory contracts including one lease of nonresidential real property [Docket Nos. 185

and 278]. The motions seek approval to reject approximately five software subscription agreements, the lease for the Debtors' office space for its U.S. office in New York, and the lease for two floors of office space in the Tel Aviv, Israel office.

On November 6, 2023, November 8, 2023, and November 21, 2023, the Bankruptcy Court entered orders granting the relief requested in the motions [Docket Nos. 370, 380, and 414].

K. Insurance Motion

On October 13, 2023, the Debtors filed a motion seeking authority to maintain their prepetition insurance program and continue to honor prepetition obligations in connection with the insurance program, including paying broker fees [Docket No. 213]. The Committee filed its objection to the motion [Docket No. 283] opposing substantially all of the relief sought on the basis that, among other things, the Debtors have no ongoing business or viable business plan and therefore have no need to expend additional estate resources on renewing insurance policies other than a limited renewal of the Debtors' workers' compensation policy.

The Court scheduled a hearing on the motion for November 8, 2023 at 10:30 a.m. ET, and the motion was subsequently adjourned to a date and time to be determined.

L. Ordinary Course Professionals Motion

On October 19, 2023, the Debtors filed a motion to authorize them to retain, employ, and compensate certain additional professionals in the ordinary course of business and to approve certain procedures in connection therewith [Docket No. 263]. The motion identifies 12 firms that the Debtors seek to retain, employ, and compensate under the motion and disclosed that, due to a purported misunderstanding by the Debtors, certain firms had received over $300,000 in unauthorized postpetition payments from the Debtors without prior approval of the Bankruptcy Court. The motion therefore also requests that the recipients of such payments not be required to return such payments to the Debtors' estates if such professional is approved pursuant to the motion. The Committee filed its objection to the motion [Docket No. 356] on the basis that, among other things, (a) the Debtors have no ongoing business operations and have no need to incur obligations to pay professionals that are not necessary to administration of the estates, and (b) to the extent any professionals are necessary to administration, the Debtors should file applications under section 327 of the Bankruptcy Code.

The Debtors and the Committee conferred regarding the Committee's objection to the motion and reached an agreement on a revised form of order, which provides, among other things, additional procedures for parties to review and object to the proposed retention and compensation of each professional retained by the Debtors as an ordinary course professional. On November 21, 2023, the Bankruptcy Court entered the order granting the motion in the form agreed to by the Debtors and the Committee [Docket No. 416].

M. Committee Motion to Terminate Exclusivity

On October 22, 2023, the Committee filed its motion to terminate the Debtors' exclusive periods to propose and solicit acceptances of a plan [Docket No. 268]. Because the relief sought

in the motion is based, in part, on information that the Debtors asserted is confidential, the motion was filed under seal. The Committee also filed a form of the motion redacting the purportedly confidential information [Docket No. 269]. The Committee conferred with the Debtors prior to filing the motion in an effort to reach an agreement, but the Debtors would not agree to immediate termination of exclusivity.

The Committee's motion asserts that terminating exclusivity would facilitate moving the cases forward. The motion describes in detail the reasons why the Committee believes that the Debtors cannot proposed a plan of reorganization and must instead proceed expeditiously to winddown the estates and liquidate their assets for the benefit of unsecured creditors. Among other things, the Debtors have no ongoing business and have not generated any revenue since commencing these chapter 11 cases. Additionally, the Committee does not support the Debtors' continued pursuit of a going concern business given the mounting losses and little potential upside, if any. The motion further asserts that the Debtors' excessive spending on developing a new business plan will inevitably result in the exhaustion of the Debtors' limited cash, whereas terminating exclusivity in favor of the Committee would save the Debtors' estates at least $8.5 million for the benefit of creditors.

On November 1, 2023, the Debtors filed an objection to the Committee's motion [Docket No. 349] and argue, among other things, that the Committee should instead be required to work with the Debtors to formulate an agreed upon plan of liquidation while the Debtors pursue a private sale.

The Committee negotiated in earnest with the Debtors to obtain agreement over the immediate termination of the Debtors' exclusive periods to enable the Committee to file a plan of liquidation and bring these Chapter 11 Cases to an expeditious close. The Debtors and the Committee reached such an agreement, and on November 8, 2023, the Court entered an order granting the motion and terminating the Debtors' exclusive periods effective immediately solely with respect to the Committee and providing that the Debtors shall not file a plan [Docket No. 381].

N. United States Trustee Motion to Convert to Chapter 7

On October 27, 2023, the U.S. Trustee filed a motion to convert the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code [Docket No. 281]. In the motion, the U.S. Trustee argues, among other things, that if the Committee prevails on its motion to terminate exclusivity and the Debtors continue to oppose the Committee, the value of the estates will continue to diminish. The U.S. Trustee further argues that an independent fiduciary can wind down the debtors' affairs and avoid administrative costs that would be incurred if the cases remain in chapter 11.

The Debtors objected to the U.S. Trustee's motion [Docket No. 375] and asserted that the U.S. Trustee has not met its burden. Among other things, the Debtors note that the Debtors and the Committee have agreed on a path forward, and the Debtors believe that assisting the Committee in the disclosure statement and plan process will be less costly to the estates and in the best interests of creditors.

The Committee also filed a response to the U.S. Trustee's motion [Docket No. 377] based on, among other things, the Committee's agreement with the Debtors to terminate exclusivity to allow the Committee to file a liquidating plan. The Committee also asserts in its response that conversion would not be in the best interests of creditors because it would result in duplicative proceedings and set back the progress that has been made in the case.

The Court held a hearing on the U.S. Trustee's motion on November 8, 2023. The Court denied the U.S. Trustee's motion on the record at the hearing and subsequently entered an order consistent with the Court's oral ruling [Docket No. 393].

O. Employees

The Committee understands that the Debtors have provided notice to all, or substantially all, of the Debtors' employees that the Debtors intend to terminate their employment in accordance with applicable law.

In addition, because the Combined Disclosure Statement and Plan contemplates a Wind Down, the Committee anticipates that all or substantially all remaining employees will be terminated as of the Effective Date, if not sooner. Accordingly, to the extent that the Debtors' termination of employees is not effective prior to the Effective Date, Article VIII.E of the Combined Disclosure Statement and Plan provides that all employees of each of the Debtors, other than Remaining Employees, will be deemed terminated and relieved of all duties and responsibilities with respect to the Debtors as of the Effective Date.

P. Recognition Proceedings in Israel[7]

On August 15, 2023, Vesttoo Ltd. filed a motion with the Tel Aviv District Court for the recognition of the Chapter 11 Cases as a non-main proceeding and for a general order for stay of proceedings. The motion has been referred to the Commissioner of Insolvency and Financial Rehabilitation for a response (the "Commissioner"). Because no interim relief was granted, the Debtors submitted an urgent notice to the court with an update on the New York court order that lifted an attachment. The Commissioner filed its response, which supported Vesttoo Ltd.'s motion for recognition and stated that Vesttoo Ltd.'s Chapter 11 Case should be recognized as a "main" foreign proceeding. On August 28, 2023, the Tel Aviv District Court granted the order to recognize Vesttoo Ltd.'s Chapter 11 Case as non-main foreign proceedings and a general stay of proceedings against Vesttoo Ltd.

After the Bankruptcy Court entered the *Second Interim Order (I) Authorizing The Debtors To Pay Certain Prepetition Wages And Compensation And Maintain And Continue Employee Benefit Programs And (II) Authorizing And Directing Banks To Honor And Process Checks And Transfers Related To Such* [Docket No. 101], Bank Hapoalim refused to process payments to enable paying wages to employees, based on the recognition and stay orders granted in Israel, which led Vesttoo Ltd. to file an urgent motion to the Tel Aviv District Court, naming

[7] The description in this section of the proceedings in Israel is based on information provided to the Plan Proponent by the Debtors and their professionals. The Plan Proponent makes no representations or warranties regarding the accuracy of any information contained in this description.

Bank Hapoalim as respondent, to clarify that these payments are allowed and Bank Hapoalim should act in accordance to Vesttoo Ltd.'s instructions. The motion was granted on September 4, 2023.

Subsequently, the Israeli Discount Bank refused to process payments in accordance with certain instructions of certain Vesttoo Bay partnerships, which necessitated filing a recognition motion for 17 Vesttoo Bay partnerships to the Tel Aviv District Court for the recognition of the Chapter 11 Cases. The Tel Aviv court has refused to deal with these motions within the Vesttoo Ltd recognition case, and a separate filing was made in this respect. The Court then granted the requested recognition but indicated that each of these entities is a separate legal entity and required that 17 separate files would be opened. Therefore, 17 separate files were opened for the recognition motions regarding Vesttoo Bay XII, Limited Partnership; Vesttoo Bay XIV, Limited Partnership; Vesttoo Bay FIFTEEN, Limited Partnership; Vesttoo Bay XVI, Limited Partnership; Vesttoo Bay XVII, Limited Partnership; Vesttoo Bay XVIII, Limited Partnership; Vesttoo Bay XIX, Limited Partnership; Vesttoo Bay XX, Limited Partnership; Vesttoo Bay XXI, Limited Partnership; Vesttoo Bay XXII, Limited Partnership; Vesttoo Bay XXIII, Limited Partnership; Vesttoo Bay XXIV, Limited Partnership; Vesttoo Bay XXV, Limited Partnership; Vesttoo Bay One Hundred, Limited Partnership; Vesttoo Bay One Hundred One, Limited Partnership; Vesttoo Bay One Hundred Two, Limited Partnership; and Vesttoo Bay 103, Limited Partnership.

After the Bankruptcy Court entered the *Order (I) Authorizing the Debtors to Reject Certain Executory Contracts and Unexpired Leases Effective as of the Dates Specified Herein, (II) Abandon Any Remaining Property Located at Premises, and (III) Granting Certain Related Relief* [Docket No. 370] on November 6, 2023, Vesttoo Ltd. filed a motion with the Tel Aviv District Court for a temporary restraining order to prevent a draw under a letter of credit held by Levinstein Properties Ltd., which was the Tel Aviv office lessor. This motion was denied.

Q. Litigation Against Certain Principals of the Debtors in Israel[8]

On September 12, 2023, Vesttoo filed two motions with the Tel Aviv District Court: a motion for instructions in which the court was asked to charge Mr. Yaniv Bartele, who served as CEO of the company, and Mr. Alon Lifshitz, who served as VP Financial Engineering, in the sum of NIS 768,615,595. In addition, the court was asked to charge two former employees of the company (Mr. Udi Ginati and Mr. Josh Rourke) and a service provider to the company (Mr. Tal Ezer) in the sum of NIS 247,238,680.

Vesttoo also filed a motion for temporary relief. As part of this motion, the Tel Aviv District Court was asked to impose an order for temporary attachment of the respondents' bank accounts, an order for temporary attachment of real estate assets that were located by Vesttoo, an order for attachment on shares, and an order prohibiting one of the respondents from transferring funds from his bank account in Geneva, Switzerland.

[8] The description in this section of litigation in Israel is based on information provided to the Plan Proponent by the Debtors and their professionals. The Plan Proponent makes no representations or warranties regarding the accuracy of any information contained in this description.

The Tel Aviv District Court granted the motion for temporary relief on September 14, 2023 and imposed foreclosures totaling NIS 90,002,116 on the assets of Mr. Bartele and Mr. Lifshitz. In addition, the Tel Aviv District Court imposed foreclosures totaling NIS 27,602,116 on the two former employees and the service provider. Some of the foreclosures imposed on Mr. Lifshitz were converted into real estate foreclosures.

All the affidavits are signed by the company's current CEO, Mr. Ami Barlev, who manages the various procedures and provided testimony in court.

According to the company, the respondents committed serious fraud and forgery while misleading both the insurance companies and reinsurers and the company's board of directors and employees. The respondents forged letters of credit from banking institutions (such as Citibank and Santander Bank) that purportedly provided collateral totaling $3.9 billion.

Mr. Bertele and Mr. Lifshitz forged signatures of bank representatives. Mr. Bertele and Mr. Lifshitz even posed as a fictitious bank representative named "Alex Garcia" whom they created, in order to hide the fraud and forgery. In addition, Mr. Bertele and Mr. Lifshitz were required to compensate the company for their use of the company's coffers for their personal benefit, including family vacations, flights on private jets and other expenses that had nothing to do with the company's operations. Mr. Bertele even used the company's coffers to produce a luxurious birthday party, payment to surf school, and payments to toy stores.

The defendants have filed motions for summary dismissal of the various proceedings and the proceedings are presently at the stage of submitting responses to the court for all the respondents' various motions and responses. The company's response is scheduled to be submitted the week of December 18, 2023.

R. Litigation Against Aon

On November 30, 2023, Clear Blue Insurance Company and certain of its affiliates (collectively, "Clear Blue") filed a Complaint against Aon in the Supreme Court of the State of New York, County of New York: Commercial Division ("New York State Court"), based upon Aon's conduct and actions in connection with the fraudulent LOCs. The Complaint filed by Clear Blue alleges, among other things, the following:

- Clear Blue engaged in a trading relationship with Aon and its partner named Vesttoo, in which they provided reinsurance capacity and coverage to Clear Blue. (Complaint ¶ 2.)

- In 2022, Aon started doing a large amount of business with Vesttoo, an unrated, start-up provider of alternative reinsurance capacity and Insurance Linked Securities ("ILS"). (Complaint ¶ 3.)

- Aon created the program, acted as Clear Blue's broker with respect to the inward and outward reinsurance on the program (and therefore was contractually obligated to Clear Blue to perform the tasks and functions that it promised to perform in connection with the program, including verifying letters of credit used to collateralize the program). (Complaint ¶ 4.)

- While Aon styled itself as a broker and intermediary with respect to the program, its role was not so limited. It created and structured every aspect of the program, controlled every aspect of it, and thereby assumed a duty to all of the entities involved in the program, including Clear Blue, to make honest and accurate representations, comply with its promises, and live up to its obligations. But Aon breached its contractual and other duties to all of the participants in the program, including Clear Blue. (Complaint ¶ 5.)

- The scheme was structured where Vesttoo purported to provide letters of credit as collateral to the Aon's controlled affiliate, White Rock, whose sole function was to transform the LOCs into insurance and reinsurance capacity. White Rock is Aon's Bermuda-based regulated segregated cell structured insurance vehicle. It is typically referred to as the General Account. Aon legitimized the Vesttoo funds and publicly represented that it would perform all necessary compliance functions to facilitate the transformation of the LOCs into compliant insurance and reinsurance capacity. Vesttoo was founded and operated by individuals with no insurance or reinsurance background whatsoever and with essentially no track record in insurance or reinsurance. In January 2023, the insurance trade press announced, "Insurance and reinsurance broker Aon has been working with insurtech Vesttoo on intellectual property insurance-related financing solutions, with the latter helping to bring capital markets capacity to the brokers proposition." (Complaint ¶ 6.)

- Commenting on a January 2023 article memorializing Aon and Vesttoo "collaborating on collateralized intellectual property financing, Daniel Strohl, Senior Vice President, IP Solutions at Aon said, "We couldn't have asked for a better partner than Vesttoo." (Complaint ¶ 7.)

- Will Kier, Head of IP Solutions at Aon, made clear publicly that Aon and Vesttoo were joined at the hip. He was reported as stating on Aon's website, "The ability to value and package intangible assets (IP) opens the door to using intellectual property as collateral to fund growth, says Will Kier, Head of IP Solutions EMEA, Aon, and Rita Baal-Taxa, Chief Insurance Markets at Vesttoo." (Complaint ¶ 8.)

- Aon, despite commencing litigation against Vesttoo and recognizing that claims were being made against it, has now thoroughly cleansed all its web pages of the numerous articles by its senior officers extolling its close working relationship with Vesttoo, which itself is a clear indication that Aon knows it is culpable. (Complaint ¶ 9.)

- Aon conducted no diligence or Know Your Customer or other Anti-Money Laundering ("KYC/AML") analysis into the bona fides of Vesttoo. By embracing it and hosting Vesttoo on Aon's Bermuda-based White Rock segregated cell platform, Aon instantly wrapped Vesttoo with the extremely valuable imprimatur of global credibility thereby facilitating and enabling one of the most mendacious, colossal, and broad-reaching frauds since Charles Ponzi and, more recently, Bernie Madoff, burst onto the scene. (Complaint ¶ 10.)

- Clear Blue entered into a series of reinsurance transactions with and/or involving Aon, its wholly owned subsidiaries Aon Insurance Managers, White Rock, and White Rock's various Segregated Accounts. Every single contract by and between Clear Blue and White Rock was signed by Aon, not Vesttoo. Aon, not Vesttoo, had the sole and absolute discretion to enter into those contracts. The damages incurred by Clear Blue were by reason of the conscious abdication by Aon of any semblance of legal or regulatory compliance in the operation of its Segregated Account Company. (Complaint ¶ 11.)

- Aon represented to Aon policyholder clients and Clear Blue that each insurance and reinsurance transaction was fully collateralized in a compliant manner. In fact, they were not. Aon misrepresented to Aon policyholder clients that letters of credit would be issued by banks rated by Moody's "A2" or better. To satisfy that collateral requirement, White Rock and/or Aon Insurance Managers represented that either China Construction Bank Corp. or Standard Chartered Bank had issued the LOCs for each insurance and reinsurance transaction and that Aon audited those LOCs. (Complaint ¶ 12.)

- Without collateral, those Cells had no legal capacity to insure, cede or reinsure risk. Moreover, without that representation being made by Aon, Clear Blue would never have entered into the collateralized reinsurance contracts with White Rock or Vesttoo. Aon's role and function, and in some cases, its complete design and orchestration of the transactions, was a predicate factor for Clear Blue. Clear Blue reasonably relied on Aon to perform its functions properly and faithfully. (Complaint ¶ 13.)

- At the direction of Aon, Aon Insurance Managers and White Rock purported to have internal audit procedures in place to verify each LOC. They did not and, equally important, key White Rock transactions lacked any element of risk transfer negating the legal efficacy of any insurance or reinsurance contract. (Complaint ¶ 14.)

- Clear Blue relied on material representations of Aon that it would audit and confirm the LOCs. As is more fully set forth below, in an April 14, 2022 email, Will Kier of Aon wrote to William Luu and Ciaran McCabe, also of Aon, which was copied to Clear Blue, confirming, "That on receipt of instructions from Vesttoo **you will provide audit confirmation of the underlying LOC**." [Emphasis added] Aon very clearly knew its critical role and duties with respect to LOCs. No such audit or confirmation of the LOCs was ever conducted and Aon took no steps to conduct any due diligence on any of the investors that it knew were critical for the funding and collectability of any LOC. (Complaint ¶ 15.)

