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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X		
In re	:	Chapter 11
	:	
Doral Financial Corporation, <i>et al.</i> , ¹	:	Case No. 15-10573 (SCC)
	:	
Debtors.	:	Jointly Administered
	:	
-----X		

**NOTICE OF FILING OF PLAN SUPPLEMENT FOR THE
CHAPTER 11 PLAN OF LIQUIDATION FOR DORAL PROPERTIES, INC.**

PLEASE TAKE NOTICE that on June 29, 2016, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) entered the order [Docket No. 667] (the “Disclosure Statement Order”): (a) authorizing Doral Properties, Inc. (the “Debtor”) to solicit acceptances for the *Chapter 11 Plan of Liquidation for Doral Properties, Inc.*

[Docket No. 612] (as the same may be further amended, supplemented or modified from time to time, the “Plan”); (b) approving the *Disclosure Statement for the Chapter 11 Plan of Liquidation*

¹ The last four digits of the taxpayer identification number of the debtors are: Doral Financial Corporation (2162); Doral Properties, Inc. (2283).

for Doral Properties, Inc. [Docket No. 613] as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.²

PLEASE TAKE FURTHER NOTICE that, as contemplated by the Plan and the Disclosure Statement Order, this Plan Supplement consists of the document attached hereto as Exhibit A and the information set forth in Exhibit B. The documents contained in this Plan Supplement are integral to and part of the Plan and, if the Plan is approved, such documents shall be approved by the Confirmation Order.

PLEASE TAKE FURTHER NOTICE that the hearing to consider confirmation of the Plan (the “Confirmation Hearing”) is currently scheduled to occur on **August 9, 2016 at 2:00 p.m. (prevailing Eastern Time)**, before the Honorable Shelley C. Chapman, United States Bankruptcy Court, at One Bowling Green, New York, NY 10004-1408. The Confirmation Hearing may be continued from time to time without further notice other than the announcement by the Debtor in open court of the adjourned date(s) at the Confirmation Hearing or at any continued hearing.

PLEASE TAKE FURTHER NOTICE that the deadline for filing objections to the Plan is **August 3, 2016 at 5:00 p.m. (prevailing Eastern Time)** (the “Plan Objection Deadline”). Any responses or objections to the confirmation of the Plan shall be made in writing, shall conform to the Order Establishing Certain Notice, Case Management, and Administrative Procedures and Omnibus Hearing Dates [Docket No. 74], the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court for the Southern District of New York,

² Any capitalized terms not defined in this Plan Supplement shall have the meanings given to them in the Plan.

shall set forth the name of the objecting party, the basis for the objection, and the specific grounds thereof, and shall be filed with the Bankruptcy Court by the Plan Objection Deadline.

PLEASE TAKE FURTHER NOTICE that the Debtor reserves the right to alter, amend, modify or supplement any document in the Plan Supplement.

Dated: July 20, 2016
New York, New York

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Counsel to the Debtors

Plan Supplement

Exhibit A Liquidating Trust Agreement

Exhibit B Disclosure of Amount of the Reserve Fund

EXHIBIT A

Liquidating Trust Agreement

**DORAL PROPERTIES, INC.
LIQUIDATING TRUST AGREEMENT¹**

dated as of _____, 2016

between

DORAL PROPERTIES, INC.

and

**ZOLFO COOPER, LLC
as Liquidating Trustee**

¹ This Exhibit is subject to all of the provisions of the Plan including, without limitation, Article 7, which sets forth conditions to the effectiveness of the Plan. The effectiveness of the Plan is a prerequisite to the formation of the Liquidating Trust and the effectiveness of the Liquidating Trust Agreement.

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**DORAL PROPERTIES, INC.
LIQUIDATING TRUST AGREEMENT**

This Doral Properties, Inc. Liquidating Trust Agreement (this “Liquidating Trust Agreement”), dated as of [____], 2016, by and among (i) Doral Properties, Inc. (the “Debtor”), and (ii) Zolfo Cooper, LLC, as the trustee (the “Liquidating Trustee”), is executed to establish a trust (the “Liquidating Trust”) in connection with the Chapter 11 Plan of Liquidation for Doral Properties, Inc., a copy of which is annexed hereto as Exhibit A (as the same may be amended, modified or supplemented from time to time in accordance with the terms and provisions thereof, the “Plan”), confirmed by Order dated [____], 2016 (the “Confirmation Order”), of the United States Bankruptcy Court for the Southern District of New York (Case No. 15-10573 (SCC) (Jointly Administered) (the “Bankruptcy Court”).

