

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

In re:)	
)	Chapter 11
)	
PROGRESSIVE ACUTE CARE, LLC, <i>et al.</i>)	Case No. 16-50740
)	
Debtors. ¹)	Jointly Administered &
)	Substantively Consolidated

**PLAN SUPPLEMENT AND NOTICE OF OVERSIGHT
COMMITTEE MEMBERS, LIQUIDATION TRUSTEE AND DEBTOR
REPRESENTATIVE, AND LIQUIDATION TRUST AGREEMENT**

Progressive Acute Care, LLC (“PAC”), Progressive Acute Care Avoyelles, LLC (“PAC Avoyelles”), Progressive Acute Care Oakdale, LLC (“PAC Oakdale”), and Progressive Acute Care Winn, LLC (“PAC Winn,” and collectively with PAC, PAC Avoyelles, and PAC Oakdale, the “Debtors”) and the Official Committee of Unsecured Creditors (the “Committee,” and together with the Debtors, the “Plan Proponents”) file this supplement and notice (the “Supplement”) in connection with the Joint Chapter 11 Plan of Orderly Liquidation for Progressive Acute Care, LLC, *et al.* (the “Plan”) [Docket No. 465]². The documents contained in this Supplement are integral to, and are part of, the Plan, and if the Plan is confirmed, such documents will be approved in the order confirming the Plan. The Plan Proponents reserve the right to alter, amend, modify, withdraw, or supplement any document in this Supplement, provided that if any document in this Supplement is altered, amended, modified, or supplemented in any material respect, such document will be filed with the Bankruptcy Court.

¹ The Debtors in these jointly administered Chapter 11 cases, along with the last four digits of each Debtor’s federal identification number are: Progressive Acute Care, LLC (1719); Progressive Acute Care Avoyelles, LLC (7245); Progressive Acute Care Oakdale, LLC (7332); and Progressive Acute Care Winn, LLC (7149).

² All capitalized terms used but not otherwise defined in this Supplement shall have the meanings ascribed to them in the Plan.

Any party that wishes to obtain copies of the Plan, this Supplement, or the Disclosure Statement for the Plan may download copies from the Bankruptcy Court's website at www.lawb.uscourts.gov. A login and password to the Bankruptcy Court's Public Access to Electronic Court Records ("PACER") are required to access this information and can be obtained through the PACER Services Center at www.pacer.gov. Alternatively, the documents may be obtained by request to the attorneys for the Debtors or the Committee identified in the signature blocks below.

Date: June 15, 2017

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PLAN SUPPLEMENT EXHIBIT 1
Notice of Members of Oversight Committee

NOTICE IS HEREBY GIVEN that the Oversight Committee (as defined in the Plan) shall consist of:

1. Cardinal Health 200, LLC and Cardinal Health 414, LLC;
2. LifeShare Blood Centers;
3. Omega Diagnostics;
4. Louisiana Healthcare Quality Forum; and
5. The Schumacher Group of Louisiana, *et al.*

PLAN SUPPLEMENT EXHIBIT 2
Notice of Liquidation Trustee and Debtor Representative

NOTICE IS HEREBY GIVEN that the Liquidation Trustee and Debtor Representative (both as defined in the Plan) shall be:

Matt Rubin
SOLIC Capital Advisors, LLC and SOLIC Capital, LLC
1603 Orrington Avenue
Suite 1600
Evanston, Illinois 60201

PLAN SUPPLEMENT EXHIBIT 3
Form of Liquidation Trust Agreement

LIQUIDATION TRUST AGREEMENT

This Liquidation Trust Agreement (“Agreement”), dated as of _____, 2017, by and between Progressive Acute Care, LLC; Progressive Acute Care Avoyelles, LLC; Progressive Acute Care Oakdale, LLC; and, Progressive Acute Care Winn, LLC (collectively, the “Debtors”), and Matthew Rubin, not individually, but solely in his capacity as trustee hereunder (the “Liquidation Trustee”),¹ is hereby being executed to facilitate the implementation of the Joint Chapter 11 Plan of Orderly Liquidation for the Debtors (as amended, modified or supplemented, the “Plan”), which provides for the establishment of the Liquidation Trust (as defined below) created by this Agreement and the administration and disposition of the Liquidation Trust Assets (as defined below), all for the benefit of the holders of certain Claims as set forth in the Plan. The Liquidation Trustee’s powers and duties are as set forth herein.

WHEREAS, on May 31, 2016 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code;

WHEREAS, under Section 1121 of the Bankruptcy Code, the Debtors and the Official Committee of Unsecured Creditors (the “Committee”) jointly filed the Plan;

WHEREAS, on _____, 2017, the United States Bankruptcy Court for the Western District of Louisiana (the “Bankruptcy Court”) entered an Order confirming the Plan (the “Confirmation Order”);

WHEREAS, the Plan will become effective on the Effective Date;

WHEREAS, Matt Rubin of SOLIC Capital Advisors, LLC is hereby being appointed Liquidation Trustee;

WHEREAS, an Oversight Committee (“POC”), with the powers set forth herein and in the Plan, has been duly appointed pursuant to Section 7.6 of the Plan, and currently consists of the individuals identified on Schedule 1 attached hereto;

WHEREAS, the Plan provides, inter alia, for:

- (a) the transfer to the Liquidation Trust, (i) on the Effective Date, of the Estates’ right, title and interest in all of the Liquidation Trust Assets (except the Tort Claims and the Debtors’ interests in related Insurance Policies, which shall revert in the Debtors) free and clear of all Claims and Equity Interests in accordance with Section 1141 of the Bankruptcy Code (the “Effective Date Trust Assets”), and (ii) after the Effective Date, (x) upon entry of a final judgment or settlement from time to time, the proceeds of any applicable Tort Claims or related Insurance Policies, and (y) such additional or different corpus as the Liquidation Trustee may

¹ Unless otherwise defined herein, all capitalized terms contained in this Agreement have the meanings ascribed to them in the Plan. Except as may be otherwise provided in the Plan, to the extent that a definition of a term in the text of this Agreement and the definition of such term in the Plan are inconsistent, the definition in the Plan shall control.

from time to time acquire and hold in trust pursuant to this Agreement (together with the Effective Date Trust Assets, the “Liquidation Trust Assets”);

- (b) the distribution of proceeds of the Liquidation Trust Assets, in accordance with the terms of the Plan, including for the benefit of holders of Allowed Claims on whose behalf such distribution may be made in accordance with the terms of the Plan (collectively, the “Liquidation Trust Beneficiaries,” provided, however, that to the extent any Claim is not an Allowed Claim, the holder of such Claim shall not be deemed a Liquidation Trust Beneficiary hereunder);
- (c) the federal income tax treatment (i) of the Liquidation Trust Beneficiaries as the grantors of the Liquidation Trust and the owners of the Liquidation Trust Assets, and (ii) of the transfer of the Liquidation Trust Assets to the Liquidation Trust as a deemed transfer from the Debtors to the Liquidation Trust Beneficiaries followed by a deemed transfer by the Liquidation Trust Beneficiaries to the Liquidation Trust;
- (d) the establishment of LT Reserves sufficient to satisfy Plan Distributions to holders of Contested Claims held by any Liquidation Trust Beneficiary and the payment of the fees and expenses of the Liquidation Trustee, the Debtor Representative, and their respective professionals from the Liquidation Trust Assets; and
- (e) the administration of the Liquidation Trust and the Liquidation Trust Assets by the Liquidation Trustee for the purposes and in the manner set forth in this Agreement subject to the Plan.