- Indeed, Aon, in its capacity as the insurance broker for Baupost, placed Aon IP Policies with White Rock Segregated Accounts. ***Aon acted as the broker for Clear Blue both with respect to Clear Blue assuming reinsurance of the Aon IP Policies from each of those Segregated Accounts and with respect to retroceding the Aon IP Policies to White Rock Segregated Account T94***. Thus, Aon had a contractual obligation to perform as it represented and warranted that it would in the documents and communications that it provided to Clear Blue. (Complaint ¶ 16.)

- For almost two years, Aon and its affiliates Aon Insurance Managers and White Rock operated a sham global insurance platform (the "Platform"), in patent violation of its Bermuda license, pretending that it was hosting and managing legitimate, compliant, risk-taking, Segregated Accounts, including Clear Blue. (Complaint ¶ 17.)

- White Rock's Bermuda Segregated Account license required contracts of insurance and reinsurance issued through the Platform to be fully collateralized, but the Vesttoo-related policies were not collateralized because the LOCs purporting to be the collateral were all fraudulent. Moreover, the insurance contracts issued to Aon's CPI policyholders lacked all components of risk transfer rendering them an insurance nullity. (Complaint ¶ 18.)

- In fact, Aon, Aon Insurance Managers, and White Rock, lured reputable insurers like Clear Blue to transact business on its Platform, failing to disclose that Aon was violating applicable law, KYC/AML protocols, regulatory guidance and standard market practice, and aiding and abetting Vesttoo, to run amok, creating a global, multi-billion-dollar insurance and reinsurance scandal with hundreds of millions of dollars of insurance and reinsurance premium now presumed to be unrecoverable. (Complaint ¶ 19.)

- Rather than accept responsibility for their own wrongful conduct, the Aon Defendants attempted to place blame elsewhere and claim absolution. On August 10, 2023, White Rock filed a Verified Petition for Injunctive Relief in Aid of Foreign Arbitration against start-up reinsurer, Vesttoo Ltd., and its subsidiaries in the United States District Court for the Southern District of New York ("SDNY") seeking an attachment ("Petition"). In that Petition, White Rock claimed to be simply a "middle man, with the goal of protecting its clients." Clear Blue was one of those clients. (Complaint ¶ 20.)

- White Rock's claims in its Petition could not be further from the truth. White Rock was hardly a "middle man." In reality, Aon, through its affiliates, White Rock and Aon Insurance Managers, exercised absolute and complete control and domination of the entire Bermuda-based operations that facilitated the Vesttoo fraud. Aon had absolute and unfettered discretion in the operation of the Vesttoo Cells at White Rock. The Petition that White Rock filed in SDNY on August 10, 2023, was little more than a smokescreen to distract the Court from Aon's own deceit and gross malfeasance, which inflicted substantial harm on Clear Blue. When faced with its own manifestly wrongful conduct and the damage it inflicted on its trading partners, the Aon Defendants were concerned with only one thing – protecting their Platform and Intellectual Property-Backed Lending Program. (Complaint ¶ 21.)

- Clear Blue seeks to recover for the wrongs perpetrated against it by Aon, in hosting a rogue operation on its Bermuda-based Platform in clear violation of law, regulation, contract, and standard market practice. Clear Blue entered into a series of reinsurance transactions with and/or involving Aon, its wholly owned subsidiaries Aon Insurance Managers, White Rock, and White Rock's various Segregated Accounts, causing material financial, regulatory and reputational damage to Clear Blue. (Complaint ¶ 22.)

- Aon/Aon Insurance Managers and White Rock had the ability to stop the Vesttoo fraud dead in its tracks. Rather than do so, it facilitated the fraud by removing all the statutory, regulatory, and contractual safeguards and ignoring standard market practice. Aon/Aon Insurance Managers and White Rock acted with "willful blindness" – failing to audit the LOCs provided by Vesttoo (despite their unambiguous representation to Clear Blue that White Rock would do so) and failing to take action to prevent the Vesttoo fraud despite having multiple opportunities to do so and despite having a responsibility to ensure regulatory compliance. Simply put, but for Aon/Aon Insurance Managers and White Rock, this multi-billion-dollar fraud would never have happened. Aon/Aon Insurance Managers and White Rock were indeed complicit. (Complaint ¶ 23.)

- Aon took deliberate actions to avoid confirming wrongdoing by Vesttoo despite knowledge of critical facts respecting the required collateral for the subject business. It then deliberately concealed from Clear Blue its decision to not conduct any diligence in respect of the Vesttoo collateral. (Complaint ¶ 24.)

- Indeed, Aon still continues to manipulate its investors, CPI insurance policy policyholders, the regulators, and even the courts through its deceptive tactics in the Bermuda hearings over its affiliates under the program. (Complaint ¶ 25.)

- Clear Blue also seeks indemnity from Aon in the event that there becomes any obligation of Clear Blue under the program in favor of Baupost and/or Aon Fund Defendants. (Complaint ¶ 26.)

- Aon should be held liable for acting as the alter ego of Vesttoo through White Rock by its use of uncollateralized Cells. (Complaint ¶ 27.)

The Complaint asserts eight causes of action: constructive fraud, breach of contract, negligent misrepresentation, aiding and abetting, negligence, promissory estoppel, unjust enrichment, and common law indemnity. Clear Blue seeks damages in an amount to be proven at trial, including punitive damages and attorneys' fees. As of the ~~date~~commencement of ~~this Combined Disclosure Statement and Plan~~solicitation, Aon ~~has~~had not filed a response to the Complaint. Additional information regarding the litigation against Aon in New York State Court can be found on the docket for the proceeding at Index No. 655987/2023.

S. Claim Bar Dates

On October 11, 2023, the Debtors filed a motion seeking to set deadlines for filing proofs of claim [Docket No. 208]. On October 23, 2023, the Bankruptcy Court entered an order approving the motion [Docket No. 273] and set the following bar dates:

General Bar Date: **December 1, 2023, at 4:00 p.m. (prevailing Eastern Time)**. The General Bar Date is the deadline for persons or entities, other than Governmental Units, to file Proofs of Claim against the Debtors on account of Claims arising, or deemed to have arisen, prior to the Petition Date, including, for the avoidance of doubt, claims arising under section 503(b)(9) of the Bankruptcy Code.

Government Bar Date: **February 12, 2024 at 4:00 p.m. (prevailing Eastern Time).** The Government Bar Date is deadline for Governmental Units, as defined in section 101(27) of the Bankruptcy Code, to file Proofs of Claim against the Debtors on account of claims arising, or deemed to have arisen, prior to the Petition Date.

Interim Administrative Claims: **January 12, 2024 at 4:00 p.m. (prevailing Eastern Time).** The Interim Administrative Claims Bar Date is the deadline for all persons and entities to file applications for allowance of Administrative Claims, other than 503(b)(9) Claims or Professional Fee Claims, that accrued on and after the Petition Date through and including December 1, 2023.

ARTICLE IV.
CONFIRMATION AND VOTING PROCEDURES

A. Confirmation Procedures

On December 20, 2023, the Bankruptcy Court entered the Solicitation Procedures Order. Among other things, the Solicitation Procedures Order approved the adequacy of disclosures in the Combined Disclosure Statement and Plan on an interim basis and set certain deadlines for the solicitation of the Combined Disclosure Statement and Plan, voting on the Combined Disclosure Statement and Plan, filing objections to the Combined Disclosure Statement and Plan, and a hearing to consider approval of the Combined Disclosure Statement and Plan. The Combined Hearing ~~has been~~was initially scheduled for February 6, 2024, at 10:30 a.m. (prevailing Eastern Time) and subsequently adjourned to **February 22, 2024 at 3:00 p.m. (prevailing Eastern Time)** to consider (a) final approval of the Combined Disclosure Statement and Plan as providing adequate information pursuant to section 1125 of the Bankruptcy Code and (b) Confirmation of the Combined Disclosure Statement and Plan pursuant to section 1129 of the Bankruptcy Code. The Combined Hearing may be adjourned from time to time by the Plan Proponent without further notice, except for an announcement of the adjourned date made at the Combined Hearing or by Filing a notice with the Bankruptcy Court.

B. Procedures for Objection

Any objection to final approval of the Combined Disclosure Statement and Plan as providing adequate information pursuant to section 1125 of the Bankruptcy Code and/or confirmation of the Combined Disclosure Statement and Plan must be made in writing and Filed with the Bankruptcy Court and served on the following parties so as to be actually received on or before **January 23, 2024 at 4:00 p.m. (prevailing Eastern Time)**: (i) counsel for the Committee, Greenberg Traurig, LLP, (a) 222 Delaware Avenue, Suite 1600, Wilmington, Delaware 19801 (Attn: Anthony W. Clark, Esq. (anthony.clark@gtlaw.com) and Dennis A. Meloro, Esq. (melorod@gtlaw.com)) and (b) 3333 Piedmont Road NE, Suite 2500, Atlanta, Georgia 30305 (Attn: David B. Kurzweil, Esq. (kurzweild@gtlaw.com)); (ii) counsel for the Debtors, DLA Piper LLP (US), 1201 N. Market Street, Suite 2100, Wilmington, Delaware 19801-1147 (Attn: R. Craig Martin, Esq. (craig.martin@us.dlapiper.com), Stuart M. Brown, Esq. (stuart.brown@us.dlapiper.com) and Matthew Sarna, Esq. (matthew.sarna@us.dlapiper.com)); and (iii) the Office of the U.S. Trustee, J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, (Attn: Timothy Fox, Esq. (Timothy.Fox@usdoj.gov)).

C. Requirements for Confirmation

Among the requirements for confirmation of a plan pursuant to section 1129 of the Bankruptcy Code are: (1) the plan is accepted by all impaired classes of claims, or if rejected by an impaired class, the plan (a) is accepted by at least one impaired class and (b) "does not discriminate unfairly" and is "fair and equitable" as to the rejecting impaired class(es); (2) the plan is feasible; and (3) the plan is in the "best interests" of holders of claims or interests.

At the Combined Hearing, the Bankruptcy Court will determine whether the Combined Disclosure Statement and Plan satisfies all of the requirements of section 1129 of the Bankruptcy Code. The Plan Proponent believes that: (1) the Combined Disclosure Statement and Plan satisfies, or will satisfy, all of the necessary statutory requirements of chapter 11 of the Bankruptcy Code for confirmation; (2) the Plan Proponent has complied, or will have complied, with all of the necessary requirements of chapter 11 of the Bankruptcy Code; and (3) the Combined Disclosure Statement and Plan has been proposed in good faith.

D. Classification of Claims and Interests

Section 1123 of the Bankruptcy Code provides that a plan must classify the claims and interests of a debtor's creditors and equity interest holders. In accordance with section 1123 of the Bankruptcy Code, the Combined Disclosure Statement and Plan divides Claims and Interests into Classes and sets forth the treatment for each Class (other than those claims which pursuant to section 1123(a)(1) of the Bankruptcy Code need not be and have not been classified). The Plan Proponent also is required, under section 1122 Bankruptcy Code, to classify Claims and Interests into Classes that contain Claims or Interests that are substantially similar to the other Claims or Interests in such Class.

The Bankruptcy Code also requires that a plan provide the same treatment for each claim or interest of a particular class unless the claim holder or interest holder agrees to a less favorable treatment of its claim or interest. The Plan Proponent believes that the Combined Disclosure Statement and Plan complies with such standard. If the Bankruptcy Court finds otherwise, however, it could deny confirmation of the Combined Disclosure Statement and Plan if the Holders of Claims or Interests affected do not consent to the treatment afforded them under the Combined Disclosure Statement and Plan.

A claim or interest is placed in a particular class only to the extent that the claim or interest falls within the description of that class and is classified in other classes to the extent that any portion of the claim or interest falls within the description of such other classes. A claim also is placed in a particular class for the purpose of receiving distributions pursuant to a plan only to the extent that such claim is an allowed claim in that class and such claim has not been paid, released, or otherwise satisfied prior to the Effective Date.

The Plan Proponent believes that the Combined Disclosure Statement and Plan has classified all Claims and Interests in compliance with the provisions of section 1122 of the Bankruptcy Code and applicable case law. It is possible that a Holder of a Claim or Interest may challenge the Plan Proponent's classification of Claims or Interests and that the Bankruptcy Court may find that a different classification is required for the Combined Disclosure Statement

and Plan to be confirmed. If such a situation develops, the Plan Proponent intends, in accordance with the terms of the Combined Disclosure Statement and Plan, to make such permissible modifications to the Combined Disclosure Statement and Plan as may be necessary to permit its confirmation. Any such reclassification could adversely affect Holders of Claims by changing the composition of one or more Classes and the vote required of such Class or Classes for approval of the Combined Disclosure Statement and Plan.

Except as set forth in the Combined Disclosure Statement and Plan, unless such modification of classification materially adversely affects the treatment of a Holder of a Claim and requires re-solicitation, acceptance of the Combined Disclosure Statement and Plan by any Holder of a Claim pursuant to this solicitation will be deemed to be a consent to the Combined Disclosure Statement and Plan's treatment of such Holder of a Claim regardless of the Class as to which such Holder ultimately is deemed to be a member.

The amount of any Impaired Claim that ultimately is Allowed by the Bankruptcy Court may vary from any estimated Allowed amount of such Claim and, accordingly, the total Claims that are ultimately Allowed by the Bankruptcy Court with respect to each Impaired Class of Claims may also vary from any estimates contained herein with respect to the aggregate Claims in any Impaired Class. Thus, the actual recovery ultimately received by a particular Holder of an Allowed Claim may be adversely or favorably affected by the aggregate amount of Claims Allowed in the applicable Class.

The classification of Claims and Interests and the nature of distributions to members of each Class are summarized herein. The Plan Proponent believes that the consideration, if any, provided under the Combined Disclosure Statement and Plan to Holders of Claims reflects an appropriate resolution of their Claims taking into account the differing nature and priority (including applicable contractual subordination) of such Claims and Interests. The Bankruptcy Court must find, however, that a number of statutory tests are met before it may confirm the Combined Disclosure Statement and Plan. Many of these tests are designed to protect the interests of holders of claims or interests who are not entitled to vote on a plan, or do not vote to accept a plan, but who will be bound by the provisions of a plan if it is confirmed by a bankruptcy court.

E. Impaired Claims or Interests

Pursuant to the provisions of the Bankruptcy Code, only classes of claims or interests that are "impaired" (as defined in section 1124 of the Bankruptcy Code) under a plan may vote to accept or reject such plan. Generally, a claim or interest is impaired under a plan if the holder's legal, equitable, or contractual rights are changed under such plan. In addition, if the holders of claims or interests in an impaired class do not receive or retain any property under a plan on account of such claims or interests, such impaired class is deemed to have rejected such plan under section 1126(g) of the Bankruptcy Code and, therefore, such holders are not entitled to vote on such plan.

Holders of Claims in Class 3 are Impaired and are entitled to vote on the Combined Disclosure Statement and Plan, *provided* that Holders of Claims in Class 3 shall have the option to elect to have their claims reclassified and counted in Class 3A as Convenience Claims.

Holders of Claims in Classes 1 and 2 are Unimpaired and, therefore, not entitled to vote and are deemed to accept the Combined Disclosure Statement and Plan. Holders of Claims in Class 4 are deemed to reject the Combined Disclosure Statement and Plan and, therefore, are not entitled to vote on the Combined Disclosure Statement and Plan. Holders of Claims and Interests in Classes 5 through 7 are Impaired and will not receive or retain any property on account of such Claims or Interests and are deemed to reject the Combined Disclosure Statement and Plan and, therefore, are not entitled to vote on the Combined Disclosure Statement and Plan.

Accordingly, a ballot for acceptance or rejection of the Combined Disclosure Statement and Plan is being provided only to Holders of Claims in Class 3.

F. The Exculpation and Injunction Provisions

Under applicable law, exculpation is appropriate where it applies to estate fiduciaries. *In re Indianapolis Downs, LLC*, 486 B.R. 286, 30 (Bankr. D. Del. 2013). Additionally, an injunction is appropriate where it is necessary to the reorganization and fair pursuant to section 105(a) of the Bankruptcy Code. *In re W.R. Grace & Co.*, 475 B.R. 34, 107 (D. Del. 2012). Approval of the exculpations and injunctions for each Exculpated Party as part of confirmation of the Combined Disclosure Statement and Plan will be limited to the extent such exculpations and injunctions are permitted by applicable law.

The Plan Proponent believes that the exculpations and injunctions set forth in the Combined Disclosure Statement and Plan are appropriate because, among other things, they are narrowly tailored to the Debtors' Chapter 11 Cases and each of the Exculpated Parties has contributed value to the Debtors' Estates and aided in the ability to pursue confirmation. The Plan Proponent believes that each of the Exculpated Parties has played an integral role in formulating the Combined Disclosure Statement and Plan and has expended significant time and resources analyzing and negotiating the issues presented in these Chapter 11 Cases. The Plan Proponent further believes that such exculpations and injunctions are a necessary part of the Combined Disclosure Statement and Plan. The Plan Proponent will be prepared to meet its burden to establish the basis for the exculpations and injunctions for each Exculpated Party as part of confirming the Combined Disclosure Statement and Plan

G. Best Interests of Creditors and Liquidation Analysis

Even if a plan is accepted by the Holders of each class of Claims and Interests, the Bankruptcy Code requires a bankruptcy court to determine that such plan is in the best interests of all holders of claims or interests that are impaired by that plan and that have not accepted such plan. The "best interests" test, as set forth in section 1129(a)(7) of the Bankruptcy Code, requires a bankruptcy court to find either that all members of an impaired class of claims or interests have accepted a plan or that a plan will provide a member who has not accepted a plan with a recovery of property of a value, as of the effective date of a plan, that is not less than the amount that such holder would recover if the debtor were liquidated under chapter 7 of the Bankruptcy Code.