RECITALS

WHEREAS, on November 25, 2015, (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the Bankruptcy Court;

WHEREAS, on August [___], 2016, the Bankruptcy Court entered the Confirmation Order, confirming the Plan;

WHEREAS, the Liquidating Trust is being established for the benefit of the holders of Allowed Class 1 Claims, which shall be the initial holders of the Beneficial Interests (the “Initial Beneficiaries” and together with any holder of a Beneficial Interest transferred in accordance with this Liquidating Trust Agreement, the “Beneficiaries”);

WHEREAS, the Liquidating Trust is being created for the purposes of (i) liquidating the Liquidating Trust Assets, which include all of the assets of the Debtor’s bankruptcy estate, including the Reserve Fund and Causes of Action not released by the Plan (the “Trust Causes of Action”), all other property held from time to time by the Liquidating Trust under this Liquidating Trust Agreement, and any earnings, dividends, rents, royalties, income, interest, proceeds and other receipts of, from or attributable to the foregoing (collectively, the “Trust Estate”), for the benefit of the Beneficiaries, in accordance with Treasury Regulation section 301.7701-4(d), with no objective or authority to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Liquidating Trust, (ii) making distributions to the Beneficiaries, and (iii) resolving Disputed Claims;

WHEREAS, the Liquidating Trustee was duly appointed as a representative of the Debtor’s estate pursuant to sections 1123(a)(5), (a)(7) and (b)(3)(B) of the Bankruptcy Code; and

WHEREAS, the Liquidating Trust is intended to qualify as a liquidating trust for federal income tax purposes, within the meaning of Treasury Regulation section 301.7701-4(d).

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and in the Plan, the Debtor and the Liquidating Trustee, intending to be legally bound, agree as follows:

ARTICLE I

Definitions

Section 1.1 **Certain Terms Defined in the Plan.** Unless the context otherwise requires, capitalized terms used in this Liquidating Trust Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.

Section 1.2 **“Bankruptcy Court”** has the meaning set forth in the Preamble.

Section 1.3 **“Bar Date”** means February 24, 2016, or such other applicable bar date for the filing of a proof of claim against the Debtor as established by the Bankruptcy Court.

Section 1.4 **“Beneficial Interests”** has the meaning set forth in Section 3.1(a).

Section 1.5 **“Beneficiaries”** has the meaning set forth in the Recitals.

Section 1.6 **“Beneficiary Advisor”** has the meaning set forth in Section 5.6.

Section 1.7 **“Class 1 Claim”** means a Claim against the Debtor classified in Class 1 under the Plan, which consists solely of the AFICA Secured Claims, holders of which shall receive distributions under the Plan via distribution to the Indenture Trustee.

Section 1.8 **“Code”** means the Internal Revenue Code of 1986, as amended, and any successor thereto.

Section 1.9 **“Debtor”** has the meaning set forth in the Preamble.

Section 1.10 **“Disallowed”** means, with respect to a Reserve Fund Claim, a Claim that (i) has been Disallowed by Final Order; (ii) is identified in the Schedules in the amount of zero dollars or as contingent, unliquidated, or disputed and as to which a proof of claim was not timely filed by the Bar Date; (iii) is not identified in the Schedules as to which no proof of claim has been filed or deemed filed by the Bar Date; or (iv) was not filed in a timely manner as provided by a relevant order of the Bankruptcy Court.

Section 1.11 **“Disputed”** means, with respect to any Reserve Fund Claim, a Claim that is neither an Allowed Claim nor a Disallowed Claim, and includes, without limitation, Claims that (a) are set forth in the list delivered by the Debtor to the Liquidating Trustee pursuant to Section 3.1(b)(ii); (b) have not been Scheduled by the Debtor or have been Scheduled at zero, or have been Scheduled as unknown, contingent, unliquidated or disputed, which Claims are the subject of a proof of claim in the Bankruptcy Court that was filed by the Bar Date; (c) are the subject of a timely-filed proof of claim that differs in nature, amount or priority from the Schedules; or (d) are the subject of a pending objection filed with the Bankruptcy Court, which objection has not been withdrawn or overruled by a Final Order of the Bankruptcy Court.

Section 1.12 **“Disputed Claims Reserve”** means the reserve established and maintained by the Liquidating Trustee to hold the Cash to be distributed to holders of Allowed

Reserve Fund Claims pending the resolution of Disputed Claims in accordance with the terms of this Liquidating Trust Agreement.

Section 1.13 “**Fee Claim**” means a Claim of a Professional for compensation or reimbursement of costs and expenses relating to services rendered from and after the Petition Date and prior to and including the Effective Date, subject to any limitations imposed by order of the Bankruptcy Court.

Section 1.14 “**Indenture Trustee**” means UMB Bank, N.A., in its capacity as successor trustee under the 1999 Trust Agreement.

Section 1.15 “**Liquidating Trust**” has the meaning set forth in the Preamble.

Section 1.16 “**Liquidating Trustee**” means the trustee under the Liquidating Trust or any successor designated pursuant to Section 5.13. Zolfo Cooper, LLC hereby designates Scott Martinez as the individual designated to serve as the Liquidating Trustee.

Section 1.17 “**Maximum Amount**” means, with respect to any Disputed Claim, the lesser of (a) the asserted amount of the Disputed Claim in a proof of Claim filed with the Bankruptcy Court, (b) the amount (if any) estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code, or (c) the amount otherwise agreed to by the Debtor or the Liquidating Trustee and the holder of such Disputed Claim.