WHEREAS, the Liquidation Trust is intended to be treated as a liquidating trust pursuant to Treasury Regulations, Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684, and as a grantor trust subject to the provisions of Subtitle A, Chapter 1, Subchapter J, Part 1, Subpart E of the Tax Code (hereinafter defined) owned by the Liquidation Trust Beneficiaries as grantors.

NOW, THEREFORE, pursuant to the Plan and in consideration of the premises, the mutual agreements of the parties contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and affirmed, the parties hereby agree as follows:

ARTICLE 1

DECLARATION OF TRUST

1.1 Purpose of the Liquidation Trust. The Debtors and the Liquidation Trustee, pursuant to the Plan and the Confirmation Order and in accordance with the Bankruptcy Code, applicable tax statutes, rules and regulations, to the extent incorporated in this Agreement, hereby constitute and create a trust (the “Liquidation Trust”) for the sole purpose of liquidating

the Liquidation Trust Assets for the benefit of the Liquidation Trust Beneficiaries, with no objective to continue or engage in the conduct of a trade or business. In particular, the Liquidation Trust, through the Liquidation Trustee, shall (i) pending the reduction to Cash of the Liquidation Trust Assets (and any non-Cash proceeds thereof), manage, and collect and obtain proceeds from, the Liquidation Trust Assets, with the goal of reducing the Liquidation Trust Assets (and any non-Cash proceeds thereof) to Cash, (ii) make distributions pursuant to this Agreement, the Plan and the Confirmation Order, and (iii) take such steps as are reasonably necessary to accomplish such purposes, all as more fully provided in, and subject to the terms and provisions of, the Plan, the Confirmation Order and this Agreement. The Liquidation Trust shall not have authority to engage in a trade or business, and no portions of the Liquidation Trust Assets shall be used in the conduct of a trade or business, except as is reasonably necessary for the prompt and orderly collection and reduction to Cash of the Liquidation Trust Assets (and any non-Cash proceeds thereof), with the goal of maximizing such assets for the benefit of the Liquidation Trust Beneficiaries.

1.2 Name of the Liquidation Trust. The Liquidation Trust established hereby shall be known as the "PAC Liquidation Trust." In connection with the exercise of its powers, the Liquidation Trustee may use such name or such variation thereof as he sees fit, and may transact the business and affairs of the Liquidation Trust in such name.

1.3 Transfer of Liquidation Trust Assets to Create Liquidation Trust. Pursuant to the Plan and the Confirmation Order, the Debtors and the Estates hereby irrevocably grant, release, assign, transfer, convey and deliver to the Liquidation Trustee: (i) as of the Effective Date, the Effective Date Trust Assets; (ii) upon entry of a final judgment or settlement with respect to a Tort Claim, the proceeds of such Tort Claim or related Insurance Policy or Policies; and (iii) upon the acquisition of any additional or different corpus to be held in trust by the Liquidation Trustee pursuant to this Agreement, such additional or different corpus. Upon the transfer of each Liquidation Trust Asset to the Liquidation Trust, the Debtors shall retain no interest in such Liquidation Trust Asset. On or before the Effective Date, and from time-to-time as necessary thereafter, the Debtors or their successors shall execute and deliver or cause to be executed and delivered to or upon the direction of the Liquidation Trustee, any and all such documents, in recordable form where necessary or appropriate, and the Debtors shall take or cause to be taken such further or other action, as the Liquidation Trustee may reasonably deem appropriate, to vest or perfect in or confirm to the Liquidation Trustee, title to and possession of all of the Liquidation Trust Assets. In connection herewith, the Liquidation Trustee shall be responsible for establishing and maintaining such accounts as the Liquidation Trustee shall deem necessary or appropriate to carry out the provisions of this Agreement, and to perform all obligations specified for the Liquidation Trustee under the Plan, the Confirmation Order and this Agreement.

1.4 Acceptance by Liquidation Trustee. The Liquidation Trustee hereby accepts: (a) the appointment to serve as Liquidation Trustee; (b) the transfer of the Liquidation Trust Assets to the Liquidation Trust; and (c) the trust imposed on him by this Agreement. The Liquidation Trustee agrees to receive, hold, administer and distribute the Liquidation Trust Assets and the income or other proceeds derived therefrom, if any, pursuant to the terms of the Plan, the Confirmation Order and this Agreement. The Liquidation Trustee agrees to perform all

activities reasonably necessary to ensure the transfer of the Liquidation Trust Assets to the Liquidation Trust.

ARTICLE 2

LIQUIDATION TRUSTEE - GENERALLY

2.1 Appointment. The initial Liquidation Trustee shall be Mathew Rubin of SOLIC Capital Advisors, LLC.

2.2 Term of Service. The Liquidation Trustee shall serve until (a) the termination of the Liquidation Trust in accordance with Article 9 of this Agreement, or (b) the Liquidation Trustee's resignation, death, or removal, all in accordance with the provisions hereof.

2.3 Services. The Liquidation Trustee shall be entitled to engage in such other activities as he deems appropriate that are not in conflict with the Plan, the Confirmation Order, this Agreement, the Liquidation Trust or the interests of the Liquidation Trust Beneficiaries resulting from this Agreement. The Liquidation Trustee shall devote such time as is necessary to fulfill all of his duties as Liquidation Trustee.

2.4 Resignation, Death or Removal of Liquidation Trustee. The Liquidation Trustee may resign at any time upon ninety (90) days' written notice to the POC. Such resignation may become effective prior to the expiration of such ninety (90) day notice period upon the appointment of a permanent or interim successor Liquidation Trustee. The Liquidation Trustee may be removed by the Bankruptcy Court upon application for good cause shown, which application may be brought by any two members of the POC or any other party-in-interest. In the event the Liquidation Trustee position becomes vacant, the vacancy shall be filled by the Bankruptcy Court upon submissions from any interested party or parties. Upon appointment pursuant to this Section 2.4, and upon the execution of an instrument accepting the appointment and delivering said acceptance instrument to the Bankruptcy Court, the successor Liquidation Trustee, without any further act, shall become fully vested with all of the rights, powers, duties and obligations of his, her or its predecessor.

2.5 Trust Continuance. The death, resignation or removal of the Liquidation Trustee shall not terminate the Liquidation Trust or revoke any existing agency (other than any agency of such Liquidation Trustee as a Liquidation Trustee) created pursuant to this Agreement or invalidate any action theretofore taken by the Liquidation Trustee, and the successor Liquidation Trustee agrees that the provisions of this Agreement shall be binding upon and inure to the benefit of the successor Liquidation Trustee and all his heirs and legal and personal representatives, successors or assigns.

2.6 Compensation and Expenses of Liquidation Trustee. SOLIC Capital Advisors, LLC shall be entitled to receive in connection with the services of the Liquidation Trustee reimbursement of reasonable, actual and necessary costs, fees (including attorneys' fees) and expenses incurred by the Liquidation Trustee in connection with the performance of his duties hereunder, subject to review by the POC. SOLIC Capital Advisors, LLC shall be entitled to receive in connection with the services of the Liquidation compensation in connection with the

performance of the Liquidating Trustee's duties hereunder at a fixed fee of \$10,000 per month for the first four (4) months after the Effective Date of the Plan. Upon the conclusion of this initial four (4) month period, the Oversight Committee and Liquidation Trustee will determine what future compensation arrangement, if any, is appropriate in light of the needs of the Liquidation Trust at that time. Among other duties, during the initial four (4) month term, the Liquidation Trustee shall conduct a preliminary investigation of potential litigation claims that could generate a recovery for the beneficiaries of the Liquidation Trust, which will include the following: high level review of preference claims and fraudulent-transfer claims against any party, and claims of any nature against the Debtors' former officers and directors; review, reconcile, and pay any outstanding administrative-priority claims due under the Plan; review and reconcile all unsecured claims against the Debtors' books and records; and periodically provide reports to the POC on the progress of its efforts and recommended courses of action.