To calculate the probable distribution to holders of each impaired class of claims and interests if the debtor was liquidated under chapter 7, a bankruptcy court must first determine the aggregate dollar amount that would be generated from a debtor's assets if its chapter 11 cases

were converted to cases under chapter 7 of the Bankruptcy Code. To determine if a plan is in the best interests of each impaired class, the present value of the distributions from the proceeds of a liquidation of the debtor's unencumbered assets and properties, after subtracting the amounts attributable to the costs, expenses, and administrative claims associated with a chapter 7 liquidation, must be compared with the value offered to such impaired classes under a plan. If the hypothetical liquidation distribution to holders of claims or interests in any impaired class is greater than the distributions to be received by such parties under a plan, then such plan is not in the best interests of the holders of claims or interests in such impaired class.

The Plan Proponent believes that creditors will receive a better recovery under the Combined Disclosure Statement and Plan than they would in a hypothetical chapter 7 liquidation. In a chapter 7 liquidation, there would be additional costs and expenses that the Estates would incur as a result of liquidating the Estates in a chapter 7 case. The costs of liquidation under chapter 7 of the Bankruptcy Code would include the compensation of a trustee, as well as the costs of counsel and other professionals retained by the trustee. The Plan Proponent believes such amount would exceed the amount of expenses that would be incurred in implementing the Combined Disclosure Statement and Plan and winding up the affairs of the Debtors. Conversion also would likely delay the liquidation process and ultimate distribution of the Assets. The Estates would also be obligated to pay all unpaid expenses incurred by the Debtors during the Chapter 11 Cases (such as compensation for Professionals) that are allowed in the chapter 7 cases.

Accordingly, the Plan Proponent believes that Holders of Allowed Claims would receive less than anticipated under the Combined Disclosure Statement and Plan if the Chapter 11 Cases were converted to chapter 7 cases, and therefore, the classification and treatment of Claims and Interests in the Combined Disclosure Statement and Plan complies with section 1129(a)(7) of the Bankruptcy Code.

Attached hereto as Exhibit D and incorporated herein by reference is a liquidation analysis prepared by the Plan Proponent with the assistance of its advisors.

H. Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that confirmation of a plan not be likely to be followed by the liquidation, or the need for further financial reorganization, of the debtors or any successor to the debtors (unless such liquidation or reorganization is proposed in a plan). Inasmuch as the Debtors' Assets will be liquidated and the Combined Disclosure Statement and Plan provides for the distribution of all of the Cash proceeds of the Debtors' Assets to Holders of Claims that are Allowed as of the Effective Date in accordance with the Combined Disclosure Statement and Plan, for purposes of this test, the Plan Proponent has analyzed the ability of the Liquidating Trustee to meet its obligations under the Combined Disclosure Statement and Plan. Based on the analysis, the Liquidating Trustee will have sufficient assets to accomplish its tasks under the Combined Disclosure Statement and Plan. Therefore, the Plan Proponent believes that the liquidation pursuant to the Combined Disclosure Statement and Plan will meet the feasibility requirements of the Bankruptcy Code.

I. Acceptance by Impaired Classes

The Bankruptcy Code requires, as a condition to confirmation, except as described in the following section, that each class of claims or equity interests impaired under a plan, accept the plan. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such a class is not required.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in a number of allowed claims in that class, counting only those claims that have *actually* voted to accept or to reject the plan. Thus, a class of claims will have voted to accept a plan only if two-thirds in amount and a majority in number of the allowed claims in such class that vote on the plan actually cast their ballots in favor of acceptance.

Section 1126(d) of the Bankruptcy Code defines acceptance of a plan by a class of impaired equity interests as acceptance by holders of at least two-thirds in amount of allowed interests in that class, counting only those interests that have *actually* voted to accept or to reject the plan. Thus, a class of interests will have voted to accept a plan only if two-thirds in amount of the allowed interests in such class that vote on plan actually cast their ballots in favor of acceptance.

Pursuant to the Combined Disclosure Statement and Plan, if a Class contains Claims or Interests eligible to vote and no holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the holders of such Claims or Interests in such Class shall be deemed to have accepted the Combined Disclosure Statement and Plan.

J. Confirmation Without Acceptance by All Impaired Classes

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if all impaired classes have not accepted it; *provided* that the plan has been accepted by at least one impaired class. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class's rejection or deemed rejection of the plan, the plan will be confirmed, at the Plan Proponent's request, in a procedure commonly known as a "cramdown" so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of claims or equity interests that is impaired under, and has not accepted, the plan.

If any Impaired Class rejects the Combined Disclosure Statement and Plan, the Plan Proponent reserves the right to seek to confirm the Combined Disclosure Statement and Plan utilizing the "cramdown" provision of section 1129(b) of the Bankruptcy Code. To the extent that any Impaired Class rejects the Combined Disclosure Statement and Plan or is deemed to have rejected the Combined Disclosure Statement and Plan, the Plan Proponent may request confirmation of the Combined Disclosure Statement and Plan, as it may be modified from time to time, under section 1129(b) of the Bankruptcy Code. The Plan Proponent reserves the right to alter, amend, modify, revoke, or withdraw the Combined Disclosure Statement and Plan or any Plan Document, including the right to amend or modify the Plan Supplement, to satisfy the requirements of section 1129(b) of the Bankruptcy Code.

1. No Unfair Discrimination

The "unfair discrimination" test applies to classes of claims or interests that are of equal priority and are receiving different treatment under a plan. The test does not require that the treatment be the same or equivalent, but that treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims or interests of equal rank (e.g., classes of the same legal character). Bankruptcy courts will consider a number of factors in determining whether a plan discriminates unfairly. A plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

2. Fair and Equitable Test

The "fair and equitable" test applies to classes of different priority and status (e.g., secured versus unsecured) and includes the general requirement that no class of claims receive more than 100% of the amount of the allowed claims in the class. As to the dissenting class, the test sets different standards depending upon the type of claims or equity interests in the class.

As a condition to the test, section 1129(b)(2) of the Bankruptcy Code provides that a plan is "fair and equitable" with respect to a dissenting impaired class of unsecured claims if the creditors in the class receive or retain property of a value equal to the allowed amount of their claims or, failing that, no creditor of lesser priority, or shareholder, receives any distribution under the plan. This requirement is sometimes referred to as the "absolute priority rule."

The Plan Proponent submits that if they "cramdown" the Combined Disclosure Statement and Plan pursuant to section 1129(b) of the Bankruptcy Code, the Combined Disclosure Statement and Plan is structured so that it does not "discriminate unfairly" and satisfies the "fair and equitable" requirement. With respect to the unfair discrimination requirement, all Classes under the Combined Disclosure Statement and Plan are provided treatment that is substantially equivalent to the treatment that is provided to other Classes that have equal rank. With respect to the fair and equitable requirement and "absolute priority rule," no Class under the Combined Disclosure Statement and Plan will receive more than 100% of the amount of Allowed Claims or Interests in that Class. The Plan Proponent believes that the Combined Disclosure Statement and Plan and the treatment of all Classes of Claims or Interests under the Combined Disclosure Statement and Plan satisfy the foregoing requirements for nonconsensual confirmation of the Combined Disclosure Statement and Plan.

ARTICLE V.
CERTAIN RISK FACTORS TO CONSIDER PRIOR TO VOTING

The Holders of General Unsecured Claims should read and carefully consider the following factors, as well as the other information set forth in this Article V, before deciding whether to vote to accept or reject the Combined Disclosure Statement and Plan. These risk factors should not, however, be regarded as constituting the only risks associated with the Combined Disclosure Statement and Plan and its implementation.

A. Non-Confirmation of the Combined Disclosure Statement and Plan

Even if the voting Class votes in favor of the Combined Disclosure Statement and Plan, and even if, with respect to any Impaired Class deemed to have rejected the Combined Disclosure Statement and Plan, the requirements for "cramdown" are met, the Bankruptcy Court, which is a court of equity, may exercise substantial discretion and may choose not to confirm the Combined Disclosure Statement and Plan. In addition, while the Plan Proponent believes the feasibility test and the best interests test for confirmation are satisfied, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

B. Classification Risk

The Plan Proponent believes that the Combined Disclosure Statement and Plan has classified all Claims and Interests in compliance with the provisions of section 1122 of the Bankruptcy Code and applicable case law, but it is possible that a Holder of a Claim may challenge the classification of Claims and that the Bankruptcy Court may determine that a different classification is required for the Combined Disclosure Statement and Plan to be confirmed. In that event, the Plan Proponent intends, to the extent permitted by the Bankruptcy Code, the Combined Disclosure Statement and Plan, and the Bankruptcy Court, to make such reasonable modifications of the classifications under the Combined Disclosure Statement and Plan to permit confirmation and to use the Combined Disclosure Statement and Plan acceptances received for purposes of obtaining the approval of the reconstituted Class or Classes of which each accepting holder ultimately is deemed to be a member. Any such reclassification could adversely affect the Class in which such holder initially was a member, or any other Class under the Combined Disclosure Statement and Plan, by changing the composition of such Class and the vote required of that Class for approval of the Combined Disclosure Statement and Plan.

C. Claims Estimations

There can be no assurance that any estimated Claim amounts set forth in this Combined Disclosure Statement and Plan are correct. The actual Allowed amount of Claims likely will differ in some respect from the estimates. The estimated amounts are subject to certain risks, uncertainties, and assumptions. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, the actual Allowed amount of Claims may vary from those estimated herein.

D. Administrative and Priority Claims

The Plan Proponent does not anticipate any outstanding Administrative Expense Claims, Priority Tax Claims, and Other Priority Claims following the claims reconciliation process. Notwithstanding the foregoing, if the actual number and amount of Administrative Expense Claims, Priority Tax Claims, and Other Priority Claims exceeds the amount of Cash the Debtors or the Liquidating Trustee, as applicable, have to satisfy all such Claims in full, then unless the Holders of such Claims consent to less than full payment, then the Bankruptcy Court may deny confirmation of the Combined Disclosure Statement and Plan.

E. Conditions Precedent to Consummation; Timing

The Combined Disclosure Statement and Plan provides for certain conditions that must be satisfied (or waived) prior to the Effective Date. There can be no assurance that any or all of the conditions in the Combined Disclosure Statement and Plan will be satisfied (or waived). Accordingly, even if the Combined Disclosure Statement and Plan is confirmed by the Bankruptcy Court, there can be no assurance that the Combined Disclosure Statement and Plan will be consummated.

F. Certain Tax Considerations

There are a number of material income tax considerations, risks, and uncertainties associated with the Combined Disclosure Statement and Plan of liquidation of the Debtor described in the Combined Disclosure Statement and Plan.

The U.S. federal income tax consequences of the Combined Disclosure Statement and Plan are complex. Nothing herein shall constitute tax advice. The tax consequences are in many cases uncertain and may vary depending on a Holder's particular circumstances. Accordingly, Holders are urged to consult their tax advisors about the United States federal, state and local, and applicable foreign income and other tax consequences of the Combined Disclosure Statement and Plan.

G. The Liquidating Trust Assets, Including the Liquidating Trust Claims, May Not Result in Recovery

The principal Liquidating Trust Assets are the Liquidating Trust Claims, including Estate Causes of Action and Contributed Non-Estate Causes of Action. The outcome of litigation is inherently uncertain and, thus, there is no assurance that the Liquidating Trust Claims will result in material proceeds distributable from the Liquidating Trust. Moreover, to the extent the Liquidating Trust realizes or obtains any Cash proceeds from the Liquidating Trust Assets distributable under the Liquidating Trust Agreement, the timing of any such distribution is uncertain.

H. Reductions to Estimated Creditor Recoveries

The Allowed amount of Claims in any Class could be greater than projected, which, in turn, could cause the amount of Distributions to Creditors in such Class to be reduced substantially. The amount of Cash realized from the liquidation of the Liquidating Trust Assets could be less than anticipated, which could cause the amount of Distributions to Creditors to be reduced substantially. Additionally, any changes to any of the assumptions underlying the estimated Allowed amounts could result in material adjustments to recovery estimates provided herein or the actual Distribution received by Creditors.

I. Contributed Non-Estate Causes of Action and the Contributing Creditor Enhancement Multiplier

The Plan provides that Holders of General Unsecured Claims in Class 3 may elect to contribute their Non-Estate Causes of Action to the Liquidating Trust. In exchange for

contributing and assigning its Non-Estate Causes of Action to the Liquidating Trust, each Contributing Creditor will have its share of distributions from the Liquidating Trust on account of its Class 3 Liquidating Trust Interests increased by the Contributing Creditor Enhancement Multiplier (i.e., 10%). The contribution of the Contributed Non-Estate Causes of Action to the Liquidating Trust may affect the actual Distributions received by Holders of General Unsecured Claims based on the total number of Contributing Creditors and the aggregate amount of Allowed Claims held by Contributing Creditors. The outcome of litigation is inherently uncertain and, thus, there is no assurance that the Contributed Non-Estate Causes of Action will result in material proceeds distributable from the Liquidating Trust. Additionally, the Liquidating Trustee may incur additional fees and costs to investigate and pursue the Contributed Non-Estate Causes of Action, which may not result in any material distributable Cash proceeds.

J. Debtor's Statements Regarding Israeli Court Recognition and Enforcement Risk

The following statements are included in this Combined Disclosure Statement and Plan at the request of the Debtors and are solely the views of the Debtors. The Committee disagrees with the Debtors views regarding the following.

The Debtors believe that there is a risk that Israeli courts may not recognize the Combined Disclosure Statement and Plan, even if confirmed by this Court by final order, as an enforceable document, specifically because the Combined Disclosure Statement and Plan contains the following provisions:

(a) Article VIII.~~M~~O. provides, "Notwithstanding anything to the contrary in this Combined Disclosure Statement and Plan, each Indemnification Obligation shall be discontinued and rejected by the applicable Debtor, effective as of the Confirmation Date, pursuant to sections 365 and 1123 of the Bankruptcy Code or otherwise."

The Debtors believe that an Israeli court may be unwilling to permit the Debtors to terminate, or otherwise not honor indemnification and release obligations owed to the Debtors' directors as contrary to established Israeli law.

(b) Article VIII.~~I~~K. provides, "As of the Effective Date, the certificate of incorporation, bylaws, and other organizational documents, as applicable, of the Debtors shall be amended to the extent necessary to carry out the provisions of this Plan."

The Debtors believe that an Israeli court may be unwilling to enforce the amendment or modification of Debtor Vesttoo Ltd.'s certificate of incorporation, bylaws, and other organizational documents either (a) absent a valid shareholder vote approving such amendment or modification or (b) as an act by one group of unsecured creditors to constrict or eliminate the contractual rights of another group of unsecured creditors. Further, in the event a shareholder vote is held with respect to such an amendment or modification, the Debtors believe there is a risk that such amendment or modification will not be approved by Debtor Vesttoo Ltd.'s shareholders.

The Debtors further believe that, in the event the Combined Disclosure Statement and Plan, as currently formulated, is confirmed by the Court, there is a risk that an Israel-based creditor may move an Israeli court to initiate concurrent bankruptcy proceedings in Israel and seek appointment of an Israeli trustee to oversee and administer the Debtors' assets located within Israel.

ARTICLE VI.
ADMINISTRATIVE CLAIMS AND PRIORITY TAX CLAIMS

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article VII hereof.

A. Administrative Claims

Except with respect to Administrative Claims that are Professional Fee Claims, and except to the extent that an Administrative Claim has already been paid during the Chapter 11 Cases or a Holder of an Allowed Administrative Claim agrees to less favorable treatment, each Holder of an Allowed Administrative Claim shall be paid in full in Cash the unpaid portion of its Allowed Administrative Claim on the latest of: (a) the Effective Date, if such Administrative Claim is Allowed as of the Effective Date; (b) the date such Administrative Claim is Allowed or as soon as reasonably practicable thereafter; and (c) the date such Allowed Administrative Claim becomes due and payable or as soon thereafter as is reasonably practicable.

Except as otherwise provided in this Article VI.A and except with respect to Administrative Claims that are Professional Fee Claims, requests for payment of Administrative Claims must be Filed by the applicable Administrative Claims Bar Date as follows:

(a) 503(b)(9) Claims must be Filed by the General Bar Date in accordance with the Bar Date Order;

(b) Interim Administrative Claims must be Filed by the Interim Administrative Claims Bar Date in accordance with the Bar Date Order;

(c) Professional Fee Claims must be filed by the Professional Fee Claims Bar Date in accordance with this Plan and the Confirmation Order; and

(d) Supplemental Administrative Claims must be Filed by the Supplemental Administrative Claims Bar Date in accordance with the Confirmation Order.

Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by the applicable Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Estates, the Wind Down Debtors, the Liquidating Trust, or their respective property, and such Administrative Claims shall be deemed discharged as of the Effective Date unless the Bankruptcy Court orders otherwise. Objections to such requests, if any, must be Filed and served in accordance with the Solicitation Procedures Order or Confirmation Order, as applicable.

In accordance with section 503(b)(1)(D) of the Bankruptcy Code, taxing authorities are not required to file a request for payment of their Administrative Claims that arise under subparagraph (B) or (C) of section 503(b)(1) of the Bankruptcy Code as a condition of such Administrative Claims being Allowed. The Debtors, the Wind Down Debtors, or the Liquidating Trustee, as applicable, will pay any such taxes, to the extent Allowed, that arose after the Petition Date in the ordinary course of business.

B. Professional Compensation

1. Final Fee Applications and Payment of Professional Fee Claims

All final requests for payment of Professional Fee Claims incurred during the period from the Petition Date through the Effective Date shall be Filed no later than the Professional Fee Claims Bar Date. All such final requests will be subject to approval by the Bankruptcy Court after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior orders of the Bankruptcy Court, including the Interim Compensation Order, and once approved by the Bankruptcy Court, shall be promptly paid from the Professional Fee Escrow Account up to the full Allowed amount. To the extent that funds held in the Professional Fee Escrow Account are insufficient to satisfy the amount of Allowed Professional Fee Claims owing to the Professionals, such Professionals shall have an Allowed Administrative Claim for any such deficiency, and the Liquidating Trustee shall pay the full unpaid amount of such Allowed Administrative Claim in Cash in accordance with the Liquidating Trust Proceeds Waterfall.