Section 1.18 “**Petition Date**” has the meaning set forth in the Recitals.

Section 1.19 “**Privileges**” has the meaning set forth in Section 5.2.

Section 1.20 “**Professionals**” has the meaning set forth in Section 5.5.

Section 1.21 “**Register**” has the meaning set forth in Section 3.1(d).

Section 1.22 “**Reserve Fund Claim**” means an Administrative Claim (excluding Professional Administrative Claims), a Priority Tax Claim, or an Other Priority Claim.

Section 1.23 “**Termination Date**” has the meaning set forth in Section 6.1(a).

Section 1.24 “**Trust Causes of Action**” has the meaning set forth in the Recitals.

Section 1.25 “**Trust Distribution Date**” has the meaning set forth in Section 4.1.

Section 1.26 “**Trust Estate**” has the meaning set forth in the Recitals.

Section 1.27 “**Trust Expenses**” means all reasonable costs, expenses (including applicable insurance not limited to a directors and officers insurance policy covering the individual serving as the Liquidating Trustee) and fees paid or incurred or to be incurred (as estimated by the Liquidating Trustee) by the Liquidating Trustee in the administration of the Liquidating Trustee’s duties or as contemplated pursuant to this Liquidating Trust Agreement, including, without limitation, the compensation paid to and expenses incurred or to be incurred

(as estimated by the Liquidating Trustee) by the Liquidating Trustee, and the fees and expenses of the Professionals, all as provided for in this Liquidating Trust Agreement.

ARTICLE II

Establishment of Trust

Section 2.1 Creation and Name. In accordance with the Plan, there is hereby created a trust which shall be known as the “Doral Properties Liquidating Trust.”

Section 2.2 Declaration of Trust; Transfer of Assets and Rights to the Trust.

(a) Pursuant to the Plan, all right, title, and interest in and to the Liquidating Trust Assets shall be deemed to have been irrevocably transferred, assigned, conveyed and delivered by the Debtor to the Liquidating Trust, in trust for the benefit of the Beneficiaries for the uses and purposes stated therein and herein, free and clear of any and all liens, claims, encumbrances and interests (legal, beneficial, or otherwise). The Liquidating Trust hereby accepts all such Liquidating Trust Assets and agrees to hold and administer the Trust Estate for the benefit of the Beneficiaries, subject to the terms and conditions of this Liquidating Trust Agreement. The Debtor and any other transferors shall execute and deliver such documents to the Liquidating Trust as the Liquidating Trustee may reasonably request to transfer and assign any Liquidating Trust Assets to the Liquidating Trust.

(b) For all federal, state and local income tax purposes, all parties (including, without limitation, the Debtor, the Liquidating Trustee and the Beneficiaries) shall treat (i) the transfer of the Liquidating Trust Assets to the Liquidating Trust, as set forth in clause (a) above, and in accordance with the Plan, as a transfer of the Liquidating Trust Assets from the Debtor to the Initial Beneficiaries, followed by a transfer by the Initial Beneficiaries to the Liquidating Trust, and (ii) the Initial Beneficiaries as the grantors and the initial owners of the Liquidating Trust.

(c) The Liquidating Trustee, in reliance upon such professionals as the Liquidating Trustee may retain, shall make a good faith valuation of the Liquidating Trust Assets no later than ninety (90) days following the Effective Date, and such valuation shall be used consistently by all parties (including, without limitation, the Debtor, the Liquidating Trustee, and the Beneficiaries) for federal and other income tax purposes.

Section 2.3 Purposes of Trust.

(a) The Liquidating Trust is established for the sole purpose of liquidating the Trust Estate, in accordance with Treasury Regulation section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of the Liquidating Trust. Accordingly, subject to the terms and conditions of this Liquidating Trust Agreement, the Liquidating Trustee shall, in an expeditious but orderly manner, liquidate and convert to Cash the Trust Estate, make timely distributions to the Beneficiaries, and not unduly prolong the duration of the Liquidating Trust. The Liquidating Trustee shall be charged with liquidating the Trust Estate in the most cost-effective manner possible in the shortest reasonable time, with due regard for the risk that

undue haste may reduce the liquidation proceeds of any portion of the Trust Estate. In selling or otherwise monetizing the Trust Estate, the Liquidating Trustee shall use commercially reasonable efforts to maximize the amount of the net proceeds derived therefrom. The liquidation of the Trust Estate may be accomplished either through, without limitation, the sale of any Trust Causes of Action, or through the prosecution, settlement, compromise or dismissal of any Trust Causes of Action, or otherwise.