2.7 Retention of Professionals. With the prior written approval of the POC, the Liquidation Trustee may retain and engage such attorneys, accountants and other professionals and persons as may be necessary to carry out his duties under this Agreement, including (i) any law or accounting firm or other professional firm of which the Liquidation Trustee is a partner or otherwise affiliated from time to time, and (ii) any law or accounting firm or other professional firm who may have been previously engaged by the Debtors or the Committee. The fees and expenses of all such professionals, and the professionals retained by the Debtor Representative, shall be borne exclusively by the Liquidation Trust, and such professionals may be compensated monthly upon submission of invoices to the Liquidation Trustee. All requests for payment of fees and expenses by the Liquidation Trustee and any professionals employed thereby and by the Debtor Representative may be served (with a fourteen (14) day period to object) on the POC. If no objection is received by the Liquidation Trustee or such professional within the fourteen (14) day period, the Liquidation Trustee may pay the fees and expenses without the need for further review or approval of the Bankruptcy Court or any other party. If an objection to the payment of fees and expenses incurred by the Liquidation Trustee or professionals employed by the Liquidation Trustee is received within the fourteen (14) day period, and such objection cannot otherwise be resolved, the Liquidation Trustee shall schedule a hearing in the Bankruptcy Court to resolve the objection. If an objection is received, the Liquidation Trustee shall timely pay the undisputed portion of the invoice and shall reserve monies in the amount of the disputed portion of the invoice pending such resolution or hearing before the Bankruptcy Court. All fees and expenses of administration of the Liquidation Trust and representation of the Liquidation Trustee and Debtor Representative shall be paid from the Liquidation Trust Assets that have been reduced to Cash. The Liquidation Trustee may establish one or more reserves for this purpose.

2.8 [Reserved].

2.9 Court Approval for Payment. The foregoing Sections 2.6 and 2.7 notwithstanding, the Liquidation Trustee or any professional may seek Bankruptcy Court authorization from time to time before the payment of any fees to the Liquidation Trustee or professionals.

ARTICLE 3

POWERS AND LIMITATIONS OF LIQUIDATION TRUSTEE

3.1 General Powers of Liquidation Trustee. In connection with the administration of the Liquidation Trust, except as otherwise set forth herein, the Liquidation Trustee is authorized to perform only those acts necessary or desirable to accomplish the purposes of the Liquidation Trust. The Liquidation Trust shall succeed to all of the rights of the Debtors necessary to protect, conserve and liquidate the Liquidation Trust Assets as quickly as reasonably practicable consistent with the purposes of the Liquidation Trust. Subject to the limitations set forth in this Agreement, the Plan and the Confirmation Order, and in addition to any powers and authority conferred by law, by the Plan and the Confirmation Order, or by any other section or provision of this Agreement, the Liquidation Trustee may exercise all powers granted him hereunder related to, or in connection with, the administration and liquidation of Liquidation Trust Assets, and distribution of Cash and other net proceeds derived therefrom in accordance with this Agreement, the Plan and the Confirmation Order. Without limiting, but subject to the foregoing, the Liquidation Trustee shall be expressly authorized to:

- (a) collect, sell, lease, license, abandon or otherwise dispose of all Liquidation Trust Assets subject to the terms of the Plan;
- (b) effect distributions under the Plan to the holders of Allowed Claims and Equity Interests;
- (c) pay all costs and expenses of administering the Liquidation Trust and the Liquidation Trust Assets after the Effective Date and other powers necessary or incident thereto, including, without limitation, the power to employ and compensate professionals to assist the Liquidation Trustee in carrying out the duties hereunder, obtain and pay premiums for insurance, and pay any statutory fees owed to the United States Trustee;
- (d) implement the Plan including any other powers necessary or incidental thereto;
- (e) prosecute objections to Contested Claims and prosecute Avoidance Actions and relevant Causes of Action;
- (f) settle Contested Claims, Avoidance Actions, relevant Causes of Action, or disputes as to amounts owing to the Estates;
- (g) seek an estimation of contingent or unliquidated Claims pursuant to 11 U.S.C. 502(c);
- (h) participate in any post-Effective Date motions to amend or modify the Plan or this Agreement, or appeals from the Confirmation Order;
- (i) participate in actions to enforce or interpret the Plan;
- (j) bind the Liquidation Trust;

(k) open and maintain bank accounts on behalf of or in the name of the Liquidation Trust, calculate and make distributions and take other actions consistent with the Plan and the implementation thereof, including the establishment, re-evaluation, adjustment and maintenance of appropriate reserves, in the name of the Liquidation Trust;

(l) receive, conserve and manage the Assets;

(m) if the Liquidation Trustee determines that any of the Liquidation Trust Beneficiaries or the Liquidation Trust may, will or has become subject to adverse tax consequences, take such actions that the Liquidation Trustee, in his reasonable discretion, determines are intended to alleviate such adverse tax consequences, including, without limitation, dividing the Liquidation Trust Assets into several trusts or other structures;

(n) file, if necessary, any and all tax returns and information returns of the Liquidation Trust;

(o) hold legal title to any and all Liquidation Trust Assets;

(p) establish, fund and administer the LT Reserve(s), the Wind-Down Amounts Reserve, and any reserves necessary to pay the fees and expenses of the Liquidation Trust in accordance with and pursuant to the Plan, the Confirmation Order and this Agreement;

(q) enter into contracts and other business arrangements;

(r) represent the Liquidation Trust before governmental and other regulatory bodies;

(s) remove Liquidation Trust Assets or the situs of administration of the Liquidation Trust from one jurisdiction to another at any time or from time to time;

(t) make decisions regarding the retention or engagement of professionals, employees and consultants by the Liquidation Trust and to pay, from any reserve(s) established for that purpose, the fees and charges incurred by the Liquidation Trust and the Debtor Representative on or after the Effective Date for fees of professionals, disbursements, expenses or related support services relating to the implementation of the Plan and this Agreement, without application to the Bankruptcy Court, except as set forth herein;

(u) pay all lawful expenses, debts, charges and liabilities of the Liquidation Trust;

(v) withhold from the amount distributable to any Person such amount as may be sufficient to pay any tax or other charge that the Trustee has determined, in his sole discretion, may be required to be withheld therefrom under the income tax laws of the United States or of any state or political subdivision thereof; and in the exercise of his discretion and judgment, the Liquidation Trustee may enter into agreements with taxing or other governmental authorities for the payment of such amounts as may be withheld in accordance with the provisions of this section;

(w) enter into any agreement or execute any document required by or consistent with the Plan and the purposes of the Liquidation Trust and perform all obligations thereunder;

(x) abandon in any commercially reasonable manner, including abandonment or donation to a charitable organization of his choice, any assets if he concludes that they are of no benefit to the Liquidation Trust;

(y) if any performance under this Agreement by the Liquidation Trustee is subject to the laws of any state or other jurisdiction in which the Liquidation Trustee is not qualified to act as trustee, nominate and appoint a Person duly qualified to act as trustee in such state or jurisdiction and require from each such trustee such security as may be designated by the Liquidation Trustee; confer upon such trustee any and all of the rights, powers, privileges and duties of Liquidation Trustee, subject to the conditions and limitations of this Agreement and applicable law; require such trustee to be answerable to the Liquidation Trustee for all monies, assets and other property that may be received in connection with the administration of all property; and remove such trustee, with or without cause, and appoint a successor trustee at any time by the execution by the Liquidation Trustee of a written instrument declaring such trustee removed from office, and specifying the effective date and time of removal;