2. Professional Fee Escrow Account

No later than five days before the Effective Date, Professionals shall provide to the Plan Proponent and the Debtors a reasonable estimate of unpaid Professional Fee Claims incurred in rendering services before the Effective Date. Prior to the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account for such estimated amounts, less any retainers held by such Professionals, in the Professional Fee Escrow Account until fee applications related thereto are resolved by Final Order or agreement of the parties. The Professional Fee Escrow Account shall be held in trust solely for the Allowed Professional Fee Claims and maintained by the Wind Down Officer. Such funds shall not be considered property of the Estates, the Wind Down Debtors, or the Liquidating Trust. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Wind Down Officer as soon as reasonably practicable after such Professional Fee Claims are Allowed. When all Allowed Professional Fee Claims owing to the Professionals have been paid in full, the balance remaining in the Professional Fee Escrow Account, if any, shall promptly be transferred to the Liquidating Trust without any further action or order of the Bankruptcy Court.

C. Priority Tax Claims

Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of an Allowed Priority Tax Claim and the applicable Debtor or the Liquidating Trustee, as applicable, each Holder of an Allowed Priority Tax Claim will receive in full satisfaction of its Allowed Priority Tax Claim Cash equal to the amount of such Allowed Priority

Tax Claim on the later of the Effective Date, the date such Priority Tax Claim is Allowed, or as soon as reasonably practicable thereafter.

D. Statutory Fees

All fees due and payable to the U.S. Trustee pursuant to section 1930 of title 28 of the United States Code ("Quarterly Fees") before the Effective Date shall be paid by the Debtors on the Effective Date. Notwithstanding anything else to the contrary in the Combined Disclosure Statement and Plan, each of the Wind Down Debtors and the Liquidating Trust shall be jointly and severally liable to pay all Quarterly Fees when due and payable until the earliest to occur of the particular Wind Down Debtor's case being converted to a case under chapter 7 of the Bankruptcy Code, dismissed, or closed. ~~**For the avoidance of doubt, to the extent the Wind Down Debtors or Liquidating Trust pay Quarterly Fees on account of transfers or payments made by the Wind Down Debtors to the Liquidating Trust, neither the Wind Down Debtors nor the Liquidating Trust shall be liable to pay any additional Quarterly Fees on account of subsequent Distributions of such assets or proceeds thereof to the Liquidating Trust Beneficiaries.**~~ Prior to the Effective Date, the Debtors shall file all monthly operating reports when such reports are due using UST Form 11-MOR. After the Effective Date, the Wind Down Officer, on behalf of each Wind Down Debtors' Estate, and the Liquidating Trustee, on behalf of the Liquidating Trust, shall File with the Bankruptcy Court separate UST Form 11-PCR quarterly reports when due. The U.S. Trustee shall not be required to file a request for payment of its Quarterly Fees, which shall be deemed an Administrative Claim against the Debtors and their Estates.

ARTICLE VII.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. Summary of Classification

This Plan constitutes a separate Plan proposed for each Debtor and the classification in Classes 1 through 7 shall be deemed to apply to each Debtor. Each Class shall be deemed to constitute separate sub-Classes of Claims against and Interests in each of the Debtors, and each such sub-Class shall vote as a single separate Class for, and the confirmation requirements of section 1129 of the Bankruptcy Code must be satisfied separately with respect to, each Debtor. All Claims and Interests are classified in the Classes set forth below in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest is classified in a particular Class for the purpose of receiving distributions under the Combined Disclosure Statement and Plan only to the extent that such Claim or Interest is an Allowed Claim or Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

B. Treatment of Claims and Interests

Each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Combined Disclosure Statement and Plan the treatment described below in full and final

satisfaction of, and in exchange for, such Holder's Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Liquidating Trustee and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the later of the Effective Date and the date such Holder's Claim or Interest becomes an Allowed Claim or Allowed Interest or as soon as reasonably practicable thereafter.

1. Class 1 – Other Priority Claims

   a. *Classification*: Class 1 consists of Other Priority Claims.

   b. *Treatment*: In full and final satisfaction of each Allowed Other Priority Claim, except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, each Holder thereof will receive payment in full in Cash.

   c. *Voting*: Class 1 is Unimpaired. Holders of Class 1 Claims are conclusively presumed to have accepted the Combined Disclosure Statement and Plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject the Combined Disclosure Statement and Plan.

2. Class 2 – Secured Claims

   a. *Classification*: Class 2 consists of Secured Claims.

   b. *Treatment*: In full and final satisfaction of each Allowed Secured Claim, except to the extent that a Holder of an Allowed Secured Claim agrees to less favorable treatment, each Holder thereof will receive at the option of the Liquidating Trustee: (a) payment in full in Cash, payable on the later of the Effective Date and the date that is ten Business Days after the date on which such Secured Claim becomes an Allowed Secured Claim, in each case, or as soon as reasonably practicable thereafter, or (b) delivery of the collateral securing any such Claim.

   c. *Voting*: Class 2 is Unimpaired. Holders of Class 2 Claims are conclusively presumed to have accepted the Combined Disclosure Statement and Plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject the Combined Disclosure Statement and Plan.

3. Class 3 – General Unsecured Claims

   a. *Classification*: Class 3 consists of all General Unsecured Claims.

   b. *Treatment*: In full and final satisfaction of each General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive its Pro Rata Share of the Class 3 Liquidating Trust Interests subject to

adjustment to account for all Contributing Creditors who make a Contribution Election pursuant to subsection (c) hereof.

c. *Contribution Election*. Each Holder of a Class 3 General Unsecured Claim shall have the right to contribute and assign such Holder's Non-Estate Causes of Action to the Liquidating Trust by submitting a duly executed Election Form for Contributing Creditors so that such Election Form for Contributing Creditors is actually received by the Balloting Agent on or prior to the Contribution Election Deadline; *provided*, *however*, the Liquidating Trustee shall have the discretion, but shall not be required, to accept the contribution and assignment of Non-Estate Causes of Action after the Contribution Election Deadline. By making a Contribution Election, the Contributing Creditor agrees that, subject to occurrence of the Effective Date and the formation of the Liquidating Trust, it will be deemed, without further action, (i) to have absolutely, unconditionally, and irrevocably contributed and assigned its Non-Estate Causes of Action to the Liquidating Trust effective as of the applicable Contribution Election Effective Date and (ii) to have agreed to execute any documents requested to memorialize the Contribution of such Contributing Creditor's Non-Estate Causes of Action. In exchange for contributing and assigning its Non-Estate Causes of Action to the Liquidating Trust, each Contributing Creditor shall have its Pro Rata Share of Class 3 Liquidating Trust Interests increased by the Contributing Creditor Enhancement Multiplier.

d. *Voting*: Class 3 is Impaired. Holders of Allowed Class 3 Claims are entitled to vote to accept or reject the Combined Disclosure Statement and Plan.

4. Class 3A – Convenience Claims

a. *Classification*: Class 3A consists of all Convenience Claims.

b. *Treatment*: In full and final satisfaction of each Convenience Claim, each Holder of an Allowed Convenience Claim will receive payment in Cash, payable on the later of the Effective Date and the date that is ten Business Days after the date on which such Convenience Claim becomes an Allowed Claim, in the amount of the lesser of (i) 15% of the Allowed amount of such Convenience Claim and (ii) such Holder's Pro Rata Share of the Convenience Class Pool.

c. *Voting*: Class 3A is impaired. Holders of Allowed Class 3A Claims are entitled to vote to accept or reject the Combined Disclosure Statement and Plan. For the avoidance of doubt, such votes to accept or reject the Combined Disclosure Statement and Plan shall be counted in Class 3A and shall not be counted in Class 3.

5. Class 4 – Penalty Claims

a. *Classification*: Class 4 consists of all Penalty Claims.

b. *Treatment*: In full and final satisfaction of each Penalty Claim, each Holder of an Allowed Penalty Claim shall receive its Pro Rata Share of the Class 4 Liquidating Trust Interests.

c. *Voting*: Class 4 is Impaired. Holders of Allowed Class 4 Claims are not entitled to vote to accept or reject the Combined Disclosure Statement and Plan.

6. Class 5 – Subordinated Claims

a. *Classification*: Class 5 consists of all Subordinated Claims.

b. *Treatment*: Subordinated Claims will be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and each Holder of a Subordinated Claim will not receive any distribution on account of such Subordinated Claim.

c. *Voting*: Class 5 is Impaired. Holders of Class 5 Claims are deemed to have rejected the Combined Disclosure Statement and Plan under section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Combined Disclosure Statement and Plan.

7. Class 6 – Intercompany Claims

a. *Classification*: Class 6 consists of all Intercompany Claims.

b. *Treatment*: Holders of Intercompany Claims shall not receive a distribution on account of such Intercompany Claims.

c. *Voting*: Holders of Class 6 Claims are conclusively deemed to have rejected the Combined Disclosure Statement and Plan pursuant to section 1126(g) of the Bankruptcy Code. Holders of Class 6 Claims are not entitled to vote to accept or reject the Combined Disclosure Statement and Plan.

8. Class 7 – Interests in the Debtors

a. *Classification*: Class 7 consists of all Interests in the Debtors.

b. *Treatment*: ~~On~~Subject to Article XII.L.3 related to Vescor Bay, on the Effective Date, (i) ~~all~~holders of Interests, other than Intercompany Interests, shall not be ~~deemed cancelled, extinguished, and of no further force or effect~~entitled to any recovery, or any voting or other corporate governance rights related to the Wind Down Debtors (all such voting and corporate governance rights shall belong to the Wind Down

Officer), on account of such Interests; and (ii) all Intercompany Interests shall, at the option of the Wind Down Officer, (a) be deemed canceled, extinguished and of no further force or effect, or (b) be reinstated for administrative convenience solely to the extent necessary to maintain the Debtors' corporate structure post-Effective Date or to effectuate distributions to beneficiaries of the Liquidating Trust pursuant to the Debtor-by-Debtor Allocation, provided that the Holders of Interests shall not be entitled to receive or retain any property on account of such Interest.

c. *Voting*: Holders of Class 7 Interests are deemed to have rejected the Combined Disclosure Statement and Plan pursuant to section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Combined Disclosure Statement and Plan.

C. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of the Combined Hearing by acceptance of the Combined Disclosure Statement and Plan by at least one Impaired Class of Claims, determined without including any acceptances of the Combined Disclosure Statement and Plan by any insider. The Plan Proponent shall seek confirmation of the Combined Disclosure Statement and Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Classes of Claims and Interests. The Plan Proponent reserves the right to modify the Combined Disclosure Statement and Plan in accordance with Article XV hereof to the extent, if any, that confirmation of the Combined Disclosure Statement and Plan pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims to render such Class of Claims Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

D. Elimination of Vacant Classes

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Combined Hearing shall be deemed eliminated from the Combined Disclosure Statement and Plan for purposes of voting to accept or reject the Combined Disclosure Statement and Plan and for purposes of determining acceptance or rejection of the Combined Disclosure Statement and Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

E. Voting Classes; Presumed Acceptance by Non-Voting Classes

If a Class of Claims or Interests is eligible to vote and no Holder of Claims or Interests, as applicable, in such Class votes to accept or reject the Combined Disclosure Statement and Plan, the Combined Disclosure Statement and Plan shall be presumed accepted by such Class.

F. Subordinated Claims and Interests

The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and their respective distributions and treatments under the Combined Disclosure Statement and Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Plan Proponent reserves the right to seek to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

ARTICLE VIII.
MEANS FOR IMPLEMENTATION OF THE COMBINED DISCLOSURE STATEMENT AND PLAN

A. Appointment of the Wind Down Officer and Wind Down Advisory Board

On the Effective Date, the Wind Down Officer and the Wind Down Advisory Board shall be appointed without any further action. The duties, powers, and obligations of the Wind Down Officer shall be set forth in the Wind Down Agreement. Among other things, the Wind Down Officer shall be responsible for implementing the Plan with oversight by the Wind Down Advisory Board, including, without limitation, monetizing or abandoning all Remaining Assets of the Wind Down Debtors and contributing the proceeds of Remaining Assets to the Liquidating Trust.

B. Fee and Expenses of the Wind Down Officer

Except as otherwise ordered by the Bankruptcy Court, any reasonable fees or expenses of the Wind Down Officer (including, without limitation, the reasonable fees and expenses of professionals retained by the Wind Down Officer) shall be paid in accordance with the Wind Down Agreement.

C. Wind Down Officer

On the Effective Date, the Wind Down Officer shall succeed to such powers as would have been applicable to the Debtors' officers, directors, and shareholders, and the Wind Down Debtors shall be authorized to be (and, upon the conclusion of the Wind Down, shall be) dissolved by the Wind Down Officer. All Remaining Assets not Distributed to the Holders of Claims or Interests on the Effective Date shall vest in the Wind Down Debtors and shall be managed and liquidated by the Wind Down Officer in accordance with the provisions of the Wind Down Agreement and this Combined Disclosure Statement and Plan.

Following the Effective Date, in the event of the resignation or removal, liquidation, dissolution, death or incapacity of the Wind Down Officer, a successor Wind Down Officer shall be selected in accordance with the terms of the Wind Down Agreement; *provided*, *however*, unless the Wind Down Advisory Board consents or directs otherwise, the Wind Down Officer shall be the same Person as the Liquidating Trustee. The Wind Down Officer's reasonable fees, costs, and expenses shall be compensated and reimbursed from the Remaining Assets and the proceeds thereof in accordance with the Wind Down Agreement.

The Wind Down Officer shall be deemed the representative of each of the Debtors' Estates in accordance with section 1123 of the Bankruptcy Code and shall have all the rights and powers set forth in the Wind Down Agreement, including, without limitation (and except as otherwise provided in the Wind Down Agreement), the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Bankruptcy Rule 2004, including, without limitation, the right to:

(a) effect all actions and execute all agreements, instruments and other documents necessary to implement the provisions of the Plan and the Wind Down Agreement;

(b) liquidate the Remaining Assets and transfer the proceeds thereof to the Liquidating Trust for distribution in accordance with the Liquidating Trust Proceeds Waterfall; and

(c) employ and compensate professionals and other agents, including one or more of the professionals in accordance with the Wind Down Agreement.

On and after the Effective Date, the Wind Down Officer shall be the designated representative of the Wind Down Debtors for all purposes and shall be the foreign representative for the Wind Down Debtors in any foreign proceedings, whether such proceeding are pending on the Effective Date or commenced after the Effective Date, including, but not limited to, the litigation commenced by certain Debtors in the Tel Aviv-Jaffa Court in Israel, Ins. Pr. 36313-08-23. Subject to the approval and consent of the Wind Down Advisory Board, the Wind Down Officer shall be authorized to commence and prosecute any ancillary proceedings as the Wind Down Officer deems necessary or appropriate to effectuate the Wind Down and otherwise implement and effectuate this Plan.

D. Wind Down Advisory Board

The Wind Down Advisory Board shall have the authority to, without limitation: (a) oversee, review, guide, direct, and approve the activities and performance of the Wind Down Officer; (b) retain and employ attorneys and other professionals on behalf of the Wind Down Debtors to facilitate the Wind Down Officer's performance of his or her duties under the Wind Down Agreement; (c) obtain, or direct the Wind Down Officer to obtain, appropriate insurance coverage for the benefit of the Wind Down Debtors, the Wind Down Officer, and the members of the Wind Down Advisory Board; and (d) remove and appoint the Wind Down Officer for any reason. The foregoing shall not be deemed to limit the authority or powers of the Wind Down Advisory Board with respect to the oversight of the Wind Down Officer and the administration of the Wind Down Estates, which shall be further subject to the express provisions of the Wind Down Agreement. The members of the Wind Down Advisory Board shall not be entitled to compensation for their services but will be entitled to reimbursement from the Wind Down Debtors for reasonable and documented out-of-pocket expenses.

E. Directors, Officers, and Employees

On the Effective Date, the persons then acting as directors and officers of each of the Debtors shall (i) be discharged from all further authority, duties, and responsibilities relating to the Debtors; and (ii) deemed to have resigned their positions with the applicable Debtors without any further action. Nothing contained in this Article VIII.E shall release the Debtors' officers and directors from claims for actions taken before the Effective Date.

On the Effective Date, all employees of each of the Debtors, other than Retained Employees, shall be terminated and discharged from all further authority, duties, and responsibilities relating to the Debtors.

The Wind Down Officer shall have the authority and direction to take all actions necessary or appropriate to effectuate the discharge, resignation, and termination of officers, directors, and employees pursuant to this Article VIII.E.

F. Vesttoo Bay Cash

1. Vesttoo Bay XIV Settlement

Pursuant to the Vesttoo Bay XIV Settlement, section 1123(b)(3)(A) of the Bankruptcy Code, and Bankruptcy Rule 9019, the Plan and Confirmation Order effectuate a settlement between the Plan Proponent and Clear Blue as described and set forth and described in the Vesttoo Bay XIV Settlement Motion and this Article VIII.F.1. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the Vesttoo Bay XIV Settlement and the Bankruptcy Court's finding that the Vesttoo Bay XIV Settlement is in the best interests of the Debtors, their Estates, the Wind Down Debtors, and the Holders of Claims and Interests, and is fair, equitable, and reasonable.

Notwithstanding the foregoing, the Debtors shall transfer funds from Vesttoo Ltd. to Vesttoo Bay XIV on or before the second business day following entry of the Confirmation Order in an amount necessary to increase the amount of cash funds available in accounts at Vesttoo Bay XIV so that immediately following such transfer, the cash funds available in accounts at Vesttoo Bay XIV are equal to the amount on deposit at Vesttoo Bay XIV on the Petition Date, which aggregate cash balance shall be no less than $10,166,882.66.

On the Effective Date, the Debtors shall distribute to Clear Blue or its designee the Vesttoo Bay XIV Distribution Amount in settlement of Clear Blue's asserted Constructive Trust Claim over the Vesttoo Bay XIV Cash, and in partial satisfaction of Clear Blue's Claims against Vesttoo Bay XIV Cash. Clear Blue waives all rights, claims, and interests in or against the Vesttoo Bay XIV Contribution Amount, and the Vesttoo Bay XIV Contribution Amount shall constitute Initial Liquidating Trust Assets and may be used for all purposes consistent with the Plan.

2. [Vesttoo Bay XIX Settlement[9]

Pursuant to the Vesttoo Bay XIX Settlement, section 1123(b)(3)(A) of the Bankruptcy Code, and Bankruptcy Rule 9019, the Plan and Confirmation Order effectuate a settlement between the Plan Proponent and the Vesttoo Bay XIX Cedents as described and set forth in the Vesttoo Bay XIX Settlement Motion and this Article VIII.F.2. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the Vesttoo Bay XIX Settlement and the Bankruptcy Court's finding that the Vesttoo Bay XIX Settlement is in the best interests of the Debtors, their Estates, the Wind Down Debtors, and the Holders of Claims and Interests, and is fair, equitable, and reasonable.