(b) This Liquidating Trust Agreement is intended to create a trust and a trust relationship and to be governed and construed in all respects as a trust. The Liquidating Trust is not intended to be, and shall not be deemed to be or treated as, a general partnership, limited partnership, joint venture, corporation, joint stock company or association, nor shall the Liquidating Trustee or the Beneficiaries, or any of them, for any purpose be, or be deemed to be or be treated in any way whatsoever to be, liable or responsible hereunder as partners or joint venturers. The relationship of the Beneficiaries to the Liquidating Trustee shall be solely that of beneficiaries of a trust and shall not be deemed a principal or agency relationship, and their rights shall be limited to those conferred upon them by this Liquidating Trust Agreement.

Section 2.4 Incorporation of the Plan. The Plan and the Confirmation Order are each hereby incorporated into this Liquidating Trust Agreement and made a part hereof by this reference; provided, however, that to the extent that there is a conflict between the provisions of this Liquidating Trust Agreement, the provisions of the Plan, and/or the Confirmation Order, each such document shall have controlling effect in the following rank order: (1) Confirmation Order, (2) the Plan, and (3) this Liquidating Trust Agreement.

Section 2.5 Reliance. The Liquidating Trust, the Liquidating Trustee, and any Professionals retained by the Liquidating Trustee or the Liquidating Trust may rely upon, and shall be fully protected in relying upon, the Schedules and all other information provided by the Debtor or its advisors, agents, or representatives to the Liquidating Trust concerning Claims filed against the Debtor, and their reconciliation and other documents supporting such reconciliation

Section 2.6 Appointment of the Liquidating Trustee. Zolfo Cooper, LLC has been designated as the Liquidating Trustee and, in turn, has designated Scott Martinez as the natural person to serve as the Liquidating Trustee, and such designations shall be effective as of the Effective Date. The Liquidating Trustee shall be subject to removal and replacement as and to the extent provided in Section 5.13. The Liquidating Trustee is authorized to exercise all of the rights, remedies and powers set forth in the Plan, the Confirmation Order, and this Liquidating Trust Agreement to be exercised by the Liquidating Trustee for the benefit of holders of Class 1 Claims, the Reserve Fund Claims, and the Fee Claims. The Liquidating Trustee shall have the sole and exclusive right to take all such actions, and in furtherance thereof, no holder of a Class 1 Claim, a Reserve Fund Claim, or a Fee Claim shall have the right to individually exercise or enforce any rights, remedies, or powers granted to the Liquidating Trustee in the Plan, the Confirmation Order, or this Liquidating Trust Agreement.

Section 2.7 Funding of Liquidating Trust Fees and Expenses. Pursuant to the Plan and Confirmation Order, an amount equal to \$200,000 of the Reserve Fund shall be reserved for the payment of all fees and expenses incurred by the Liquidating Trustee. Upon the termination

of the Liquidating Trust, any unused portion of such funds shall be added to the Trust Estate for the benefit of the Beneficiaries.

Section 2.8 Status of Liquidating Trust and Liquidating Trustee. The Liquidating Trust shall be deemed the successor-in-interest to the Debtor with respect to any Trust Causes of Action which were or could have been commenced by the Debtor prior to the Effective Date and shall be deemed substituted for the same as the party in any such litigation. With respect to such Trust Causes of Action, the Liquidating Trustee (on behalf of the Liquidating Trust) shall be deemed the representative of the Debtor's estate and shall have the rights and powers provided in the Bankruptcy Code in addition to any rights and powers granted in this Liquidating Trust Agreement, the Plan, and Confirmation Order.

Section 2.9 Liquidating Trustee's Acceptance. The Liquidating Trustee accepts the trust imposed on it by this Liquidating Trust Agreement and agrees to observe and perform such trust, on and subject to the terms and conditions set forth in this Liquidating Trust Agreement, the Plan, and the Confirmation Order.

ARTICLE III

Beneficiaries; Transfer of Interests; Distributions

Section 3.1 Identification of Trust Beneficiaries.

(a) **Beneficial Interests.** Each holder of an Allowed Class 1 Claim shall receive an aggregate number of Beneficial Interests in the Liquidating Trust (the "Beneficial Interests") equal to the aggregate amount of such holder's Allowed Class 1 Claim. In connection with any notices provided to Beneficiaries pursuant to Section 5.11, the Liquidating Trustee shall apprise the Beneficiaries of the Beneficiaries' respective percentage ownership interests in the Liquidating Trust based on such Beneficiaries' relative beneficial interests in the Liquidating Trust.

(b) **Lists of Allowed Claims and Disputed Claims.** On the Effective Date, the Debtor shall deliver to the Liquidating Trustee (i) a list of each holder of an Allowed Class 1 Claim, the amount of each such holder's Allowed Class 1 Claim, and the address, the name of a contact person, and the tax identification number for each such holder; and (ii) a list of each holder of a Disputed Reserve Fund Claim, including the Maximum Amount of each such Claim and the address, the name of a contact person and the tax identification number for each such holder, in each case, as of the Distribution Record Date. The Liquidating Trustee may conclusively rely on the Debtor's determinations for purposes of distributing Beneficial Interests. The Liquidating Trustee shall not be required to independently investigate or verify the accuracy of contents of the lists delivered pursuant to this Section 3.1(b).