(z) invest Cash as deemed appropriate by the Liquidation Trustee (in consultation with the POC) in demand and time deposits, such as short-term certificates of deposit, in banks or other savings institutions, or other temporary liquid investments, such as treasury bills; provided, however, that the scope of any such permissible investments shall be limited to include only those investments, or shall be expanded to include any additional investments, as the case may be, that a "liquidating trust," within the meaning of Treasury Regulation Section 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements or otherwise;

(aa) hold title to any investment in his name as Liquidation Trustee or in a nominee's name;

(bb) collect amounts due, and to exercise all voting and other rights (including, without limitation, any foreclosure or similar rights) under or attendant to any notes, accounts receivable, general partnership interests, limited partnership interests, stock holdings, settlement agreements or other contracts or contract rights or other assets comprising Liquidation Trust Assets or proceeds thereof;

(cc) sue and be sued, and to participate in any proceeding with respect to any matter regarding or relating to this Agreement, the Confirmation Order, Claims, or the Liquidation Trust;

(dd) delegate any or all of the discretionary power and authority herein conferred at any time with respect to any portion of the Liquidation Trust Assets or other powers enumerated herein to any one or more reputable individuals or recognized institutional advisors

or investment managers or consultants without any liability for any action taken or omission made because of such delegation, except for liability specifically provided for in this Agreement;

(ee) take all other actions consistent with the provisions of this Agreement, the Plan and the Confirmation Order that the Liquidation Trustee deems reasonably necessary or desirable to administer the Liquidation Trust; and

(ff) exercise all powers set forth in Section 7.5.2 of the Plan.

3.2 Limitations on the Liquidation Trustee. Anything in this Agreement to the contrary notwithstanding, the Liquidation Trustee shall not do or undertake any of the following:

(a) take any action in contravention of the Plan, the Confirmation Order or this Agreement;

(b) take any action that would materially jeopardize treatment of the Liquidation Trust as a “liquidating trust” for federal income tax purposes;

(c) lend any Liquidation Trust Assets to the Liquidation Trustee;

(d) purchase any Liquidation Trust Assets from the Liquidation Trust;

(e) transfer any Liquidation Trust Assets to another trust with respect to which the Liquidation Trustee serves as trustee;

(f) grant liens on any of the Liquidation Trust Assets; or

(g) guarantee any debt incurred by any third party.

3.3 Liquidation Trustee Conflicts of Interest. If the Liquidation Trustee determines, in the exercise of the Liquidation Trustee’s discretion, that he has a conflict of interest with respect to any matter, the POC may exercise the Liquidation Trustee’s rights and authorities with respect to such matter. If neither the Liquidation Trustee nor the POC is able to act on behalf of the Liquidation Trust with respect to any particular matter, the Liquidation Trustee, after notice to the United States Trustee, may request the Bankruptcy Court to approve the Liquidation Trustee’s choice of a designee to act on behalf of the Liquidation Trust solely with respect to such matter, with such designee’s authority to so act on behalf of the Liquidation Trust to terminate upon the matter’s conclusion.

ARTICLE 4

LIABILITY OF LIQUIDATION TRUSTEE

4.1 Trustee Standard of Care; Exculpation; Limitation on Liability. Neither the Liquidation Trustee, nor any partner, director, officer, affiliate, employee, employer, professional, agent or representative of the Liquidation Trustee, shall be personally liable for any act or omission in connection with affairs of the Liquidation Trust to any Liquidation Trust Beneficiary of the Liquidation Trust, the Liquidation Trust, or any other Person, except for such

of the Liquidation Trustee's acts or omissions as shall constitute fraud, bad faith, willful misconduct, gross negligence, reckless disregard of his duties, self-dealing, or breach of fiduciary duty as determined by a Final Order of the Bankruptcy Court. Any action taken or omitted to be taken with the approval of the Bankruptcy Court or the POC will be conclusively deemed not to constitute fraud, bad faith, willful misconduct, gross negligence, reckless disregard of his duties, self-dealing, or breach of fiduciary duty. The Liquidating Trustee may, in connection with the performance of its functions, and its sole and absolute discretion, consult with its attorneys, accountants, financial advisors and agents, and shall not be liable for any act taken, not 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. Persons dealing with the Liquidation Trustee, or seeking to assert claims against the Liquidation Trustee, shall have recourse only to the Liquidation Trust Assets (excluding any fund to pay administrative costs) to satisfy any liability incurred by the Liquidation Trustee to such Persons in carrying out the terms of this Agreement.

4.2 Indemnification. Except as otherwise set forth in the Plan or Confirmation Order, the Liquidation Trustee (and in their capacity as such, any partner, director, officer, affiliate, employee, employer, professional, agent or representative of the Liquidation Trustee) shall be defended, held harmless and indemnified from time to time by the Liquidation Trust against any and all losses, claims, damages, taxes, suits, costs, expenses (including attorneys' fees and disbursements) and liabilities to which such indemnified parties may be subject by reason of such indemnified party's execution in good faith and in a manner that the Person reasonably believed to be consistent with the terms of the Plan and this Agreement of its or his duties pursuant to the discretion, power and authority conferred on such Person by this Agreement, the Plan or the Confirmation Order; provided, however, that the Liquidation Trust shall not indemnify the Liquidation Trustee or any partner, director, officer, affiliate, employee, employer, professional, agent or representative of the Liquidation Trustee for any actions taken by such indemnified parties that constitute bad faith, willful misconduct, gross negligence, reckless disregard of duty, fraud, self-dealing or breach of fiduciary duty as determined by a Final Order of the Bankruptcy Court. Satisfaction of any obligation of the Liquidation Trust arising pursuant to the terms of this section shall be payable only from the Assets and such right to payment shall be prior and superior to any other rights to receive on behalf of any Beneficiary any distribution of Liquidation Trust Assets or proceeds thereof. The Liquidation Trust shall have the sole right to control the defense and settlement of claims as to which it is obligated to indemnify (unless it refuses to defend) and the POC may direct such defense.

4.3 Bond. The Liquidation Trustee shall not be obligated to give any bond or surety to secure the performance of any of his duties, unless otherwise ordered by the Bankruptcy Court; if so ordered, all costs and expenses of procuring a bond shall be deemed expenses of the Liquidation Trust.

4.4 No Liability for Acts of Predecessor Liquidation Trustees. No successor Liquidation Trustee shall be in any way liable for the acts or omissions of any predecessor Liquidation Trustee unless a successor Liquidation Trustee expressly in writing assumes such responsibility.

4.5 Reliance by Liquidation Trustee on Documents, Mistake of Fact or Advice of Counsel. Except as may be otherwise provided in this Agreement, the Liquidation Trustee may rely, and shall be protected from liability for acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order or other paper or document reasonably believed by the Liquidation Trustee to be genuine and to have been presented by an authorized party. Also, the Liquidation Trustee shall not be liable if he acts in good faith based on a mistake of fact before having actual knowledge of such mistake. The Liquidation Trustee shall not be liable for any action taken or suffered by the Liquidation Trustee in reasonably relying upon the advice of counsel or other professionals engaged by the Liquidation Trustee in accordance with this Agreement.

4.6 Insurance. The Liquidation Trustee may cause the Liquidation Trust to purchase errors and omissions insurance with regard to any liabilities, losses, damages, claims, costs and expenses the Liquidation Trustee may incur, including but not limited to attorneys' fees, arising out of or due to his actions or omissions, or consequences of such actions or omissions, other than as a result of his fraud, gross negligence or willful misconduct, with respect to the implementation and administration of the Liquidation Trust and this Agreement.