Notwithstanding the foregoing, the Debtors shall transfer funds from Vesttoo Ltd. to Vesttoo Bay XIX on or before the second business day following entry of the Confirmation Order in an amount necessary to increase the amount of cash funds available in accounts at Vesttoo Bay XIX so that immediately following such transfer, the cash funds available in accounts at Vesttoo Bay XIX are equal to the Vesttoo Bay XIX Cash, which aggregate cash balance shall be no less than $3,849,795.24 (the "Vesttoo Bay XIX Ordered Transfer", and such cash balance after the Vesttoo Bay XIX Ordered Transfer, the "Restored Vesttoo Bay XIX Cash").

On the later of (a) the Effective Date and (b) a resolution or determination regarding the Vesttoo Bay XIX Cedents' respective rights (vis-à-vis each other) to the Vesttoo Bay XIX Distribution Amount, each Vesttoo Bay XIX Cedent or its respective designee(s) shall each receive, in settlement of the Vesttoo Bay XIX Cedents' asserted Constructive Trust Claim over the Restored Vesttoo Bay XIX Cash, and in partial satisfaction of the Vesttoo Bay XIX Cedents' Claims against Restored Vesttoo Bay XIX Cash, their respective share of the Vesttoo Bay XIX Distribution Amount as the Vesttoo Bay XIX Cedents have agreed among themselves or as has been ordered by a final order of a court of competent jurisdiction. The Vesttoo Bay XIX Cedents waive all rights, claims, and interests in or against the Vesttoo Bay XIX Contribution Amount, and the Vesttoo Bay XIX Contribution Amount shall constitute Initial Liquidating Trust Assets and may be used for all purposes consistent with the Plan.

In accordance with the Confirmation Order, the full amount of the Restored Vesttoo Bay XIX Cash held in an account or accounts owned or controlled by Vesttoo Bay XIX at Israel Discount Bank to a segregated bank account in the United States in the name of Vesttoo Bay XIX as soon as practical, and the Debtors shall use commercially reasonable efforts to do so by February 29, 2024. 50% of the Restored Vesttoo Bay XIX Cash shall be held by Vesttoo Bay XIX for the sole benefit of the Vesttoo Bay XIX Cedents as their respective interests shall be determined.]

[9] The Vesttoo Bay XIX Settlement remains subject to ongoing negotiations among the Committee and the Vesttoo Bay XIX Cedents and is subject to final agreement and documentation. The Plan will be revised as necessary to reflect the agreed terms of the Vesttoo Bay XIX Settlement.

3. Vesttoo Bay XXIV Settlement

Pursuant to the Vesttoo Bay XXIV Settlement, section 1123(b)(3)(A) of the Bankruptcy Code, and Bankruptcy Rule 9019, the Plan and Confirmation Order effectuate a settlement between the Plan Proponent and Chaucer as described and set forth in the Vesttoo Bay XXIV Settlement Motion and this Article VIII.F.3. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the Vesttoo Bay XXIV Settlement and the Bankruptcy Court's finding that the Vesttoo Bay XXIV Settlement is in the best interests of the Debtors, their Estates, the Wind Down Debtors, and the Holders of Claims and Interests, and is fair, equitable, and reasonable.

[•][10]

G. Committee/JPL Settlement[11]

Pursuant to section 1123(b)(3)(A) of the Bankruptcy Code, and Bankruptcy Rule 9019, the Plan and Confirmation Order effectuate the Committee/JPL Settlement. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the Committee/JPL Settlement and the Bankruptcy Court's finding that the Committee/JPL Settlement is in the best interests of the Debtors, the Estates, the Wind Down Debtors, and the Holders of Claims and Interests, and is fair, equitable, and reasonable.

H. ~~F.~~ Wind Down

After the Effective Date, pursuant to the Plan, the Wind Down Officer shall effectuate the Wind Down without any further approval by the Bankruptcy Court (except to the extent Bankruptcy Court approval is expressly required pursuant to any terms of the Combined Disclosure Statement and Plan) and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, *provided*, *that*, the Wind Down Officer shall not effectuate the Wind Down in a manner inconsistent with any express requirements of the Wind Down Agreement, the Liquidating Trust Agreement, or this Combined Disclosure Statement and Plan. The Wind Down (as determined for federal income tax purposes) shall occur in an expeditious but orderly manner after the Effective Date.

As provided in the Wind Down Agreement, subject to the consent and approval of the Wind Down Advisory Board, the Wind Down Officer shall liquidate the Remaining Assets and transfer all proceeds thereof to the Liquidating Trust. If the Wind Down Officer deems it to be in the best interests of the Wind Down Debtors and the Liquidating Trust, subject to the consent and approval of the Wind Down Advisory Board, the Wind Down Officer shall transfer any Remaining Assets to the Liquidating Trust for liquidation by the Liquidating Trustee. Subject to

[10] The Vesttoo Bay XXIV Settlement remains subject to ongoing negotiations among the Committee and Chaucer and is subject to final agreement and documentation. The Plan will be modified as necessary to include the agreed terms of the Vesttoo Bay XIX Settlement.

[11] The Committee/JPL Settlement remains subject to ongoing negotiations among the Committee and the White Rock JPLs. If the Committee and the White Rock JPLs reach a final agreement on terms of a settlement, the Plan will be modified to reflect the terms of such settlement.

the consent and approval of the Wind Down Advisory Board and Article XII.L.3 of this Combined Disclosure Statement and Plan, the Wind Down Officer shall contribute available Cash to the Liquidating Trust at such times and in such amounts as the Wind Down Officer and Liquidating Trustee deem necessary and appropriate to enable the Liquidating Trustee to administer the Liquidating Trust Assets and carry out its duties under the Liquidating Trust Agreement and the terms of this Combined Disclosure Statement and Plan.

Each of the Wind Down Debtors shall indemnify and hold harmless the Wind Down Officer, the Wind Down Advisory Board, their respective members, employees, employers, designees or professionals, or any of their duly designated agents or representatives, solely in their capacities as such, for any losses incurred in such capacity, except to the extent such losses were the result of such Person's bad faith, gross negligence, willful misconduct, or criminal conduct.

I. ~~G.~~ Dissolution of the Wind Down Debtors

If at any time the Wind Down Officer determines that the expense of administering the Wind Down Debtors and any Remaining Assets is likely to exceed the value of the assets remaining to be administered, the Wind Down Officer may (i) reserve any amount necessary to close the Chapter 11 Cases and dissolve and otherwise wind down the Wind Down Debtors and (ii) contribute any balance to the Liquidating Trust.

Upon entry of a final decree closing the last of the Chapter 11 Cases pursuant to Local Rule 3022-1 and a certification to be Filed with the Bankruptcy Court by the Wind Down Officer of completion of all its duties under the Plan, the Wind Down Debtors shall be deemed to be dissolved without any further action by the Wind Down Debtors or Wind Down Officer, including the filing of any documents with the secretary of state for the state in which the Debtors are formed or any other jurisdiction. The Wind Down Officer, however, shall have authority to take all necessary actions to dissolve the Wind Down Debtors in, and withdraw the Wind Down Debtors from, applicable states.

J. ~~H.~~ Cancellation of Interests in the Debtors

On the Effective Date, unless the Wind Down Officer elects to reinstate any Intercompany Interests, all existing Interests in each of the Debtors shall be retired, cancelled, extinguished, and/or discharged in accordance with the terms of the Combined Disclosure Statement and Plan. Except as otherwise provided in the Plan Supplement, on the Effective Date: (1) the obligations of the Debtors under any certificate, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document, directly or indirectly, evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors giving rise to any Claim or Interest shall be cancelled as to the Debtors and (2) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, purchase rights, options, warrants or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors shall be released and discharged.

K. ~~I.~~ Certificate of Incorporation and Bylaws

~~As~~ of the Effective Date, the certificate of incorporation, bylaws, and other organizational documents, as applicable, of the Debtors shall be amended to the extent necessary to carry out the provisions of this Plan.

L. ~~J.~~ Vesting of Assets

Except as otherwise provided in this Combined Disclosure Statement and Plan, on the Effective Date, (a) all Initial Liquidating Trust Assets shall be transferred to and vest in the Liquidating Trust, and (b) all Remaining Assets shall vest in the Wind Down Debtors, in each case free and clear of all Claims, Liens, charges, other encumbrances, Interests, or other interests except as set forth in Article XII.L.3 of this Plan. After the Effective Date, any Remaining Assets or proceeds thereof transferred by the Wind Down Officer to the Liquidating Trust shall vest in the Liquidating Trust free and clear of all Claims, Liens, charges, other encumbrances, Interests, or other interests except as set forth in Article XII.L.3 of this Plan. On and after the Effective Date, the Wind Down Officer may, subject to the consent and approval of the Wind Down Advisory Board, use, acquire, and dispose of property without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions imposed by the Combined Disclosure Statement and Plan, the Confirmation Order, or the Wind Down Agreement.

M. ~~K.~~ Effectuating Documents; Further Transactions

On and after the Effective Date, the Wind Down Officer and the Liquidating Trustee are authorized to and may issue, execute, deliver, file, or record such contracts, securities, 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 conditions of the Combined Disclosure Statement and Plan and the transactions contemplated thereby, in each case, in the name of and on behalf of the Debtors, the Wind Down Debtors, and the Liquidating Trust, without the need for any approvals, authorization or consents except those expressly required pursuant to the Combined Disclosure Statement and Plan. In connection with the foregoing, the Wind Down Officer shall complete any remaining Wind Down activities of the Wind Down Debtors.

N. ~~L.~~ Insurance Policies

4. ~~1.~~ Insurance Policies Remain In Force

Up to and including their respective policy expiration date, all Insurance Policies in effect as of the Effective Date shall remain in full force and effect according to their terms and the coverage obligations of the insurers and third-party administrators under such Insurance Policies shall continue following the Effective Date (including any obligations to pay, defend, and process insured claims); *provided*, *however*, subject to the approval and consent of the Wind Down Advisory Board, the Wind Down Officer shall be authorized to terminate or cancel any Insurance Policies prior to their respective policy expiration date as the Wind Down Officer deems appropriate.

5. ~~2.~~ D&O Insurance Policies; Employment Practice Liability Policies; Similar Policies

Prior to any non-Debtor insured persons requesting or accessing coverage under any D&O Liability Insurance Policies, employment practices or similar liability Insurance Policies (including, without limitation, policies for the benefit of the Debtors' directors, officers, employees, members, managers, or similar persons who served in such capacity either before or after the Petition Date), such non-Debtor insured person shall file a motion with the Bankruptcy Court requesting relief from the automatic stay or the injunctions provided for in this Plan, as applicable, in order to access such coverage. Notice of such a motion shall be provided by the moving party to the Plan Proponent, the Wind Down Officer, and the Liquidating Trustee.

O. ~~M.~~ Indemnification Obligations

~~Notwithstanding anything to the contrary in this Combined Disclosure Statement and Plan, each~~With respect to any Indemnification Obligation that is contained in an Executory Contract, the entirety of such Executory Contract, including, but not limited to, all Indemnification Obligations therein, shall be ~~discontinued and~~deemed rejected ~~by the applicable Debtor, effective~~ as of the ~~Confirmation~~Effective Date, ~~pursuant to sections 365 and 1123 of the Bankruptcy Code or otherwise~~which shall give rise to a rejection damages Claim that shall be classified and treated in accordance with the terms of the Plan. With respect to any Indemnification Obligation that is not contained in an Executory Contract, such Indemnification Obligation shall not be assumed and shall be disclaimed by the Wind Down Debtors or the Liquidating Trust and shall give rise to a Claim that shall be classified and treated in accordance with the terms Plan. Nothing herein shall be deemed a determination of the allowance or priority of any Claim for Indemnification Obligations.

P. ~~N.~~ Exemption From Certain Transfer Taxes and Fees

To the maximum extent provided by section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto, including the transfer of the Liquidating Trust Assets to the Litigation Trust, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents pursuant to such transfers of property without the payment of any such tax, recordation fee, or governmental assessment.

Q. ~~O.~~ Dissolution of Creditors' Committee

Following the Effective Date, the Committee shall continue in existence and have standing and capacity to prepare and prosecute applications for the payment of fees and reimbursement of expenses incurred by the Committee or its Professionals. Following the completion of the foregoing, the Committee shall be dissolved and the members of the Committee and its Professionals shall be released and discharged from any further authority, duties, responsibilities, and obligations related to, or arising from, the Chapter 11 Cases.

R. ~~P.~~ Termination of the Claims Agent

At any time following the Effective Date, the Liquidating Trustee shall be authorized to terminate the services of the Claims Agent by providing 30 days' written notice and filing a motion with the Bankruptcy Court to terminate the services of the Claims Agent. Following termination, the Claims Agent shall provide the Liquidating Trustee and the Bankruptcy Court with a copy of the Claims Register and a copy of all Filed Proofs of Claim. No later than 30 days after its termination, the Claims Agent shall provide the Liquidating Trustee with a final invoice, and unless the Liquidating Trustee have any issues with respect to the Claims Agent's fees or expenses, the Liquidating Trustee will be authorized to remit payment of the final invoice within 15 days of receipt. The Bankruptcy Court will retain jurisdiction to hear any dispute if the Liquidating Trustee and Claims Agent cannot agree upon the amount of fees and expenses sought by the Claims Agent.

S. ~~Q.~~ Final Decree

At any time following the Effective Date, the Wind Down Officer and Liquidating Trustee shall be authorized to file a motion pursuant to Local Rule 3022-1 for entry of a final decree closing any or all of the Chapter 11 Cases.

ARTICLE IX.
THE LIQUIDATING TRUST

A. Creation of the Liquidating Trust

On the Effective Date, the Debtors and the Liquidating Trustee shall execute the Liquidating Trust Agreement and shall take all steps necessary to establish the Liquidating Trust in accordance with the Combined Disclosure Statement and Plan, which shall be for the benefit of the Liquidating Trust Beneficiaries. The Liquidating Trust shall be governed by the terms of the Liquidating Trust Agreement and the Combined Disclosure Statement and Plan and administered by the Liquidating Trustee with oversight by the Wind Down Advisory Board. The powers, rights, responsibilities, and compensation of the Liquidating Trustee and Wind Down Advisory Board shall be specified in the Liquidating Trust Agreement. The Liquidating Trustee shall hold and distribute the Liquidating Trust Assets in accordance with the Combined Disclosure Statement and Plan and the Liquidating Trust Agreement.

B. Transfer of Liquidating Trust Assets to the Liquidating Trust

1. Transfer Free and Clear

On the Effective Date the Debtors shall transfer and/or assign and shall be deemed to transfer and/or assign to the Liquidating Trust all of their rights, title, and interest in and to all of the Initial Liquidating Trust Assets, and in accordance with section 1141 of the Bankruptcy Code, the Initial Liquidating Trust Assets shall automatically vest in the Liquidating Trust free and clear of all Claims and Liens, subject only to the Liquidating Trust Interests and except as set forth in Article XII.L.3 of this Plan. Notwithstanding anything herein to the contrary, the transfer of any Liquidating Trust Assets to the Liquidating Trust, whether on or after the Effective Date, shall not diminish, and fully preserves, any defenses a Debtor would have if such Liquidating Trust Assets had been retained by the Debtors.

In connection with the transfer of the Liquidating Trust Assets to the Liquidating Trust, any attorney-client privilege, work-product privilege, or other privilege of immunity of any Debtor attaching to any documents or communications (whether written or oral) transferred to the Liquidating Trust shall vest in the Liquidating Trust and its representatives. The Debtors, the Wind Down Officer, and the Liquidating Trustee shall take all necessary actions to effectuate the transfer of such privileges.

2. Certain Tax Consequences

Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary, the Liquidating Trust is intended to be treated as a "liquidating trust" for U.S. federal income tax purposes pursuant to Treasury Regulation section 301.7701-4(d), and the Liquidating Trustee will take this position on the Liquidating Trust's tax return accordingly. The Liquidating Trust Beneficiaries shall be treated as the grantors of the Liquidating Trust and as the deemed owners of the Liquidating Trust Assets. For U.S. federal income tax purposes, the transfer of assets to the Liquidating Trust will be deemed to occur as (a) a first-step transfer of the Liquidating Trust Assets to the Liquidating Trust Beneficiaries and, to the extent the Liquidating Trust Assets are allocable to Disputed General Unsecured Claims, to the GUC Disputed Claims Reserve described in the subsequent paragraph and (b) a second-step transfer by such Liquidating Trust Beneficiaries, and to the extent relevant with respect to the GUC Disputed Claims Reserve, to the Liquidating Trust. As a result, the transfer of the Liquidating Trust Assets to the Liquidating Trust should be a taxable transaction, and the Debtors should recognize gain or loss equal to the difference between the tax basis and fair value of such assets. As soon as possible after the transfer of the Liquidating Trust Assets to the Liquidating Trust, the Liquidating Trustee shall make a good faith valuation of the Liquidating Trust Assets. This valuation will be made available from time to time, as relevant for tax reporting purposes. Each of the Debtors, Liquidating Trustee, and the Liquidating Trust Beneficiaries shall take consistent positions with respect to the valuation of the Liquidating Trust Assets, and such valuations shall be utilized for all U.S. federal income tax purposes. The Liquidating Trust shall in no event be dissolved later than 5 years from the creation of such Liquidating Trust unless the Bankruptcy Court, upon motion within the 6-month period prior to the 5th anniversary (or within the 6-month period prior to the end of an extension period), determines that a fixed period extension (not to exceed 5 years with a private letter ruling from the IRS or an opinion of counsel satisfactory to the Liquidating Trustee that any further extension would not adversely affect the status of the trust as a liquidating trust for United States federal income tax purposes) is necessary to facilitate or complete the recovery and liquidation of the Liquidating Trust Assets.

With respect to amounts, if any, in a reserve for Disputed General Unsecured Claims, it is expected that such account will be treated as a "disputed ownership fund" governed by Treasury Regulation Section 1.468B-9, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate federal income tax return shall be filed with the IRS for such disputed claims reserve and will be subject to tax annually on a separate entity basis. Any taxes (including with respect to interest, if any, earned in the account, or any recovery on the portion of assets allocable to such account in excess of the disputed claims reserve's basis in such assets) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to

pay such taxes). Liquidating Trust Beneficiaries will be bound by such election, if made by the Liquidating Trustee, and, as such, will, for U.S. federal income tax purposes (and, to the extent permitted by law, for state and local income tax purposes), report consistently therewith.