(c) **Disallowance of Claims.** From time to time through and including the second anniversary after the Effective Date, Disputed Claims shall become either Disallowed Claims or Allowed Claims.

(d) **Fee Claims.** Fee Claims shall become Allowed Fee Claims upon approval by the Bankruptcy Court under section 330 of the Bankruptcy Code, in the amounts approved in a Final Order by the Bankruptcy Court.

(e) **Register of Beneficiaries.** The Beneficiaries are the holders of the Beneficial Interests and shall be recorded and set forth in a register maintained by the Liquidating Trustee expressly for such purpose (the "Register"). All references in this Liquidating Trust Agreement to the Beneficiaries or the holders of Beneficial Interests shall be read to mean holders of record as set forth in the Register and shall not mean any beneficial owner not recorded on such Register. The Liquidating Trustee may, upon written request of a Beneficiary, provide reasonably adequate documentary evidence of such Beneficiary's Beneficial Interest, as indicated in the books and records of the Liquidating Trust, to the extent practicable. The expense of providing such documentation shall be borne by the requesting Beneficiary at the discretion of the Liquidating Trustee.

Section 3.2 Distributions of Beneficial Interests. The Liquidating Trustee shall issue Beneficial Interests to the Indenture Trustee. The Beneficial Interests shall not be certificated; accordingly, distributions of Beneficial Interests shall be accomplished solely by the entry of the names of the Beneficiaries and their respective Beneficial Interests in the Register

ARTICLE IV

Distributions

Section 4.1 Trust Estate Distributions. The Liquidating Trust shall from time to time on or after the Effective Date distribute all net income and all net proceeds from the liquidation of the Trust Estate to the Beneficiaries. Distributions to Beneficiaries shall be made from time to time on such dates selected by the Liquidating Trustee in its discretion (each such date, a "Trust Distribution Date"), but not less frequently than annually; provided, that the Liquidating Trustee may retain an amount of net proceeds and net income reasonably necessary to maintain the value of the Trust Estate or to meet claims and contingent liabilities (including Disputed Claims); provided, further, that the Liquidating Trustee may defer such annual distribution if the Liquidating Trustee determines, in its discretion, that the amounts available for distribution to the Beneficiaries are not sufficient to justify incurring the Trust Expenses required to make such distribution. The initial Trust Distribution Date shall be a date that is no less than eighty (80) calendar days after the Effective Date. The Liquidating Trustee may withhold from amounts distributable to any Person any and all taxes and other amounts, determined in the Liquidating Trustee's reasonable sole discretion, required by any law, regulation, rule, ruling, directive or other governmental requirement.

Section 4.2 Manner of Payment or Distribution. All distributions made by the Liquidating Trust to the Beneficiaries shall be payable to the Beneficiaries of record in the Register as of 5:00 P.M. (prevailing New York City time) on the 15th calendar day prior to such distribution via distribution to the Indenture Trustee in accordance with the 1999 Trust Agreement. If the distribution shall be in Cash, the Liquidating Trust shall distribute such Cash by wire, check or such other method as the Liquidating Trustee deems appropriate under the circumstances.

Section 4.3 Application of the Trust Estate. The Liquidating Trustee shall apply all Cash constituting part of the Trust Estate and any proceeds therefrom in the order and reflecting the priorities set forth below:

- (a) **FIRST**, to pay all the liabilities, costs and expenses of the Liquidating Trust including, without limitation, (i) payment of all Professionals, employees, or agents of the Liquidating Trust, (ii) the compensation due and payable to the Liquidating Trustee as specified in Section 5.5, and (iii) the reimbursement for any and all Trust Expenses incurred by the Liquidating Trustee in connection with the performance of its duties under this Liquidating Trust Agreement;
- (b) **SECOND**, to the holders of Allowed Reserve Fund Claims and Allowed Fee Claims, which Allowed Claims shall be paid in full; and
- (c) **THIRD**, pro rata, to the Beneficiaries.

Section 4.4 Delivery of Distributions. In making distributions to holders of Allowed Class 1 Claims, Allowed Reserve Fund Claims, and Allowed Fee Claims in accordance with this Liquidating Trust Agreement, the Liquidating Trustee may, in the absence of manifest error, rely fully, without inquiry, upon the information provided to it by the Debtor, and the Liquidating Trustee shall be fully exculpated from any and all liability of any kind or nature to any holders of Class 1 Claims, Reserve Fund Claims, or Allowed Fee Claims to the extent that the Liquidating Trustee so relies upon any such information in making distributions of the Trust Estate.

Section 4.5 Undeliverable Distributions.

(a) If any distribution to a holder of an Allowed Class 1 Claim, an Allowed Reserve Fund Claim, or an Allowed Fee Claim is returned to the Liquidating Trustee as undeliverable, no further distributions to such holder shall be made unless and until the Liquidating Trustee is notified by such holder of such holder's then current address, at which time all returned distributions shall be made to such holder, without interest.