ARTICLE 5

DUTIES OF LIQUIDATION TRUSTEE

5.1 General. The Liquidation Trustee shall have all of the duties specified in the Plan, the Confirmation Order and this Agreement.

5.2 Monetization of Liquidation Trust Assets. The Liquidation Trustee shall, to the fullest extent practicable, monetize all Liquidation Trust Assets for distribution pursuant to the terms of this Agreement, the Confirmation Order, and the Plan.

5.3 Books and Records. The Liquidation Trustee shall maintain, in respect of the Liquidation Trust, books and records relating to the Assets and income and proceeds realized therefrom and the payment of expenses of and claims against or assumed by the Liquidation Trust in such detail and for such period of time as may be necessary to enable him to make full and proper reports in respect thereof. Except as expressly provided in this Agreement, the Plan or the Confirmation Order, nothing in this Agreement is intended to require the Liquidation Trustee to file any accounting or seek approval of any court with respect to the administration of the Liquidation Trust, or as a condition for making any payment or distribution out of the Liquidation Trust Assets or proceeds therefrom.

5.4 Final Accounting of Liquidation Trustee. The Liquidation Trustee shall within sixty (60) days after the earlier of: (i) the date of the final Plan Distribution; or (ii) the Liquidation Trustee's resignation, removal, liquidation or death (in which case, the obligation contained in this section shall pass to the Liquidation Trustee's estate), render a final accounting containing at least the following information:

- (a) a description of the Liquidation Trust Assets;

(b) a summarized accounting in sufficient detail of all gains, losses, receipts, disbursements and other transactions in connection with the Liquidation Trust and the Liquidation Trust Assets during the Liquidation Trustee's term of service, including their source and nature;

(c) separate entries for all receipts of principal, income or other proceeds;

(d) the ending balance of all Liquidation Trust Assets (including any proceeds thereof) as of the date of the Liquidation Trustee's accounting, including the Cash balance on hand and the name and location of the depository where it is kept; and

(e) all known liabilities owed by the Liquidation Trust.

The final accounting shall be presented to the Bankruptcy Court for approval, and the POC shall have notice that the final accounting has been filed and the opportunity for a hearing on the approval of the accounting and the discharge of the Liquidation Trustee.

5.5 Establishment of Accounts and Reserves.

(a) On the Effective Date or as soon as practicable thereafter, the Liquidation Trustee shall establish an account which shall consist of all Cash belonging to the Liquidation Trust, including all Cash transferred to the Liquidation Trust pursuant to the Plan (the "General Account").

(b) The Liquidation Trustee shall create from and within the General Account, the Wind-Down Amounts Reserve and such other reserves as necessary in amounts sufficient to pay for the Post-Effective Date expenses of the Liquidation Trust (including compensation to the Liquidation Trustee and his and the Debtor Representative's professionals) and all Allowed Administrative Expenses Claims and Allowed Priority Tax and Priority Non-Tax Claims. In addition, the Liquidation Trustee may establish LT Reserves with sufficient funds to pay Contested Claims and Claims that have otherwise not been Allowed in the event that all or a portion of such Claims become Allowed Claims. Unless otherwise provided in the Plan or this Agreement, when a Claim is Allowed or Disallowed (and thus becomes an Allowed Claim or a Disallowed Claim, in whole or in part), the funds set aside on account of such Claim shall be released from the applicable reserve and shall be treated as funds available for distribution in accordance with the terms of the Plan and this Agreement. The Liquidation Trustee, in his sole discretion, on and after the Effective Date, shall have authority to increase or decrease reserves as appropriate.

(c) Except as otherwise provided in the Plan, Confirmation Order and this Agreement, the Liquidation Trustee shall make distributions to holders of Allowed Claims in the exercise of his sound discretion, based on the amount of Cash on hand, the amount needed to fund reserves established pursuant to the Plan, Confirmation Order and this Agreement, whether there remain any unpaid Administrative Expense Claims or Priority Tax and Priority Non-Tax Claims, the amount of Contested Claims and Claims not yet Allowed, the amount of General Unsecured Claims that are Allowed at the time, and the status of any pending litigation, if any, affecting such distributions.

5.6 Consultation with the POC. The Liquidation Trustee shall consult with the POC concerning material aspects of the administration of the Liquidation Trust. The Liquidation Trustee shall use his best efforts to obtain the consent of the POC with respect to any sale, refinancing or other disposition of all or a material portion of any Liquidation Trust Assets (or non-Cash proceeds thereof). In the event that the POC does not consent to such proposed sale, refinancing or other disposition of all or a portion of such Liquidation Trust Assets (or non-Cash proceeds thereof), the Liquidation Trustee may apply to the Bankruptcy Court, on not less than ten (10) days written notice to the POC for authority to enter into the proposed transaction. With respect to any such application, the Liquidation Trustee will have the burden of demonstrating to the Court that the proposed action is in the best interest of the Liquidation Trust Beneficiaries.

ARTICLE 6

LIQUIDATION TRUST BENEFICIARIES

6.1 Effect of Death, Incapacity or Bankruptcy of Liquidation Trust Beneficiary. The death, incapacity or bankruptcy of a Liquidation Trust Beneficiary during the term of the Liquidation Trust shall not operate to terminate the Liquidation Trust during the term of the Liquidation Trust nor shall it entitle the representatives or creditors of the deceased, incapacitated or bankrupt Liquidation Trust Beneficiary to an accounting or to take any action in any court or elsewhere for the distribution of the Liquidation Trust Assets or for a petition thereof nor shall it otherwise affect the rights and obligations of the Liquidation Trust Beneficiary's representatives and creditors (in such capacity) under this Agreement or in the Liquidation Trust.

6.2 Standing of Liquidation Trust Beneficiary. Except as may be expressly provided in this Agreement, the Plan or the Confirmation Order, a Liquidation Trust Beneficiary does not have standing to direct the Liquidation Trustee to do or not to do any act or to institute any action or proceeding at law or in equity against any party (other than the Liquidation Trustee) upon or with respect to the Liquidation Trust Assets.

6.3 Release of Liability by Liquidation Trust Beneficiary. A Liquidation Trust Beneficiary shall not relieve the Liquidation Trustee from any duty, responsibility, restriction or liability as to such Liquidation Trust Beneficiary that would otherwise be imposed under this Agreement unless such relief is approved by Final Order of the Bankruptcy Court.

ARTICLE 7

DISTRIBUTIONS

7.1 Distributions from Assets. All payments to be made by the Liquidation Trustee to any Person shall be made only in accordance with the Plan, the Confirmation Order and this Agreement and from the Cash or Cash proceeds of Liquidation Trust Assets and only to the extent that the Liquidation Trust has sufficient Cash to make such payments in accordance with and to the extent provided for in the Plan, the Confirmation Order and this Agreement. Any distribution made by the Liquidation Trustee in good faith shall be binding and conclusive on all interested parties, absent manifest error.