C. Administration of the Liquidating Trust

1. In General

The Liquidating Trust shall be administered by the Liquidating Trustee with oversight by the Wind Down Advisory Board pursuant to the Liquidating Trust Agreement. In the event of any inconsistency solely between this Article IX.C of the Combined Disclosure Statement and Plan and the Liquidating Trust Agreement, the Liquidating Trust Agreement shall control, with the Combined Disclosure Statement and Plan controlling in all other cases. All compensation for the Liquidating Trustee and other costs of administration for the Liquidating Trust shall be paid by the Liquidating Trust in accordance with this Combined Disclosure Statement and Plan and the Liquidating Trust Agreement. The Liquidating Trust Agreement generally will provide for, among other things: (a) the payment of the expenses of the Liquidating Trust, including the cost of pursuing the Liquidating Trust Claims; (b) the retention of counsel, accountants, financial advisors, or other professionals and the payment of their reasonable compensation; (c) the investment of Cash by the Liquidating Trustee within certain limitations, including those specified in the Combined Disclosure Statement and Plan; (d) the orderly liquidation of the Liquidating Trust Assets; and (e) liquidation of any Liquidating Trust Claims, which may include the prosecution, settlement, abandonment, or dismissal of any such Liquidating Trust Claims.

2. Powers and Duties of the Liquidating Trustee

In furtherance of and consistent with the purpose of the Liquidating Trust and the Combined Disclosure Statement and Plan, and subject to the terms of the Liquidating Trust Agreement, the Liquidating Trustee, for the benefit of the Liquidating Trust, shall (a) hold the Liquidating Trust Assets for the benefit of the Liquidating Trust Beneficiaries, (b) make Distributions of the Liquidating Trust Assets as provided in the Liquidating Trust Agreement, and (c) have the power and authority to commence, prosecute, and resolve any Liquidating Trust Claims. The Liquidating Trustee shall be responsible for all decisions and duties with respect to the Liquidating Trust and the Liquidating Trust Assets except as otherwise provided in the Liquidating Trust Agreement. In all circumstances, the Liquidating Trustee shall act in the best interests of the Liquidating Trust Beneficiaries.

Subject to the provisions of the Liquidating Trust Agreement and the consent and approval of the Wind Down Advisory Board, the Liquidating Trustee may (a) settle, compromise, abandon, or withdraw any Liquidating Trust Claim on any grounds or terms it deems reasonable, without further order of the Bankruptcy Court, and (b) settle or compromise any Disputed Claim, or withdraw any objection thereto, on any grounds or terms he or she deems reasonable, without further order of the Bankruptcy Court.

Subject to the provisions of the Liquidating Trust Agreement and in consultation with the Wind Down Advisory Board, the Liquidating Trustee, on behalf of the Liquidating Trust, may

employ, without further order of the Bankruptcy Court, professionals to assist in carrying out its duties hereunder and may compensate and reimburse the reasonable expenses of those professionals without further order of the Bankruptcy Court from the Liquidating Trust Assets.

The Liquidating Trust shall be authorized to conduct examinations under Bankruptcy Rule 2004, to the fullest extent permitted thereunder and without further motion or Bankruptcy Court order, to investigate the Litigation Trust Assets, including all Litigation Trust Claims and claims related to the Debtors, their business, and affairs; *provided*, *however*, for the avoidance of doubt, in the context of an actual pending litigation or contested matter, the rules of discovery applicable to such litigation or contested matter shall control.

3. Wind Down Advisory Board

The Wind Down Advisory Board shall have the authority to, without limitation: (a) oversee, review, and guide the activities and performance of the Liquidating Trustee in all aspects of the administration of the Liquidating Trust Assets in accordance with this Combined Disclosure Statement and Plan and the Liquidating Trust Agreement, including, but not limited to, directing and authorizing interim distributions of Liquidating Trust Assets to the Liquidating Trust Beneficiaries; (b) retain and employ attorneys and other professionals on behalf of the Liquidating Trust to facilitate the Liquidating Trustee's performance of his or her duties under the Liquidating Trust Agreement; (c) obtain appropriate insurance coverage for the benefit of the Liquidating Trust, the Liquidating Trustee, and the members of the Wind Down Advisory Board; and (d) remove and appoint the Liquidating Trustee for any reason. The rights, duties, and responsibilities of the Wind Down Advisory Board with respect to the oversight of the Liquidating Trustee and the administration of the Liquidating Trust shall be further subject to the express provisions of the Liquidating Trust Agreement. The members of the Wind Down Advisory Board shall not be entitled to compensation for their services but will be entitled to reimbursement from the Liquidating Trust for reasonable and documented out-of-pocket expenses.

4. Liquidating Trust Claims

Other than Causes of Action against an Entity that are waived, relinquished, exculpated, compromised, transferred, or settled pursuant to this Combined Disclosure Statement and Plan, the Confirmation Order, or by another Bankruptcy Court order, (i) on the Effective Date, all Liquidating Trust Claims that are Estate Causes of Action shall be transferred to, vested in, and/or retained by the Liquidating Trust, and (ii) on the applicable Contribution Election Effective Date, all Liquidating Trust Claims that are Contributed Non-Estate Causes of Action shall be transferred to, vested in, and/or retained by the Liquidating Trust; *provided*, *however*, that nothing in this sentence shall waive or otherwise impair any defenses to any Claims asserted in these Chapter 11 Cases. Following the Effective Date, except as otherwise expressly provided herein or the Liquidating Trust Agreement, the Liquidating Trustee shall retain and shall have the exclusive right and authority, in consultation with the Wind Down Advisory Board, to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Liquidating Trust Claims and to decline to do any of the foregoing, as the Liquidating Trustee may determine is in the best interest of the Liquidating Trust and Liquidating Trust Beneficiaries, and without further notice to or action, order, or

approval of the Bankruptcy Court; *provided* that any settlement of any Liquidating Trust Claim shall be subject to the consent and approval of the Wind Down Advisory Board. If the Liquidating Trustee initiates an adversary proceeding in Bankruptcy Court, such proceeding shall be governed by the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all other applicable law. No Entity may rely on the absence of a specific reference in this Combined Disclosure Statement and Plan to any Cause of Action against them as any indication that the Debtor or the Liquidating Trustee, as applicable, will not pursue any and all available Causes of Action against them. No preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion (judicial, equitable, or otherwise), or laches shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or the Effective Date.

To the extent that any Non-Estate Causes of Action cannot be transferred to the Liquidating Trust because of a restriction on transferability under applicable non-bankruptcy law that is not superseded or preempted by Section 1123 of the Bankruptcy Code or any other provision of the Bankruptcy Code, such Non-Estate Causes of Action shall be deemed to have been retained by the grantor, as applicable, and the Liquidating Trustee shall be deemed to have been designated as a representative of such grantor to enforce and pursue such Non-Estate Causes of Action on behalf of such grantor. Notwithstanding the foregoing, all net proceeds of such Non-Estate Causes of Action shall be transferred to the Liquidating Trust Beneficiaries consistent with the other provisions of this Combined Disclosure Statement and Plan and the Liquidating Trust Agreement.

5. Liquidating Trust Proceeds Waterfall

~~All~~Subject to Article XII.L of this Combined Disclosure Statement and Plan, all Liquidating Trust Assets, including proceeds recovered from the prosecution, settlement, or other resolution of any Liquidating Trust Claims, shall be distributed in accordance with the Liquidating Trust Proceeds Waterfall and the Liquidating Trust Agreement.

6. Distributions to Liquidating Trust Beneficiaries

~~The~~Subject to Article XII.L of this Combined Disclosure Statement and Plan, the Liquidating Trust, in the Liquidating Trustee's discretion and subject to the consent of the Wind Down Advisory Board, may make periodic Distributions of additional Cash to the Liquidating Trust Beneficiaries at any time following the Effective Date, provided that such Distributions are otherwise permitted under, and not inconsistent with, the Liquidating Trust Proceeds Waterfall, the other terms of the Combined Disclosure Statement and Plan, the Liquidating Trust Agreement, and applicable law; *provided* that any Distribution greater than $20,000 shall be subject to the consent and approval of the Wind Down Advisory Board.

D. Registry of Beneficial Interests in Liquidating Trust; Non-Transferability

To evidence the Liquidating Trust Interests of each Liquidating Trust Beneficiary, the Liquidating Trustee shall maintain a registry of such Liquidating Trust Beneficiaries.

The Liquidating Trust Interests have not been registered pursuant to the Securities Act of 1933, as amended (the "Securities Act"), or any state securities law, and shall not be listed for public trading on any securities exchange. The rights of the holders of Liquidating Trust Interests are not intended to be "securities" under applicable laws, but the Plan Proponent does not represent or warrant that such rights will not be securities or will be entitled to exemption from registration under applicable securities laws. If the Liquidating Trust Interests are deemed to be "securities", the issuance of the Liquidating Trust Interests under the Plan shall be exempt from registration as provided by Section 1145 of the Bankruptcy Code and by other applicable law requiring registration of securities. The Liquidating Trust shall not be required to file reports with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on account of any transfer. No transfer of a Liquidating Trust Interest that causes the Liquidating Trust to be required to file reports with the Securities and Exchange Commission pursuant to Sections 13 or 15(d) of the Exchange Act shall be permitted and any such transfer shall be void *ab initio*. In order to prevent the Liquidating Trust from becoming subject to such reporting requirements, the Liquidating Trustee may impose certain transfer restrictions designed to maintain the Liquidating Trust as non-reporting entity, and the Liquidating Trust Agreement may be amended from time to time to make such changes as are deemed necessary or appropriate to ensure that the Liquidating Trust is not subject to registration and/or reporting requirements of the Securities Act, the Exchange Act, the Trust Indenture Act of 1939, as amended, or the Investment Company Act of 1940, as amended.

E. Liability; Indemnification

Neither the Liquidating Trustee, the Wind Down Advisory Board, their respective members, employees, employers, designees or professionals, or any of their duly designated agents or representatives (each, a "Liquidating Trust Party" and collectively, the "Liquidating Trust Parties") shall be liable for losses, claims, damages, liabilities or expenses in connection with the affairs of the Liquidating Trust or for the act or omission of any other Liquidating Trust Party, nor shall the Liquidating Trust Parties be liable for any act or omission taken or omitted to be taken pursuant to the discretion, powers and authority conferred, or in good faith believed to be conferred by the Liquidating Trust Agreement or the Combined Disclosure Statement and Plan other than for specific acts or omissions resulting from such Liquidating Trust Party's willful misconduct, gross negligence, or actual fraud. Subject to the Liquidating Trust Agreement, the Liquidating Trustee shall be entitled to enjoy all of the rights, powers, immunities, and privileges applicable to a chapter 7 trustee, and the Wind Down Advisory Board shall be entitled to enjoy all of the rights, powers, immunities, and privileges of an official committee of unsecured creditors. The Liquidating Trustee or the Wind Down Advisory Board may, in connection with the performance of its functions, and in its sole and absolute discretion, consult with its attorneys, accountants, financial advisors and agents, and shall not be liable for any act taken, omitted to be taken, or suffered to be done in accordance with advice or opinions rendered by such persons, regardless of whether such advice or opinions are provided in writing. Notwithstanding such authority, neither the Liquidating Trustee nor the Wind Down Advisory Board shall be under any obligation to consult with its attorneys, accountants, financial advisors or agents, and their determination not to do so shall not result in the imposition of liability on the Liquidating Trustee or Wind Down Advisory Board or their respective members and/or designees, unless such determination is based on willful misconduct, gross negligence, or actual

fraud. The Liquidating Trust shall indemnify and hold harmless the Liquidating Trust Parties (in their capacity as such) from and against and in respect of all liabilities, losses, damages, claims, costs and expenses (including, without limitation, reasonable attorneys' fees, disbursements, and related expenses) that such parties may incur or to which such parties may become subject in connection with any action, suit, proceeding or investigation brought by or threatened against such parties arising out of or due to their acts or omissions, or consequences of such acts or omissions, with respect to the implementation or administration of the Liquidating Trust or the Combined Disclosure Statement and Plan or the discharge of their duties hereunder; provided, however, that no such indemnification will be made to such Persons for actions or omissions as a result of willful misconduct, gross negligence, or actual fraud. Persons dealing or having any relationship with the Liquidating Trustee shall have recourse only to the Liquidating Trust Assets and shall look only to the Liquidating Trust Assets to satisfy any liability or other obligations incurred by the Liquidating Trustee or the Wind Down Advisory Board to such Person in carrying out the terms of the Liquidating Trust Agreement, and neither the Liquidating Trustee nor the Wind Down Advisory Board shall have any personal obligation to satisfy any such liability. The Liquidating Trustee and/or the Wind Down Advisory Board members shall not be liable whatsoever except for the performance of such duties and obligations as are specifically set forth herein, and no implied covenants or obligations shall be read into the Liquidating Trust Agreement against any of them. The Liquidating Trust shall promptly pay expenses reasonably incurred by any Liquidating Trust Party in defending, participating in, or settling any action, proceeding, or investigation in which such Liquidating Trust Party is a party or is threatened to be made a party or otherwise is participating in connection with the Liquidating Trust Agreement or the duties, acts or omissions of the Liquidating Trustee or otherwise in connection with the affairs of the Liquidating Trust, upon submission of invoices therefor, whether in advance of the final disposition of such action, proceeding, or investigation or otherwise. The foregoing indemnity in respect of any Liquidating Trust Party shall survive the termination of such Liquidating Trust Party from the capacity for which they are indemnified.

ARTICLE X.
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

Except as otherwise provided in the Combined Disclosure Statement and Plan, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Combined Disclosure Statement and Plan, as of the Effective Date, each Debtor will be deemed to have rejected each Executory Contract or Unexpired Lease to which such Debtor is a party, unless such Executory Contract or Unexpired Lease (i) was previously assumed or rejected; (ii) previously expired or terminated pursuant to its own terms; (iii) is the subject of a motion or notice to assume or reject Filed on or before the Confirmation Date; or (iv) is identified for assumption on the Assumption Schedule to be included in the Plan Supplement.

The Confirmation Order shall constitute an order of the Bankruptcy Court under sections 365 and 1123(b) of the Bankruptcy Code approving the assumptions (or assumptions and assignments, as applicable) or rejections described above as of the Effective Date. Unless otherwise indicated, all assumptions, assumptions and assignments, and rejections of Executory

Contracts and Unexpired Leases in the Plan will be effective as of the Effective Date. Each Executory Contract and Unexpired Lease assumed or assumed and assigned pursuant to the Plan, or by Bankruptcy Court order, will vest in and be fully enforceable by the Wind Down Debtors or assignee in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

Notwithstanding the foregoing paragraph or anything contrary herein, the Plan Proponent reserves the right to alter, amend, modify, or supplement the Executory Contracts and Unexpired Leases identified for assumption, assumption and assignment, or rejection in the Plan Supplement prior to the Effective Date.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases

Claims based on the rejection of the Debtors' Executory Contracts or Unexpired Leases pursuant to the Combined Disclosure Statement and Plan or otherwise must be Filed set forth in the Bar Date Order or Confirmation Order.

Any Claims arising from the rejection of an Executory Contract or Unexpired Lease that are not Filed within such time, unless otherwise ordered by the Bankruptcy Court, will be automatically Disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, the Estates, the Wind Down Debtors, the Liquidating Trustee, or property of the foregoing parties, without the need for any objection by the Plan Proponent, the Debtors, the Wind Down Debtors, the Liquidating Trustee, or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary. Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under an Executory Contract or Unexpired Lease to be assumed or assumed and assigned pursuant to the Plan, shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure Claim, as reflected on the Cure Notice or as otherwise agreed or determined by a Final Order of the Bankruptcy Court, in Cash on the Effective Date or as soon as reasonably practicable thereafter, subject to the limitations described below, or on such other terms as the parties to such Executory Contract or Unexpired Leases may otherwise agree. In the event of a dispute regarding (a) the amount of any Cure Claim, (b) the ability of the Wind Down Debtors or any assignee, as applicable, to provide "adequate assurance of future performance" (with the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (c) any other matter pertaining to assumption, the Cure Claims shall be paid following the entry of a Final Order resolving the dispute and approving the assumption. To the extent the Bankruptcy Court determines that the amount of a Cure Claim for an Executory Contract or Unexpired Lease is greater than the amount reflected on the Cure Notice related to such Cure Claim, the Debtors or the Wind Down Debtors, a applicable, shall have the right to reject such Executory Contract or Unexpired Lease and, in such an instance, shall not be required to pay the Cure Claim.

At least 14 days prior to the Voting Deadline, the Debtors or the Plan Proponent shall distribute, or cause to be distributed, Cure Notices to the applicable third parties. **Any objection by a counterparty to an Executory Contract or Unexpired Lease to the proposed assumption, assumption and assignment, or related Cure amount must be Filed by the Cure/Assumption Objection Deadline**. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption, assumption and assignment, or Cure Notice will be deemed to have assented to such assumption or assumption and assignment, and Cure amount. To the extent that the Debtors seek to assume and assign an Unexpired Lease pursuant to the Plan, the Debtors will identify the assignee in the applicable Cure Notice and/or Schedule and provide "adequate assurance of future performance" for such assignee (within the meaning of section 365 of the Bankruptcy Code) under the applicable Executory Contract or Unexpired Lease to be assumed and assigned.

Assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise, and the payment of the Cure Claim, shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the date that the Debtors assume or assume and assign such Executory Contract or Unexpired Lease. Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed or assumed and assigned shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

D. Insurance Policies

Insurance Policies shall not be considered Executory Contracts for purposes of this Article X. As provided in Article VIII.~~L~~N, all Insurance Policies shall remain in full force and effect following the Effective Date subject to the right of the Wind Down Officer to terminate such Insurance Policies.

E. Modifications, Amendments, Supplements, Restatements, or Other Agreements

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

F. Reservation of Rights

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Assumption Schedule, nor anything contained in the Plan, shall constitute an admission by the Plan Proponent that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Debtor has any liability thereunder.

G. Nonoccurrence of Effective Date

If the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting any Executory Contract or Unexpired Lease pursuant to section 365(d)(4) of the Bankruptcy Code.