(b) All requests by holders of Allowed Class 1 Claims, Allowed Reserve Fund Claims, or Allowed Fee Claims for undeliverable distributions with respect to any Trust Distribution Date shall be made to the Liquidating Trustee in writing, at its address set forth in Section 7.1 below, on or before three (3) months after the applicable Trust Distribution Date. After such date, all unclaimed property relating to undeliverable distributions to Beneficiaries shall revert to the Trust Estate. Upon such reversion, the claim of any holder of an Allowed Class 1 Claim, an Allowed Reserve Fund Claim, or an Allowed Fee Claim (and of any successor to or any assignee of such holder permitted pursuant to this Liquidating Trust Agreement) with respect to such property shall be discharged and forever barred, notwithstanding any federal or state escheat laws to the contrary.

(c) The Liquidating Trustee shall not be obligated to make any effort to determine the correct address of any holder of a Class 1 Claim or a Reserve Fund Claim.

Section 4.6 Fractional Dollars. Notwithstanding anything to the contrary contained in this Liquidating Trust Agreement, the Liquidating Trustee shall not be required to make

distributions or payments of fractions of dollars. Whenever any payment of a fraction of a dollar under this Liquidating Trust Agreement would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

Section 4.7 De Minimis Distributions. The Liquidating Trustee shall have no obligation to make a distribution on account of a Beneficial Interest or a Reserve Fund Claim if the amount to be distributed to the holder of such Beneficial Interest or Reserve Fund Claim on the Trust Distribution Date has a value less than \$50.00. Any amount not distributed to a holder of a Beneficial Interest or Reserve Fund Claim because of the limitation set forth in this Section 4.7 shall be carried over and included in the next distribution, again subject to this limitation.

Section 4.8 No Partial Distributions. The Liquidating Trustee shall not make any partial distributions to any holder of any Disputed Claim pending resolution of such Disputed Claim, provided that, the foregoing shall not limit, impair or otherwise affect the right of such holder to receive, in accordance with this Liquidating Trust Agreement, distributions from the Trust Estate in respect of any other claims of such holder that are Allowed Claims.

Section 4.9 Disputed Claims Reserve.

(a) Deposits into Disputed Claims Reserve. On and after the Effective Date, the Liquidating Trustee shall deposit in the Disputed Claims Reserve the Cash that would have been distributed to the holders of Disputed Reserve Fund Claims if such Disputed Reserve Fund Claims had been Allowed on the Effective Date (up to the Maximum Amount). The amount of Cash to be deposited in the Disputed Claims Reserve in respect of a Disputed Reserve Fund Claim will be determined based on the Maximum Amount of such Disputed Reserve Fund Claim. The Liquidating Trustee shall evidence such deposit in the books and records of the Liquidating Trust. Any Cash distributions made on account of such Disputed Reserve Fund Claims shall be placed into a segregated account, which segregated account shall be a part of the Disputed Claims Reserve.

(b) Distribution of Disputed Claims Reserve after Allowance. The Liquidating Trustee shall distribute from the Disputed Claims Reserve to the holder of any Disputed Reserve Fund Claim that has become Allowed, on the next Trust Distribution Date that is at least twenty (20) calendar days after such allowance, Cash in an amount equal to the amount of such Allowed Reserve Fund Claim (up to the Maximum Amount).

(c) Distribution of Disputed Claims Reserve after Disallowance. If a Disputed Reserve Fund Claim is Disallowed, in whole or in part, the Liquidating Trustee shall on, or as soon as reasonably practicable after, the next Trust Distribution Date that is at least twenty (20) calendar days after such disallowance, distribute the Cash reserved in respect of such disallowed Disputed Reserve Fund Claim to holders of Allowed Reserve Fund Claims.

(d) Distributions of Proceeds Received by Disputed Claims Reserve. Distributions of Cash following the allowance or disallowance of any Disputed Reserve Fund Claims pursuant to Sections 4.09(b) and (c) shall include any proceeds previously received by

the Disputed Claims Reserve in respect of such Cash, and shall be net of any taxes (or other expenses) paid or payable by the Disputed Claims Reserve as a result of having held such Cash.

(e) Tax Treatment of Disputed Claims Reserve. Subject to the receipt of any definitive guidance of the Internal Revenue Service or an order of a court of competent jurisdiction to the contrary, the Disputed Claims Reserve is intended to qualify and to be treated as a disputed ownership fund pursuant to Treasury Regulation section 1.468B-9. The Disputed Claims Reserve shall be liable for and provide payment for its share of all taxes, administrative costs, and fees.