7.2 Distributions; Withholding. The Liquidation Trustee shall make distributions at least annually, at such times, and from time to time, as the Liquidation Trustee deems appropriate of all net Cash income and all other Cash proceeds received by the Liquidation Trust; provided, however that the Liquidation Trust may retain such amounts (a) as are reasonably necessary to meet known and contingent liabilities and to maintain the value of the Liquidation Trust Assets during the term of the Liquidation Trust, (b) to pay reasonable administrative expenses including, without limitation, the compensation and the reimbursement of reasonable costs and fees (including attorneys' and other professional fees) and expenses of the Liquidation Trustee in connection with the performance of his duties in connection with this Agreement, and (c) to satisfy all other liabilities incurred or assumed by the Liquidation Trust (or to which the Liquidation Trust Assets are otherwise subject) in accordance with the Plan, the Confirmation Order and this Agreement. All such distributions shall be made, subject to any withholding or reserve, as provided in this Agreement, the Plan or the Confirmation Order. Additionally, the Liquidation Trustee may withhold from amounts otherwise distributable on behalf of Liquidation Trust Beneficiaries any and all amounts, determined in the Liquidation Trustee's reasonable sole discretion, to be required by any law, regulation, rule, ruling, directive or other governmental requirement. The Liquidation Trustee may withhold the entire distribution to any holder of an Allowed Claim until such time as the holder provides the Liquidation Trustee with the necessary information to comply with any withholding requirements of any governmental unit. If the holder of an Allowed Claim fails to provide the Liquidation Trustee with the necessary information to comply with any withholding requirements of any governmental unit within sixty (60) days after the date of first notification, at the last address known to the Debtors, by the Liquidation Trustee to the holder of the need for such information, then the holder shall be deemed to have waived the right to receive any distribution from the Liquidation Trust.

Notwithstanding any other provision of the Plan, (a) each holder of an Allowed Claim that is to receive a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of such distribution, and (b) no distribution shall be made to or on behalf of such holder pursuant to this Agreement or the Plan unless and until such holder has made arrangements satisfactory to the Liquidation Trustee for the payment and satisfaction of such withholding tax obligations or such tax obligation that would be imposed upon any disbursing agent in connection with such distribution. Any property to be distributed pursuant to this Agreement or the Plan shall, pending the implementation of such arrangements, be treated as an undeliverable distribution under this Agreement or the Plan.

7.3 Non-Cash Property. Any non-Cash property of the Liquidation Trust may be sold, transferred or abandoned by the Liquidation Trustee. Notice of any such sale, transfer or abandonment shall be provided to the POC (not less than ten (10) days' written notice as to any such non-Cash property that likely has value exceeding ten thousand dollars (\$10,000)). If, in the Liquidation Trustee's judgment, such property cannot be sold in a commercially reasonable manner, the Liquidation Trustee shall have the right to abandon or otherwise dispose of such property, including by donation of such property to a charity designated by the Liquidation Trustee. Except in the case of willful misconduct, no party in interest shall have a cause of action against the Debtors, any partner, director, officer, employee, consultant or professional of the Debtors, the Liquidation Trust, the Liquidation Trustee or any partner, director, officer,

employee, consultant or professional of the Liquidation Trust or Liquidation Trustee arising from or related to the disposition of non-Cash property in accordance with this section.

7.4 Method of Cash Distributions. Any Cash payment to be made by the Liquidation Trust pursuant to the Plan will be in U.S. dollars and may be made, at the sole discretion of the Liquidation Trustee, by check drawn on a domestic bank or by wire transfer from a domestic bank, or as otherwise required or provided in any relevant agreement or applicable law. Mailed distributions shall be sent to the address provided for the holder of an Allowed Claim in its respective proof of claim filed with the Court or Claims agent provided for in the Plan, if any, or if no proof of claim was filed, at the address provided on the Schedules or such holder's last address known to the Debtors. The Liquidation Trustee shall not be required to locate the current address for any holder of an Allowed Claim whose distribution is returned to the Liquidation Trustee as undeliverable, in accordance with Section 7.11 herein.

7.5 Distributions on Non-Business Days. Any payment or distribution due on a day other than a Business Day shall be made, without interest, on the next Business Day. As used in this Agreement, the term "Business Day" shall mean any day other than a Saturday, Sunday or any other day on which commercial banks in New York, New York are required or authorized to close by law or executive order.

7.6 Objections to Claims.

(a) Objection Procedures. The Liquidation Trustee has standing, right, and authority to object to the allowance of Claims. No distribution shall be made pursuant to the Plan to a holder of a Claim, contested or otherwise, unless and until such Claim becomes an Allowed Claim. Objections to Claims shall be filed by the Liquidation Trustee with the Bankruptcy Court and served upon the holders of each of the Claims to which objection is made within 180 days after the Effective Date of this Plan. The time period for filing objections to Claims shall automatically renew for successive periods of 180 days each until the earlier of (i) the date upon which all Claims have been Allowed or Disallowed or (ii) the date fixed by the Court upon motion of the Liquidation Trustee or a holder of a Claim.

(b) Resolution of Claims. Notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, from and after the Effective Date, the Liquidation Trustee shall have authority to settle or compromise all Claims and Causes of Action without further review or approval of the Bankruptcy Court.

7.7 Minimum Distributions. If the amount of Cash to be distributed to the holder of an Allowed Claim is less than fifty dollars (\$50.00) on a Plan Distribution Date, the Liquidation Trustee may hold the Cash distributions to be made to such holder until the aggregate amount of Cash to be distributed to such holder is in an amount equal to or greater than \$50. Notwithstanding the preceding sentence, if the amount of Cash distribution to any holder of an Allowed Claim never aggregates more than \$50.00, then the Liquidation Trustee shall not be required to distribute Cash to any such holder, and the resultant savings shall be distributed Pro Rata to other holders of Allowed Claims.

7.8 Rounding. Whenever any payment of a fraction of a cent would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole cent, with one-half cent being rounded up to the nearest whole cent.

7.9 Setoffs and Recoupments. The Liquidation Trustee may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, exercise the right of setoff or recoupment against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Claim (before distribution is made on account of such Claim) of the claims, rights and causes of action of any nature that the Debtor may hold against the holder of such Allowed Claim; provided, however, that neither the failure to effect such a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by the Liquidating Trustee of any such claims, rights and causes of action that the Liquidating Trust may possess against such holder.

7.10 Undeliverable Distributions and Non-Negotiated Checks.

(a) Undeliverable Distributions. The Liquidation Trustee shall have no duty to make distributions to any holder of an Allowed Claim with an undeliverable address as determined by any undeliverable or returned notice to the Liquidation Trustee unless and until the Liquidation Trustee is notified in writing of such holder's then-current address prior the Plan Distribution Date. If the distribution to any holder of an Allowed Claim is returned to the Liquidation Trustee as undeliverable or is otherwise unclaimed, no further distribution shall be made to such holder unless the Liquidation Trustee is notified of such holder's then-current address within ninety (90) days after such distribution was returned. After such date, if such notice was not provided, a holder shall have forfeited its right to such distribution, and the other holders of Allowed Claims in such holder's Class shall receive a Pro Rata Share of such undeliverable or unclaimed distribution, free of any restrictions thereon. Nothing contained in this Agreement shall require the Liquidation Trustee to attempt to locate any Holder of an Allowed Claim.

(b) Non-Negotiated Checks. Checks issued in respect of Allowed Claims shall be null and void if not presented within ninety (90) days after the date of issuance thereof. Requests for reissuance of any voided check shall be made directly to the Liquidation Trustee by the holder of the Allowed Claim to whom such check was originally issued. Any claim in respect of such a voided check shall be made within ninety (90) days after the date of issuance of such check. If no request is made as provided in the preceding sentence, any claim in respect of such voided check shall be discharged and forever barred and the other holders of Allowed Claims in such holder's Class shall receive a Pro Rata Share of such undeliverable Plan Distribution, free of any restrictions thereon.