ARTICLE XI.
RESERVES

If the Wind Down Officer or the Liquidating Trustee determines that they are required, or that it is necessary, to establish any of the reserves set forth in this Article XI, the Wind Down Officer or the Liquidating Trustee, as applicable, shall administer such reserves in the manner established by this Article XI; *provided*, *however*, that the Liquidating Trustee (and not the Debtors) shall in all events establish and maintain the Liquidating Trust Expense Fund and GUC Disputed Claims Reserve, and the Wind Down Officer (and not the Debtors) shall in all events establish and maintain the Wind Down Expense Fund.

A. Establishment of Reserve Accounts

The Liquidating Trustee shall establish each of the Distribution Reserve Accounts (which may be affected by either establishing a segregated account or establishing book entry accounts, in the sole discretion of the Liquidating Trustee).

B. Undeliverable Distribution Reserve

1. Deposits

If a distribution to any Holder of an Allowed Claim is returned to the Liquidating Trustee as undeliverable or is otherwise unclaimed, such distribution shall be deposited in a segregated, interest-bearing account, designated as an "Undeliverable Distribution Reserve", for the benefit of such Holder until such time as such distribution becomes deliverable, is claimed, or is deemed to have been forfeited in accordance with Article XI.B.2 of the Combined Disclosure Statement and Plan.

2. Forfeiture

Any Holder of an Allowed Claim that does not assert a Claim pursuant to this Combined Disclosure Statement and Plan for an undeliverable or unclaimed distribution within three months after the first distribution is made to such Holder shall be deemed to have forfeited its claim for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such claim for the undeliverable or unclaimed distribution against any Debtor, any Estate, any Wind Down Debtor, the Liquidating Trust, or their respective properties or assets unless the Bankruptcy Court orders otherwise. In such cases, any Cash or other property held by the Liquidating Trustee in the Undeliverable Distribution Reserve for distribution on account of such claims for undeliverable or unclaimed distributions, including the interest that has accrued on such undeliverable or unclaimed distribution while in the Undeliverable Distribution Reserve, without any further action or order of the Bankruptcy Court shall promptly be transferred to the Liquidating Trust, notwithstanding any federal or state escheat laws to the contrary.

3. Disclaimer

The Liquidating Trustee and its agents and attorneys are under no duty to take any action to attempt to locate any Claim Holder; *provided* that in the Liquidating Trustee's sole discretion, the Liquidating Trustee may periodically publish notice of unclaimed distributions.

4. Distribution from Reserve

Within 15 Business Days after the Holder of an Allowed Claim satisfies the requirements of this Combined Disclosure Statement and Plan, such that the distribution(s) attributable to its Claim is no longer an undeliverable or unclaimed distribution (provided that satisfaction occurs within the time limits set forth in Article XI.B), the Liquidating Trustee shall distribute out of the Undeliverable Distribution Reserve the amount of the undeliverable or unclaimed distribution attributable to such Claim, including the interest that has accrued on such undeliverable or unclaimed distribution while in the Undeliverable Distribution Reserve.

C. Wind Down Expense Fund

The Wind Down Officer shall maintain a reserve (the "Wind Down Expense Fund") in an amount as is reasonably necessary to pay the costs and expenses incurred or expected to be incurred by the Wind Down Debtors and the Wind Down Officer in connection with administering the Wind Down Debtors and performing the duties set forth in the Combined Disclosure Statement and Plan and the Wind Down Agreement, including, without limitation, paying the fees and expenses of the Wind Down Officer and professionals retained by the Wind Down Officer (the "Wind Down Expenses"). The Wind Down Expense Fund shall be initially funded with the Wind Down Cash Amount. To the extent that the Wind Down Expense Fund is insufficient to satisfy in full all Wind Down Expenses, the Wind Down Expenses shall be paid by the Liquidating Trustee from the Liquidating Trust Expense Fund in accordance with the Liquidating Trust Proceeds Waterfall.

With the prior approval of the Wind Down Advisory Board, the Wind Down Officer, on behalf of the Wind Down Debtors, may borrow money or raise capital on such terms as determined by the Wind Down Officer to fund the Wind Down Expense Fund. Except for purposes of funding the Wind Down Expense Fund, the Wind Down Debtors shall not incur any debt.

D. Liquidating Trust Expense Fund

The Liquidating Trustee shall maintain a reserve (the "Liquidating Trust Expense Fund") in an amount as is reasonably necessary to pay the costs and expenses incurred or expected to be incurred by the Liquidating Trust and the Liquidating Trustee in connection with administering the Liquidating Trust Assets and performing the duties set forth in the Combined Disclosure Statement and Plan and the Liquidating Trust Agreement, including, without limitation, paying the fees and expenses of the Liquidating Trustee and professionals retained by the Liquidating Trustee (the "Liquidating Trust Expenses"). For the avoidance of doubt, to the extent the Wind Down Expense Fund is insufficient to satisfy the Wind Down Expenses, the Liquidating Trust Expenses shall include any such deficiency.

In consultation with the Wind Down Advisory Board, the Liquidating Trust may borrow money or raise capital on such terms as determined by the Liquidating Trustee to fund the Liquidating Trust Expense Fund. Except for purposes of funding the Liquidating Trust Expense Fund, the Liquidating Trust shall not incur any debt.

E. GUC Disputed Claims Reserve

The Liquidating Trustee may establish, for the benefit of each Holder of a Disputed General Unsecured Claim, the GUC Disputed Claims Reserve in an amount equal to the Pro Rata Share of distributions that would have been made to the holder of such Disputed General Unsecured Claim if it were an Allowed General Unsecured Claim in an amount equal to the lesser of (i) the liquidated amount set forth in the filed Proof of Claim relating to such Disputed General Unsecured Claim or if no Proof of Claim has been filed the liquidated amount set forth in the Schedules, (ii) the amount in which the Disputed General Unsecured Claim has been estimated by the Bankruptcy Court pursuant to section 502 of the Bankruptcy Code as constituting and representing the maximum amount in which such Claim may ultimately become an Allowed General Unsecured Claim or (iii) such other amount as may be agreed upon by the holder of such Disputed General Unsecured Claim and the Liquidating Trustee. Amounts held in the GUC Disputed Claims Reserve shall be retained by the Liquidating Trustee for the benefit of Holders of Disputed General Unsecured Claims pending determination of their entitlement thereto under the terms of the Combined Disclosure Statement and Plan. No payments or distributions shall be made with respect to all or any portion of any Disputed General Unsecured Claim pending the entire resolution thereof by Final Order or agreement between the Liquidating Trustee and the Holder of the applicable Disputed General Unsecured Claim.

At such time as a Disputed General Unsecured Claim becomes an Allowed General Unsecured Claim, the Liquidating Trustee shall distribute to the Holder thereof the distributions, if any, to which such Holder is then entitled under the Combined Disclosure Statement and Plan or Liquidating Trust Agreement. Such distribution, if any, shall be made as soon as reasonably practicable after the date that the order or judgment of the Bankruptcy Court Allowing such Disputed General Unsecured Claim becomes a Final Order or the effective date of the relevant agreement between the Liquidating Trustee and the Holder of the applicable Disputed General Unsecured Claim.

If a Disputed General Unsecured Claim is Disallowed, in whole or in part, the Liquidating Trustee shall distribute amounts held in the GUC Disputed Claims Reserve with respect to such Claim (or, if Disallowed in part, the amounts held in the GUC Disputed Claims Reserve with respect to the Disallowed portion of such Claim) in accordance with the Liquidating Trust Proceeds Waterfall.

ARTICLE XII.
PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

A. Allowance of Claims

After the Effective Date, the Liquidating Trustee shall have and retain any and all rights and defenses the applicable Debtor had with respect to any Claim immediately before the Effective Date. Except as expressly provided in the Combined Disclosure Statement and Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Combined Disclosure Statement and Plan or the Bankruptcy Code, or the Bankruptcy Court has entered a Final Order, including the Confirmation Order (when it becomes a Final Order), in the Chapter 11 Cases allowing such Claim.

B. Claims Administration Responsibilities

Except as otherwise specifically provided in the Combined Disclosure Statement and Plan and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, after the Effective Date, the Liquidating Trustee shall have the authority to File and prosecute objections to Claims and shall have the sole authority, without any further notice to or action, order, or approval by the Bankruptcy Court, to (1) settle, compromise, withdraw, litigate to judgment, or otherwise resolve objections to any and all such Claims, regardless of whether such Claims are in a Class or otherwise; (2) settle, compromise, or resolve any such Disputed Claim; and (3) administer and direct the adjustment of the Claims Register to reflect any such settlements or compromises.

C. Estimation of Claims

Before, on, or after the Effective Date, the Debtors, the Plan Proponent, or the Liquidating Trustee, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim pursuant to applicable law, including, without limitation, pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, including during the litigation of any objection to any Claim or during the pendency of any appeal relating to such objection. Notwithstanding any provision to the contrary in the Combined Disclosure Statement and Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars unless otherwise ordered by the Bankruptcy Court. If the Bankruptcy Court estimates a Claim, such estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Combined Disclosure Statement and Plan (including for purposes of distributions and discharge) and may be used as evidence in any supplemental proceedings, and the Liquidating Trustee may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. Each of the foregoing Claims and objection, estimation, and resolution procedures are cumulative and not

exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

D. Adjustment to Claims Without Objection

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the Claims Register as directed by the Liquidating Trustee without an objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. Time to File Objections to Claims

Any objections to Claims shall be Filed on or before the Claims Objection Bar Date.

F. Disallowance of Claims

Any Claims held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed Disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Debtors or the Liquidating Trustee, as applicable.

Except as otherwise provided herein or as agreed to by the Liquidating Trustee, any Holder of a Proofs of Claim Filed after the applicable deadline for filing such Claim shall not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

G. Amendments to Claims

On or after the Effective Date, a Claim may not be amended without the prior authorization of the Bankruptcy Court, or by agreement with the Liquidating Trustee, and the Holder of any such amended Claim shall not receive any distributions on account of such Claims unless such amended Claim has been deemed Allowed by a Final Order.

H. No Distributions Pending Allowance

If an objection to a Claim or portion thereof is Filed, no payment or distribution provided under the Combined Disclosure Statement and Plan shall be made on account of such Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim or unless otherwise determined by the Liquidating Trustee.

I. Distributions After Allowance

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions shall be made to the Holder of such Allowed Claim in accordance with the provisions of the

Combined Disclosure Statement and Plan. As soon as reasonably practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Liquidating Trustee shall provide to the Holder of such Claim the distribution to which such Holder is entitled under the Combined Disclosure Statement and Plan as of the Effective Date, less any previous distribution (if any) that was made on account of the undisputed portion of such Claim, without any interest, dividends, or accruals to be paid on account of such Claim unless required under applicable bankruptcy law or as otherwise provided herein.

J. No Postpetition Interest on Claims

Unless otherwise specifically provided for in an order of the Bankruptcy Court, the Combined Disclosure Statement and Plan, or the Confirmation Order, or required by applicable bankruptcy law, postpetition interest shall not accrue or be paid on any Claims and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any such Claim.

K. Setoffs and Recoupment

The Liquidating Trustee may, but shall not be required to, set off against or recoup any payments or distributions to be made pursuant to the Plan in respect of any Claims of any nature whatsoever that the Liquidating Trust may have against the claimant, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Liquidating Trustee of any such Claim it may have against the Holder of such Claim.

L. Allocations for Distribution Purposes; Constructive Trust

1. Generally

This Plan does not directly or indirectly effectuate the substantive consolidation of any of the Debtors or the Estates for any purpose, including voting or distributions, notwithstanding the comingling of any Remaining Assets or Liquidating Trust Assets. Absent an order of the Bankruptcy Court, upon request of any party-in-interest and after notice and a hearing, substantively consolidating one or more Debtors for purposes of distributions, distributions out of Liquidating Trust Assets to Holders of Class 3 Liquidating Trust Interests and Class 4 Liquidating Trust Interests shall be on a Debtor-by-Debtor basis, in accordance with the Liquidating Trust Proceeds Waterfall applicable to each Debtor, taking into account: (a) the Allowed Administrative Claims, Allowed Priority Claims, Wind Down Expenses, and Liquidating Trust Expenses (collectively, the "Case Expenses") of or allocable to each Debtor; (b) the Allowed Class 3 General Unsecured Claims and Allowed Class 4 Penalty Claims of each Debtor, and (c) the Remaining Assets and Liquidating Trust Assets (collectively, the "Available Assets") of each Debtor (the "Debtor-by-Debtor Allocation"). All parties' rights with respect to the Debtor-by-Debtor Allocation are reserved, subject to, and as set forth in, the following provisions of this Article XII.L.

2. Debtor-by-Debtor Allocation

The following provisions shall apply to the implementation, notice, and approval of the Debtor-by-Debtor Allocation:

(a) The Wind Down Officer and Liquidating Trustee shall make reasonable efforts to account for Case Expenses on a Debtor-by-Debtor basis.

(b) The Wind Down Officer and Liquidating Trustee shall be permitted to comingle Cash into one or more accounts and shall be permitted to pay Case Expenses with such Cash; *provided* that any comingling of Cash and payment of Case Expenses shall not prejudice the rights of any party in interest with respect to the allocation of such Cash (or any other Available Assets) and Case Expenses among the Debtors for purposes of the Debtor-by-Debtor Allocation.

(c) Prior to making any distribution to holders of Class 3 Liquidating Trust Interests or Class 4 Liquidating Trust Interests, the Liquidating Trustee, in consultation with the White Rock JPLs, shall file with the Bankruptcy Court a notice setting forth the Debtor-by-Debtor Allocation applicable to such distribution (a "Distribution Notice"). The Distribution Notice shall include reasonable detail regarding (i) the allocation of Case Expenses among the Debtors, and a description of the methodology used to arrive at such allocation, (ii) the allocation of Available Assets among the Debtors, and a description of the methodology used to arrive at such allocation, (iii) the Allowed, Disallowed, and Disputed Class 3 General Unsecured Claims (and, if applicable, Class 4 Penalty Claims) against each Debtor; and (iv) the distribution rate for each Debtor, which shall be the amount to be received by holders of Class 3 Liquidating Trust Interests or Class 4 Liquidating Trust Interests in connection with the distribution as a percentage of the amount of their Allowed Class 3 General Unsecured Claims or Allowed Class 4 Penalty Claims, as applicable.

(d) If no objections are filed within 21 days after the Distribution Notice is filed, the Liquidating Trustee shall be authorized to make the distribution consistent with the Distribution Notice. If an objection is timely filed, the Liquidating Trustee shall not be permitted to make such distribution absent (x) consensual resolution of such objection with the objecting party or (y) order of the Bankruptcy Court.

3. Constructive Trust Priority Payments

(a) Notwithstanding the commingling of Cash on or after the Effective Date, if the White Rock JPLs or a Cedent establishes (pursuant to subsection (c) below) that as of the Effective Date it had a valid Constructive Trust Claim over any of the Debtors' Cash, then such party shall be entitled to a payment (the "Constructive Trust Priority Payment") from the Liquidating Trust in the amount of the Debtors' Cash that was subject to the Valid Constructive Trust as of the Effective Date.

(b) Constructive Trust Priority Payments, if any, shall have priority over distributions to Holders of Class 3 Liquidating Trust Interests and shall be made after (i) payment or reserve for Allowed Administrative Claims and Allowed Priority Claims and (ii) establishment of a $7 million reserve for Liquidating Trust Expenses and Wind Down Expenses; *provided*, *however*, that any funds no longer needed to be held in reserve for Allowed Administrative Claims or Allowed Priority Claims (due e.g., to disallowance of pending claims or an excess reserve) shall be immediately available for making Constructive Trust Priority Payments, if any.

(c) The establishment of a valid Constructive Trust Claim shall occur only upon (i) agreement of the Liquidating Trustee (with the consent of the Wind Down Advisory Board) and the White Rock JPLs or Cedent asserting the Constructive Trust Claim, which agreement shall be subject to entry of a final nonappealable Order by the Bankruptcy Court and, if appropriate, the Bermuda Court approving such agreement, after notice and a hearing with opportunity of parties in interest to object; or (ii) entry of a final nonappealable Order of the Bankruptcy Court and, if appropriate, the Bermuda Court upon request of the party asserting the Constructive Trust Claim, after notice and a hearing with opportunity of parties in interest to object.

(d) Nothing in this section shall alter or impact (i) the Vesttoo Bay XIV Settlement with Clear Blue related to Clear Blue's asserted Constructive Trust Claim as memorialized in the Vesttoo Bay XIV Settlement Motion, (ii) the Vesttoo Bay XIX Settlement with the Vesttoo Bay XIX Cedents related to the Vesttoo Bay XIX Cedents' asserted Constructive Trust Claims as memorialized in the Vesttoo Bay XIX Settlement Motion, or (iii) the Vesttoo Bay XXIV Settlement with Chaucer related to Chaucer's asserted Constructive Trust Claim as memorialized in the Vesttoo Bay XXIV Settlement Motion.

(e) Nothing herein shall constitute a determination, and all parties' rights are reserved as to, what law applies to Constructive Trust Claims.

4. Vescor Bay

The following applies to Debtor Vescor Bay, L.P. ("Vescor Bay") only. If, based on the Debtor-by-Debtor Allocation applicable to Vescor Bay, (a) the amount of proceeds of Available Assets of Vescor Bay exceeds (b) the sum of (i) the Case Expenses allocable to Vescor Bay plus (ii) the Allowed Class 3 General Unsecured Claims and Allowed Class 4 Penalty Claims of Vescor Bay (to the extent the amount of (a) exceeds the amount of (b), a "Vescor Bay Surplus"), then, notwithstanding Article VII.B.8.b hereof regarding the treatment of Interests, (x) Matag retains a right to a Distribution on account of its Interest in Vescor Bay, to the extent Allowed, in an amount equal to 23.0% of such Vescor Bay Surplus, not to exceed $4,250,400, and (y) Arkin retains a right to a Distribution on account of its Interest in Vescor Bay, to the extent Allowed, in an amount equal to 6.75% of such Vescor Bay Surplus, not to exceed $1,247,400. To the extent that Vescor Bay receives any proceeds (the "Note Proceeds") of the Series 2022-H Discounted Zero Coupon Participating Notes due February 21, 2024 (the "Notes"), on and after the Effective Date the Wind Down Debtors shall reserve and hold an amount equal to $5,497,800 (the "Vescor Bay Reserve") subject to final resolution of the Claims and Interests asserted by Matag and Arkin; *provided* that any Note Proceeds in excess of the Vescor Bay Reserve shall be immediately available to the Wind Down Debtors or Liquidating Trust, as applicable, for use in accordance with the terms of the Plan.