ARTICLE V

General Powers, Rights and Obligations of the Liquidating Trustee

Section 5.1 Legal Title. The Liquidating Trustee shall hold legal title to the Trust Estate except that the Liquidating Trustee may cause legal title or evidence of title to any of the Trust Estate to be held by any nominee or person, on such terms, in such manner and with such power as the Liquidating Trustee may determine advisable; provided, however, that the Beneficiaries shall be the sole beneficiaries of the Liquidating Trust, the Liquidating Trust Assets, and the Trust Estate, and the Liquidating Trustee shall retain only such incidents of ownership as are necessary to undertake the actions and transactions authorized in this Liquidating Trust Agreement, the Plan, and the Confirmation Order.

Section 5.2 Causes of Action Related Rights. In connection with, and limited to, the Trust Causes of Action, any attorney-client privilege, work-product privilege, joint interest privilege or other immunity attaching to any documents or communications (whether oral or written) (the "Privileges") shall vest in the Liquidating Trustee, its Professionals, or its other representatives. The Liquidating Trustee's receipt of the Privileges associated with the Trust Causes of Action shall not operate as a waiver of any other privileges possessed by the Debtor.

Section 5.3 General Powers.

(a) Except as otherwise provided in the Plan, the Confirmation Order, or this Liquidating Trust Agreement, and subject to the retained jurisdiction of the Bankruptcy Court as provided for in the Plan and Confirmation Order, but without prior or further authorization, the Liquidating Trustee may control and exercise authority over the Trust Estate, the acquisition, management and disposition thereof, and the management and conduct of the affairs of the Liquidating Trust to the same extent as if the Liquidating Trustee were the sole owner of the Trust Estate in its own right, provided, however, that such control and authority over the Trust Estate shall be subject to the provisions of Section 5.3(b). No Person dealing with the Liquidating Trust shall be obligated to inquire into the Liquidating Trustee's authority in connection with the acquisition, management or disposition of the Trust Estate. The Liquidating Trustee shall execute all agreements and other documents with the signature "as Liquidating Trustee."

(b) In connection with the management and use of the Trust Estate, and except as otherwise expressly limited in this Liquidating Trust Agreement, the Liquidating

Trustee shall have, in addition to any powers conferred on the Liquidating Trustee by the Plan, the Confirmation Order, or any other provision of this Liquidating Trust Agreement, the power to take any and all actions as are necessary or advisable to effectuate the purposes of the Liquidating Trust, including, without limitation, the power and authority:

(i) to accept the assets transferred and provided to the Liquidating Trust under the Plan, the Confirmation Order or this Liquidating Trust Agreement;

(ii) to liquidate the Trust Estate;

(iii) to distribute the Trust Estate to Beneficiaries in accordance with the terms of the Plan, the Confirmation Order or this Liquidating Trust Agreement;

(iv) to enter into contracts consistent with the fulfillment of its duties under the Plan, the Confirmation Order or this Liquidating Trust Agreement with respect thereto;

(v) to engage in all acts that would constitute ordinary course of business in performing the obligations of a Liquidating Trustee under a trust of this type;

(vi) to remove all or any of the Trust Estate or the situs of administration of the Liquidating Trust from one jurisdiction to another jurisdiction at any time or from time to time;

(vii) in connection with any property held under this Liquidating Trust Agreement that is distributable or payable to a minor, to transfer and pay over all or any portion of the property to the minor, or to a guardian of the minor's property, whenever appointed, without requiring ancillary guardianship, or to the minor's parent or the person with whom the minor resides, or to any custodian under any Uniform Gifts to Minors Act or Uniform Transfer to Minors Act with power to select any person or trust company (including any fiduciary thereunder) to be such custodian and with power to extend such custodianship to age twenty-one (21) years, without any obligation to see to the use or application of the property or to make inquiry with respect to any other property available for the use of the minor, the receipt by such minor, guardian, parent, person or custodian to be a complete discharge as to such transfer or payment;

(viii) to establish the funds and accounts (other than investment accounts) within the Liquidating Trust as deemed by the Liquidating Trustee, in its discretion, to be useful in carrying out the purposes of the Liquidating Trust;

(ix) to retain contingency fee counsel to pursue the Trust Causes of Action;

(x) to sue and be sued and participate, as a party or otherwise, in any judicial, administrative, arbitration or other proceeding with respect to the Trust Causes of Action and Disputed Claims, and to settle, compromise, abandon, or dismiss such Trust Causes of Action and Disputed Claims;

(xi) to use a reasonable amount of the Trust Estate to purchase insurance indemnifying the Liquidating Trustee and to indemnify (and purchase insurance indemnifying) the employees, agents and representatives of the Liquidating Trust or the Liquidating Trustee

(including, without limitation, the Professionals), to the fullest extent that a corporation organized under the laws of the Liquidating Trust's domicile is from time to time entitled to indemnify its directors, officers, employees, agents and representatives;

(xii) to delegate any or all of the discretionary power and authority herein conferred at any time with respect to all or any portion of the Liquidating Trust to any one or more reputable individuals without liability for any action taken or omission made because of such delegation, except for such liability as is expressly provided for in this Liquidating Trust Agreement; and

(xiii) to perform such other acts and undertake such other conduct as the Liquidating Trustee believes is necessary or advisable to carry out the purposes and intent of this Liquidating Trust.