ARTICLE 8

TAXES

8.1 Income Tax Status.

(a) It is intended that the Liquidation Trust be classified for Federal income tax purposes as a Liquidation Trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684 and as a “grantor trust” subject to the provisions of Subtitle A, Chapter 1, Subchapter J, Part I, Subpart E of the Tax Code that is owned by its Liquidation Trust Beneficiaries. Accordingly, the parties hereto intend that the Beneficiaries of the Liquidation Trust be treated as if they had received a distribution of the applicable assets transferred to the Liquidation Trust and then contributed such assets to the Liquidation Trust. As such, notwithstanding anything set forth herein, the transfer of assets to the Liquidation Trust shall be treated for all purposes of the Tax Code as a transfer from the Estates to creditors to the extent the creditors are beneficiaries of the Liquidation Trust followed by a deemed transfer by the Liquidation Trust Beneficiaries to the Liquidation Trust. The Liquidation Trust Beneficiaries will be treated as grantors and deemed owners of the Liquidation Trust.

(b) All parties including the Debtors, the Liquidation Trustee and all Liquidation Trust Beneficiaries of the Liquidation Trust must value all assets transferred to the Liquidation Trust consistently and those valuations must be used for all federal income tax purposes. The Liquidation Trustee must file returns for the Liquidation Trust as a grantor trust pursuant to Treasury Regulation Section 1.671-4(a). The assets shall be valued based upon the Liquidation Trustee’s good faith determination of their fair market value.

(c) Anything set forth herein to the contrary notwithstanding, the Liquidation Trust shall not receive or retain Cash or Cash equivalents in excess of a reasonable amount to meet claims and contingent liabilities or to maintain the value of the Liquidation Trust Assets during liquidation. All income of the Liquidation Trust must be subject to tax on a current basis, including income retained in a disputed claims reserve. The taxable income of the Liquidation Trust will be allocated to and among Liquidation Trust Beneficiaries who are grantors of the Liquidation Trust as required by virtue of their being grantors and deemed owners of the Liquidation Trust and they shall each be responsible to report and pay taxes due on their appropriate share of Liquidation Trust income.

(d) The Liquidation Trust shall be classified as a liquidating trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684 and in the event of any inconsistency between any term or provision herein, in the Plan or in the Confirmation Order necessary for the Liquidation Trust to be deemed at all times a liquidating trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684 and any other term or provision herein, in the Plan or in the Confirmation Order, the term(s) and provision(s) necessary for the Liquidation Trust to be deemed a liquidating trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684 shall govern. Similarly, anything to the contrary set forth herein, in the Plan or in the Confirmation Order notwithstanding, to the extent any term or provision herein, in the Plan or in the Confirmation Order would result in the Liquidation Trust

not being classified as a liquidating trust at all times pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 124, such term or provision shall be ineffective and reformed to the extent necessary for the Liquidation Trust to be classified at all times as a liquidating trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 124.

(e) As used in this Agreement, the following terms shall have the following meanings:

“Tax Code” shall mean the Internal Revenue Code of 1986, 26 U.S.C. § 1 et seq., as amended from time to time, and corresponding provisions of any subsequent federal revenue act. A reference to a section of the Tax Code shall include a reference to any and all Treasury Regulations interpreting, limiting or expanding such section of the Tax Code; and

“Treasury Regulations” shall mean regulations promulgated under the Tax Code, including, but not limited to the Procedure and Administration Regulations, as such regulations may be amended from time to time.

8.2 Tax Returns. The Liquidation Trustee shall prepare and provide to, or file with, the appropriate parties such notices, tax returns, information returns and other filings as may be required by the Tax Code and may be required by applicable law of other jurisdictions. The Liquidation Trustee shall be responsible for filing all federal, state and local tax returns and information returns of the Liquidation Trust. The Liquidation Trustee shall, when specifically requested by a Liquidation Trust Beneficiary in writing, make such tax information available to the Liquidation Trust Beneficiary for inspection and copying at the Liquidation Trust Beneficiary’s expense, as is necessary for the preparation by such Liquidation Trust Beneficiary of its income tax return.

ARTICLE 9

TERMINATION OF LIQUIDATION TRUST

9.1 Term. The Liquidation Trust shall be dissolved at such time as (i) all assets of the Liquidation Trust have been liquidated and (ii) all distributions required to be made by the Liquidation Trustee under the Plan have been made, but in no event, shall the Liquidation Trust be dissolved later than five (5) years from the Effective Date, unless extended by the Bankruptcy Court as provided herein. The Liquidation Trustee shall at all times endeavor to liquidate expeditiously the Liquidation Trust Assets (or any non-Cash proceeds thereof), and in no event, shall the Liquidation Trustee unduly prolong the duration of the Liquidation Trust. The foregoing notwithstanding, in the event that the Liquidation Trustee determines that all of the Liquidation Trust Assets and/or proceeds thereof will not, despite reasonable efforts, be distributed by the date which is five (5) years from the date of creation of the Liquidation Trust, or for any other reason consistent with this Agreement and the Plan, and if warranted by the facts and circumstances, the Liquidation Trustee may petition the Bankruptcy Court to extend the term of the Liquidation Trust. Each and every such extension must be for a reasonable finite period based on the particular facts and circumstances. In addition, (i) such extensions must be necessary to the purpose of the Liquidation Trust, (ii) the Liquidation Trustee must receive an

opinion of counsel or a ruling from the IRS stating that such extensions would not adversely affect the status of the Liquidation Trust as a liquidating trust for federal income tax purposes, and (iii) such extensions must be obtained within the six (6) month period prior to the Liquidation Trust's fifth (5th) anniversary or the end of the immediately preceding extension period, as applicable. At such time as the Liquidation Trust has been fully administered (i.e., when all things requiring action by the Liquidation Trustee – including the liquidation of all Liquidation Trust Assets and the making of all distributions required under the Plan – have been done, and the Plan has been substantially consummated), the Liquidating Trustee shall file an application for approval of his final report and the entry of a final decree with the Bankruptcy Court. In the event the Liquidation Trustee intends to abandon any property, he shall first offer to convey such property to the POC. Upon final distribution pursuant to this Agreement, the Liquidation Trustee shall retain the books, records and files that shall have been delivered to or created by the Liquidation Trustee. At the Liquidation Trustee's discretion, all of such records and documents may be destroyed at any time after two (2) years after the date of the final Plan Distribution.

9.2 Event Upon Termination. Upon the termination of the Liquidation Trust, the Liquidation Trustee shall distribute the remaining Liquidation Trust Assets (including any proceeds thereof), if any, to the POC for distribution in accordance with the Plan and the Confirmation Order.

9.3 Winding Up and Discharge of the Liquidation Trustee. For the purposes of winding up the affairs of the Liquidation Trust at its termination, the Liquidation Trustee shall continue to act as Liquidation Trustee until his duties have been fully discharged. After doing so, the Liquidation Trustee, and his agents and employees shall have no further duties or obligations hereunder, except as required by this Agreement, the Plan, the Confirmation Order or applicable law concerning the termination of a trust. Upon a motion by the Liquidation Trustee, the Bankruptcy Court may enter an order relieving the Liquidation Trustee, and his agents and employees of any further duties, discharging the Liquidation Trustee and releasing his bond, if any.

ARTICLE 10

ADMINISTRATIVE EXPENSES

10.1 Funding. The cost and expenses of the Liquidation Trust, including, without limitation, the compensation to and the reimbursement of reasonable, actual and necessary costs, fees (including attorneys' and other professional fees) and expenses of the Debtor Representative and the Liquidation Trustee in connection with the performance of his duties in connection with this Agreement, shall be paid from the Liquidation Trust Assets, including from any reserve established for that purpose, without the necessity for any approval by the Bankruptcy Court (the "Trustee's Administrative Expense Fund"). The Trustee's Administrative Expense Fund shall not be subject to charge for claims against the Liquidation Trust or the Liquidation Trust Assets (including any proceeds thereof), including, without limitation, any claims under Sections 4.1 and 4.2 of this Agreement.