Notwithstanding the forgoing, nothing herein shall be deemed a determination of the validity, priority, or amount of any Claim or Interest asserted by Matag or Arkin, and the Wind Down Debtors and Liquidating Trust, as applicable, retain all rights, counterclaims, and defenses with respect to such Claims and Interests, including, but not limited to, the right to object to such Claims and Interests and any of the Debtors' rights of setoff or recoupment with respect thereto.

ARTICLE XIII.
INJUNCTION AND RELATED PROVISIONS

A. Term of Injunctions or Stays

Unless otherwise provided in the Combined Disclosure Statement and Plan or the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Combined Disclosure Statement and Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Combined Disclosure Statement and Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

B. Release of Liens

Except as otherwise provided in the Combined Disclosure Statement and Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Combined Disclosure Statement and Plan, on the Effective Date, all Liens against the property of any Estates will be fully released, and all of the right, title and interest of any holder of such Liens, including any rights to any collateral thereunder, shall attach to and be enforceable solely against any net proceeds of sales or other liquidation of such assets. For the avoidance of doubt, all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates shall be fully released on the Effective Date without any further action of any party, including, but not limited to, further order of the Bankruptcy Court or filing updated schedules or statements typically filed pursuant to the Uniform Commercial Code.

C. Exculpation

Notwithstanding anything contained in the Combined Disclosure Statement and Plan to the contrary, no Exculpated Party shall have or incur liability for, and each Exculpated Party is released and exculpated from, any Cause of Action or any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Combined Disclosure Statement and Plan, the Plan Supplement, solicitation of votes on the Combined Disclosure Statement and Plan, the pursuit of confirmation, the pursuit of consummation or the distribution of property under the Combined Disclosure Statement and Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place from the Petition Date through the Effective Date, except for Claims related to any act or omission that is determined in a final order by a court of competent jurisdiction to have constituted criminal conduct, actual fraud, willful misconduct, knowing violation of law, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Combined Disclosure Statement and Plan.

Notwithstanding anything to the contrary in the foregoing, the exculpation set forth above does not release or exculpate any Claim relating to any post-Effective Date obligations of any party or Entity under the Combined Disclosure Statement and Plan or any document, instrument, or agreement (including any documents, instruments and agreements set forth in the Plan Supplement) executed to implement the Combined Disclosure Statement and Plan.

D. Non-Discharge of the Debtors; Injunction

In accordance with section 1141(d)(3) of the Bankruptcy Code, the Combined Disclosure Statement and Plan does not discharge the Debtors. Section 1141(c) of the Bankruptcy Code nevertheless provides, among other things, that the property dealt with by the Combined Disclosure Statement and Plan is free and clear of all Claims and Interests against the Debtors. As a result, except as otherwise provided in the Combined Disclosure Statement and Plan or the Confirmation Order, all Entities who have held, hold, or may hold Claims, Interests, Causes of Action, or liabilities that: (a) are subject to compromise and settlement pursuant to the terms of the Combined Disclosure Statement and Plan; (b) are subject to exculpation pursuant to the Combined Disclosure Statement and Plan; or (c) are otherwise addressed, satisfied, stayed or terminated pursuant to the terms of the Combined Disclosure Statement and Plan, are permanently enjoined and precluded, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Wind Down Debtors, the Liquidating Trust, or the Exculpated Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or Estates of such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (4) asserting any right of setoff (other than (x) setoffs exercised prior to the Petition Date (y) setoff rights asserted or reserved in a timely-filed proof of claim, or (z) setoff rights asserted or reserved in a motion or objection to confirmation filed with the Bankruptcy Court on or before the Confirmation Date requesting authority to effect such setoff (including, without limitation, (i) the White Rock JPLs' Proofs of Claim and/or objection to confirmation of the Plan [Docket No. 606]), (ii) the Proofs of Claim and/or objection to confirmation of the Plan [Docket No. 586] filed by White Rock Insurance (SAC) Ltd. on behalf of its general account, Aon UK Limited, Aon Risk Services Inc. of Maryland, Aon Risk Services Central Inc., Aon Reed Stenhouse Inc., Aon Re Inc., Aon Insurance Managers (Isle of Man) Ltd., Aon Insurance Managers (Dublin) Ltd., Aon Insurance Managers (Bermuda) Ltd., and Aon (Bermuda) Ltd., and (iii) the Proofs of Claim and/or objection to confirmation of the Plan [Docket No. 590] filed by Mouro Capital I LP and Christopher Gottschalk), whether any such proof of claim, motion, or objection is adjudicated prior to or after the Confirmation Date) or subrogation of any kind against any debt, liability, or obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any Claims, Causes of Action, or Interests; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in

connection with or with respect to any such Claims, Interests, or Causes of Action addressed, exculpated, or settled pursuant to the Combined Disclosure Statement and Plan. For the avoidance of doubt, nothing in this Section XIII.D shall be deemed to enjoin (a) any Creditor's ability to adjudicate in Bankruptcy Court its Claim against any Debtors' Estate; and (b) subject to the Committee/JPL Settlement and the terms of the Committee/JPL Settlement Orders, the White Rock JPLs' ability to pursue a Claim that is not an Estate Cause of Action against any Person or Entity that is not a Wind Down Debtor, the Liquidating Trust, or an Exculpated Party.

Any Entity injured by any willful violation of such injunction may seek actual damages and, in appropriate circumstances, may seek punitive damages from the willful violator.

E. Subordination Rights

Any distributions under the Combined Disclosure Statement and Plan shall be received and retained free from any obligations to hold or transfer the same to any other Holder and shall not be subject to levy, garnishment, attachment, or other legal process by any Holder by reason of claimed contractual subordination rights. Any such subordination rights shall be waived, and the Confirmation Order shall constitute an injunction enjoining any Entity from enforcing or attempting to enforce any contractual, legal, or equitable subordination rights to property distributed under the Combined Disclosure Statement and Plan, in each case other than as provided in the Combined Disclosure Statement and Plan.

F. Arbitration Rights

Notwithstanding any claimed contractual rights that purport to provide for mandatory arbitration of claims or disputes, the Bankruptcy Court shall have exclusive jurisdiction to hear and determine all matters and proceedings that are core proceedings under 28 U.S.C. § 157(b)(2).

ARTICLE XIV.
CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE DATE

A. Conditions Precedent to Confirmation

It shall be a condition to confirmation of the Combined Disclosure Statement and Plan that the following conditions shall have been satisfied (or waived pursuant to the provisions of Article XIV.C hereof):

1. The Bankruptcy Court shall have entered an order, in form and substance reasonably acceptable to the Plan Proponent, approving the Disclosure Statement with respect to the Combined Disclosure Statement and Plan as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

2. The Combined Disclosure Statement and Plan, the Confirmation Order, and the Plan Documents shall be in a form and substance reasonably acceptable to the Plan Proponent.

B. Conditions Precedent to the Effective Date

It shall be a condition to the Effective Date that all of the following conditions shall have been satisfied (or waived pursuant to the provisions of Article XIV.C hereof):

1. The Confirmation Order, in form and substance acceptable to the Plan Proponent, (a) shall have been duly entered and in full force and effect, (b) shall not have been reversed, stayed, modified or vacated on appeal, and (c) shall have become a Final Order;

2. All authorizations, consents, and approvals required, if any, in connection with the Combined Disclosure Statement and Plan's effectiveness shall have been obtained;

3. All actions, documents, certificates and agreements necessary to implement the Combined Disclosure Statement and Plan shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable laws, and are in form and substance acceptable to the Plan Proponent;

4. All conditions precedent to the effectiveness of the Wind Down Agreement shall have been satisfied or duly waived;

5. All conditions precedent to the effectiveness of the Liquidating Trust Agreement shall have been satisfied or duly waived; ~~and~~

6. All Allowed Professional Fee Claims approved by the Bankruptcy Court shall have been paid in full or amounts sufficient to pay such Allowed Professional Fee Claims after the Effective Date shall have been placed in the Professional Fee Escrow Account pending approval of the Professional Fee Claims by the Bankruptcy Court;

7. The Committee/JPL Settlement Orders shall have been duly entered and in full force an effect; and

8. Payment of the Vesttoo Bay XXIV Distribution Amount to Chaucer or its designee pursuant to Article VIII.F.3 of this Combined Disclosure Statement and Plan.

C. Waiver of Conditions

The conditions to confirmation of the Combined Disclosure Statement and Plan and to the Effective Date of the Combined Disclosure Statement and Plan set forth in this Article XIV may be waived only by consent of the Plan Proponent without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate the Combined Disclosure Statement and Plan.

D. Substantial Consummation

"Substantial Consummation" of the Combined Disclosure Statement and Plan, as defined in 11 U.S.C. § 1101(2), shall be deemed to occur on the Effective Date.

ARTICLE XV.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE COMBINED DISCLOSURE STATEMENT AND PLAN

A. Modification and Amendments

Subject to the limitations contained in the Combined Disclosure Statement and Plan, the Plan Proponent reserves the right to modify the Combined Disclosure Statement and Plan and seek confirmation of the Combined Disclosure Statement and Plan consistent with the Bankruptcy Code and, as appropriate and to the extent allowed under the Bankruptcy Code, not resolicit votes on such modified Combined Disclosure Statement and Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Combined Disclosure Statement and Plan, the Plan Proponent expressly reserves the rights to alter, amend, or modify materially the Combined Disclosure Statement and Plan, one or more times after confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Combined Disclosure Statement and Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Combined Disclosure Statement and Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Combined Disclosure Statement and Plan.

B. Effect of Confirmation on Modifications

Entry of the Confirmation Order shall mean that all modifications or amendments to the Combined Disclosure Statement and Plan occurring after the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of the Combined Disclosure Statement and Plan

The Plan Proponent reserves the right to revoke or withdraw the Combined Disclosure Statement and Plan before the Confirmation Date. If the Plan Proponent revokes or withdraws the Combined Disclosure Statement and Plan, or if confirmation of the Combined Disclosure Statement and Plan and Consummation does not occur, then: (1) the Combined Disclosure Statement and Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Combined Disclosure Statement and Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Combined Disclosure Statement and Plan, and any document or agreement executed pursuant to the Combined Disclosure Statement and Plan, shall be deemed null and void; and (3) nothing contained in the Combined Disclosure Statement and Plan shall (i) constitute a waiver or release of any Claims or Interests; (ii) prejudice in any manner the rights of the Plan Proponent or any other Entity, including the Holders of Claims; or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Plan Proponent or any other Entity.

ARTICLE XVI.
RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over the Chapter 11 Cases and all matters arising out of or related to the Chapter 11 Cases and the Combined Disclosure Statement and Plan, including jurisdiction to:

1. Allow, Disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims;

2. Decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals;

3. Resolve any matters related to: (a) the assumption or rejection of any Executory Contract or Unexpired Lease and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Claims related to the rejection of an Executory Contract or Unexpired Lease, cure amounts pursuant to section 365 of the Bankruptcy Code, or any other matter related to such Executory Contract or Unexpired Lease, and (b) any dispute regarding whether a contract or lease is or was executory or expired;

4. Ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Combined Disclosure Statement and Plan;

5. Adjudicate, decide, or resolve any motions, adversary proceedings, contested, or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

6. Adjudicate, decide, or resolve any and all Causes of Action, including all Liquidating Trust Claims, and any matters related thereto;

7. Adjudicate, decide, or resolve any and all matters related to sections 1141 and 1145 of the Bankruptcy Code;

8. Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Combined Disclosure Statement and Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Combined Disclosure Statement and Plan;

9. Enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

10. Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Combined Disclosure Statement and Plan or any Entity's obligations incurred in connection with the Combined Disclosure Statement and Plan;

11. Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Combined Disclosure Statement and Plan;

12. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the provisions contained in Article XII hereof and enter such orders as may be necessary or appropriate to implement or enforce such provisions;

13. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Interest for amounts not timely repaid;

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

15. Determine any other matters that may arise in connection with or relate to the Combined Disclosure Statement and Plan, the Confirmation Order, or the Plan Supplement;

16. Adjudicate any and all disputes arising from or relating to distributions under the Combined Disclosure Statement and Plan or any transactions contemplated therein;

17. Consider any modifications of the Combined Disclosure Statement and Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

18. Determine requests for the payment of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

20. Hear and determine all disputes involving the existence, nature, or scope of the exculpation provisions set forth in the Combined Disclosure Statement and Plan, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;

21. Enforce all orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

22. Hear any other matter not inconsistent with the Bankruptcy Code;

23. Enter an order closing the Chapter 11 Cases;

24. Enforce the injunction and exculpation provisions provided in Article XIII hereof; and

25. Hear and determine all disputes involving the Wind Down Agreement or the Liquidating Trust Agreement.

Nothing in this Article XVI shall be deemed to establish jurisdiction (including exclusive jurisdiction) of this Court with respect to any matter over which the Court would not otherwise have jurisdiction (including exclusive jurisdiction) as of the Effective Date.

ARTICLE XVII.
MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Combined Disclosure Statement and Plan, the final versions of the documents contained in the Plan Supplement, and the Confirmation Order shall be immediately effective and enforceable and deemed binding upon the Debtors and all Holders of Claims or Interests (regardless of whether such Holders of Claims or Interests are deemed to have accepted or rejected the Combined Disclosure Statement and Plan), all Entities that are parties to or are subject to the settlements, compromises, and injunctions described in the Combined Disclosure Statement and Plan, each Entity acquiring property under the Combined Disclosure Statement and Plan or the Confirmation Order, and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims and debts shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Combined Disclosure Statement and Plan regardless of whether any Holder of a Claim or debt has voted on the Combined Disclosure Statement and Plan.

B. Additional Documents

On or before the Effective Date, the Plan Proponent may File with the Bankruptcy Court such agreements and other documents as may be necessary or advisable to effectuate and further evidence the terms and conditions of the Combined Disclosure Statement and Plan. The Debtors and all Holders of Claims and Interests receiving distributions pursuant to the Combined Disclosure Statement and Plan, 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 the Combined Disclosure Statement and Plan.

C. Reservation of Rights

Before the Effective Date, neither the Combined Disclosure Statement and Plan, any statement or provision contained in the Combined Disclosure Statement and Plan, nor any action taken or not taken by any Debtor or the Committee with respect to the Combined Disclosure Statement and Plan, the Disclosure Statement, the Confirmation Order, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor or the Committee with respect to any Claims or Interests.

D. Successors and Assigns

The rights, benefits, and obligations of any Entity named or referred to in the Combined Disclosure Statement and Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor, assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

E. Service of Documents

All notices, requests, and demands to or upon the Debtors, the Committee, or the Liquidating Trustee to be effective shall be in writing and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

The Debtors:

DLA Piper LLP (US)
1201 N. Market Street
Suite 2100
Wilmington, Delaware 19801-1147
Attn: R. Craig Martin
Stuart M. Brown
Matthew Sarna
Email: craig.martin@us.dlapiper.com
stuart.brown@us.dlapiper.com
matthew.sarna@us.dlapiper.com

The Committee:

Greenberg Traurig, LLP
222 Delaware Avenue
Suite 1600
Wilmington, Delaware 19801
Attn: Anthony W. Clark
Dennis A. Meloro
Email: anthony.clark@gtlaw.com
melorod@gtlaw.com

-and-

Greenberg Traurig, LLP
3333 Piedmont Road NE
Suite 2500
Atlanta, Georgia 30305
Attn: David B. Kurzweil
kurzweild@gtlaw.com

F. Entire Agreement

Except as otherwise indicated, the Combined Disclosure Statement and Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Combined Disclosure Statement and Plan.

G. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Combined Disclosure Statement and Plan as if set forth in full in the Combined Disclosure Statement and Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Committee's counsel at the address above or by downloading such exhibits and documents from the Debtors' restructuring website at https://dm.epiq11.com/vesttoo or the District of Delaware Bankruptcy Court's website at https://www.deb.uscourts.gov/.

H. Nonseverability of The Combined Disclosure Statement and Plan Provisions

If, before confirmation of the Combined Disclosure Statement and Plan, any term or provision of the Combined Disclosure Statement and Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Combined Disclosure Statement and Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Combined Disclosure Statement and Plan, as it may have been altered or interpreted in accordance with the foregoing, is (1) valid and enforceable pursuant to its terms; (2) integral to the Combined Disclosure Statement and Plan and may not be deleted or modified without the Plan proponent's consent; and (3) nonseverable and mutually dependent.

I. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Plan Proponent will be deemed to have solicited votes on the Combined Disclosure Statement and Plan in good faith and in compliance with the Bankruptcy Code, and, pursuant to section 1125(e) of the Bankruptcy Code, the Plan Proponent and its members, agents, representatives, principals, shareholders, officers, directors, managers, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Combined Disclosure Statement and Plan and any previous plan, and, therefore, neither any of such parties or individuals or the Plan Proponent will have any liability for the violation of any applicable law (including the Securities Act), rule, or regulation governing the solicitation of votes on the Combined Disclosure Statement and Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Combined Disclosure Statement and Plan and any previous plan.

J. Waiver and Estoppel.

Each Holder of a Claim or Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain

amount, in a certain priority, Secured, or not subordinated by virtue of an agreement made with the Debtors or their counsel, or any other Entity, if such agreement was not disclosed in the Combined Disclosure Statement and Plan, the Plan Documents, or papers Filed before the Confirmation Date.

[*Remainder of page intentionally left blank.*]

Respectfully submitted, as of the date set forth above,

The Official Committee of Unsecured Creditors of Vesttoo Ltd., *et al*.,

~~***/s/ Daniel Kennedy***~~
DRAFT
By: Daniel Kennedy, solely in his capacity as Chair of the Committee and not in his individual capacity or any other capacity

EXHIBIT A

Wind Down Agreement

[~~To be included~~Included in Plan Supplement]

EXHIBIT B

Liquidating Trust Agreement

[~~To be included~~Included in Plan Supplement]

EXHIBIT C

Identity of the Wind Down Officer and the Liquidating Trustee

[~~To be included~~Included in Plan Supplement]

EXHIBIT D

Liquidation Analysis