ARTICLE 11

MISCELLANEOUS PROVISIONS

11.1 Amendments. The Liquidation Trustee may (after consultation with the POC) propose to the Bankruptcy Court the modification, supplementation or amendment of this Agreement. Such proposed modification, supplementation or amendment shall be in writing and filed with the Bankruptcy Court. Unless otherwise ordered by the Bankruptcy Court, notice of such filing shall be served on the POC. No modification, supplementation or amendment of this Agreement shall be effective except upon a Final Order of the Court.

11.2 Waiver. No failure by the Liquidation Trustee to exercise or delay in exercising any right, power or privilege hereunder shall operate as a waiver, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any further exercise thereof, or of any other right, power or privilege.

11.3 Cumulative Rights and Remedies. The rights and remedies provided in this Agreement are cumulative and are not exclusive of any rights under law or in equity.

11.4 No Bond Required. Any state law to the contrary notwithstanding, the Liquidation Trustee (including any successor Liquidation Trustee) shall be exempt from giving any bond or other security in any jurisdiction.

11.5 Irrevocability. The Liquidation Trust is irrevocable.

11.6 Division of Trust. Under no circumstances shall the Liquidation Trustee have the right or power to divide the Liquidation Trust unless authorized to do so by the Bankruptcy Court.

11.7 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Louisiana, without giving effect to rules governing the conflict of laws.

11.8 Retention of Jurisdiction. To the fullest extent permitted by law, the Bankruptcy Court shall retain exclusive jurisdiction over the Liquidation Trust after the Effective Date, including, without limitation, jurisdiction to resolve any and all controversies, suits and issues that may arise in connection therewith, or this Agreement, or any entity's obligations incurred in connection therewith or herewith, including without limitation, any action against the Liquidation Trustee or any professional retained by the Liquidation Trustee or the Liquidation Trust, in each case in its capacity as such. Each party to this Agreement hereby irrevocably consents to the exclusive jurisdiction of the Bankruptcy Court in any action to enforce, interpret or construe any provision of this Agreement or of any other agreement or document delivered in connection with this Agreement, and also hereby irrevocably waives any defense of improper venue, forum non conveniens or lack of personal jurisdiction to any such action brought in the Bankruptcy Court. Each party further irrevocably agrees that (i) any action to enforce, interpret or construe any provision of this Agreement will be brought only in the Bankruptcy Court and (ii) all determinations, decisions, rulings and holdings of the Bankruptcy Court regarding such action shall be final and non-appealable and not subject to reargument or reconsideration. Each

party hereby irrevocably consents to the service by certified or registered mail, return receipt requested, to be sent to its address as set forth in Section 11.11 of this Agreement or such other address as such party may designate from time to time by notice given in the manner provided above, of any process in any action to enforce, interpret or construe any provision of this Agreement.

11.9 Severability. In the event that any provision of this Agreement or the application thereof to any person or circumstance shall be determined by the Bankruptcy Court or another court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this of this Agreement, or the application of such provision to persons or circumstances, other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and such provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

11.10 Limitation of Benefits. Except as otherwise specifically provided in this Agreement, the Plan or the Confirmation Order, nothing herein is intended or shall be construed to confer upon or to give any person other than the parties hereto and the Beneficiaries any rights or remedies under or by reason of this Agreement.

11.11 Notices. All notices, requests, demands, consents and other communication hereunder shall be in writing and shall be deemed to have been duly given, if delivered in person or by facsimile with an electromechanical report of delivery or if sent by overnight mail or by registered or certified mail with postage prepaid, return receipt requested, to the following addresses.

If to the Debtors:	STEFFES VINGIELLO & McKENZIE, LLC 13702 Coursey Blvd., Bldg. 3 Baton Rouge, Louisiana 70817 Attn: William E. Steffes
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If to the Liquidation Trustee:	Matthew Rubin SOLIC Capital Advisors, LLC 1603 Orrington Avenue Suite 1600 Evanston, IL 60201
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If to the Creditors'
Committee:

SILLS CUMMIS & GROSS P.C.
One Riverfront Plaza
Newark, NJ 07102
Attn: Andrew H. Sherman

and

KEAN MILLER LLP
400 Convention Street, Suite 700
P.O. Box 3513 (70821-3513)
Baton Rouge, LA 70802
Attn: J. Eric Lockridge

If to the POC:

SILLS CUMMIS & GROSS P.C.
One Riverfront Plaza
Newark, NJ 07102
Attn: Andrew H. Sherman

and

KEAN MILLER LLP
400 Convention Street, Suite 700
P.O. Box 3513 (70821-3513)
Baton Rouge, LA 70802
Attn: J. Eric Lockridge

The parties may designate in writing from time to time other and additional places to which notices may be sent. All demands, requests, consents, notices and communications shall be deemed to have been given (a) at the time of actual delivery thereof, (b) if given by certified or registered mail, five (5) business days after being deposited in the United States mail, postage prepaid and properly addressed, or (c) if given by overnight courier, the next business day after being sent, charges prepaid and properly addressed.

11.12 Further Assurances. From and after the Effective Date, the parties hereto covenant and agree to execute and deliver all such documents and notices and to take all such further actions as may reasonably be required from time to time to carry out the intent and purposes of this Agreement, and to consummate the transactions contemplated hereby.

11.13 Integration. This Agreement, the Plan and the Confirmation Order constitute the entire agreement, by and among the parties with respect to the subject matter hereof, and there are no representations, warranties, covenants or obligations except as set forth herein, in the Plan or in the Confirmation Order. This Agreement, together with the Plan and the Confirmation Order, supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, written or oral, of the parties hereto, relating to any transaction contemplated hereunder.

11.14 Successors or Assigns. The terms of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

11.15 Interpretation. The enumeration and section headings contained in this Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of this Agreement or of any term or provision hereof. Unless context otherwise requires, whenever used in this Agreement the singular shall include the plural and the plural shall include the singular, and words importing the masculine gender shall include the feminine and the neuter, if appropriate, and vice versa, and words importing persons shall include partnerships, associations and corporations. The words herein, hereby, and hereunder and words with similar import, refer to this Agreement as a whole and not to any particular section or subsection hereof unless the context requires otherwise.

11.16 Relationship to the Plan. The principal purpose of this Agreement is to aid in the implementation of the Plan and, therefore, this Agreement incorporates and is subject to the provisions of the Plan and the Confirmation Order. In the event that any provision of this Agreement is found to be inconsistent with a provision of the Plan or the Confirmation Order, the provisions of the Plan or the Confirmation Order shall control.

11.17 Counterparts. This Agreement may be signed by the parties hereto in counterparts, which, when taken together, shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have either executed this Agreement, or caused it to be executed on its behalf by its duly authorized officer all as of the date first above written.

PROGRESSIVE ACUTE CARE, LLC, on behalf of itself
and each of the other Debtors

By: _____

Name: _____

Title: _____

Matthew Rubin, not individually but solely in his capacity
as Liquidation Trustee

SCHEDULE 1

POC Members

1. Cardinal Health 200, LLC and Cardinal Health 414, LLC;
2. LifeShare Blood Centers;
3. Omega Diagnostics;
4. Louisiana Healthcare Quality Forum; and
5. The Schumacher Group of Louisiana, *et al.*