(c) The Liquidating Trustee shall not at any time, on behalf of the Liquidating Trust or any Beneficiaries, enter into or engage in any trade or business, and the Liquidating Trustee shall not use or dispose of any part of the Trust Estate in furtherance of any trade or business.

(d) If the Cash in the Liquidating Trust is insufficient to compensate and reimburse the Liquidating Trustee, including any Professionals retained by the Liquidating Trustee for any amounts to which he or they are entitled hereunder, then the Liquidating Trustee is authorized to reduce to Cash that portion of the Trust Estate necessary so as to effect such compensation and reimbursement.

Section 5.4 Retention of Attorneys, Accountants and Other Professionals. The Liquidating Trustee may retain the following professionals (the "Professionals") to aid in the performance of its responsibilities pursuant to the terms of the Plan, the Confirmation Order, or this Liquidating Trust Agreement, including distribution of the Trust Estate:

(a) Such law firm(s) as counsel to the Liquidating Trustee and the Liquidating Trust as the Liquidating Trustee may deem advisable to carry out the purpose of the Liquidating Trust and to perform such other functions as may be appropriate to carry out the primary purposes of the Liquidating Trust. The Liquidating Trustee may commit the Liquidating Trust to and shall pay to such law firm(s) reasonable compensation for services rendered and expenses incurred, which expenses may include, without limitation, the fees and expenses of Persons retained by such counsel to perform any services or otherwise assist in connection with carrying out the purposes of this Liquidating Trust and the Plan. The Liquidating Trustee may also engage such law firm(s) on a contingent fee basis, to the extent permitted by applicable law.

(b) An independent public accountant to prepare and file all federal, state and local tax returns and related tax forms on behalf of the Liquidating Trust that the Liquidating Trustee is obligated to prepare, provide and file pursuant to Section 5.11 below, and to perform such other reviews as the Liquidating Trustee may deem advisable to carry out the primary purposes of the Liquidating Trust. The Liquidating Trustee may commit the Liquidating Trust to and shall pay such accountant reasonable compensation for services rendered and expenses incurred.

(c) Such other professionals as are advisable to carry out the purposes of the Liquidating Trust. The Liquidating Trustee may commit the Liquidating Trust to and shall pay out of the Trust Estate all such Professionals' reasonable compensation for services rendered and expenses incurred.

Section 5.5 Compensation of Liquidating Trustee. The Liquidating Trustee shall be entitled to reasonable compensation from the Trust Estate for services rendered and reasonable expenses incurred in fulfilling its duties under this Liquidating Trust Agreement, as follows. Starting on the Effective Date, the Liquidating Trustee shall be entitled to monthly compensation until the Liquidating Trust is terminated pursuant to Section 6.1 at an hourly rate of \$625 per hour. All payments of fees and expenses to the Liquidating Trustee hereunder shall be paid to Zolfo Cooper, LLC.

Section 5.6 Beneficiary Advisor. The Indenture Trustee (together with any successor, the "Beneficiary Advisor") has been designated by the Debtor to serve as an advisory resource for the Liquidating Trust. If the Beneficiary Advisor shall resign, or no longer be serving, Beneficiaries holding a majority of the Beneficial Interests may, at their sole discretion, choose to appoint a successor Beneficiary Advisor. Any Beneficiary Advisor may be removed by Beneficiaries holding a majority of the Beneficial Interests. The Beneficiary Advisor shall not be entitled to any compensation from the Liquidating Trust for its advisory role.

Section 5.7 Standard of Care; Indemnification; Exculpation. The Liquidating Trustee shall perform the duties and obligations imposed on the Liquidating Trustee by the Plan, the Confirmation Order or this Liquidating Trust Agreement with reasonable diligence and care under the circumstances. The Liquidating Trustee shall not be personally liable to the Liquidating Trust, to any Beneficiary or any other Person (or any predecessor or successor thereto) for any reason whatsoever, except for such of its own acts as shall constitute willful misconduct, gross negligence, willful disregard of their duties or material breach of this Liquidating Trust Agreement. Except as aforesaid, the Liquidating Trustee shall be defended, held harmless and indemnified from time to time, but only from the Trust Estate (but not by the Beneficiaries), against any and all losses, claims, costs, damages, fees, expenses and liabilities to which the Liquidating Trustee may be subject by reason of the Liquidating Trustee's execution of its duties under this Liquidating Trust Agreement. The Liquidating Trustee's officers and employees may be likewise defended, held harmless and indemnified to the same extent. Without limiting the generality of the foregoing, the Liquidating Trustee shall not have any liability to any Beneficiary or any other Person (or any predecessor or successor thereto) on account of the Liquidating Trustee's investment or non-investment of any portion of the Trust Estate or any losses with respect to any such investments of the Trust Estate, provided such investments are made, or the Liquidating Trustee's decision not to invest any of the Trust Estate in any case is made, in accordance with the terms of this Liquidating Trust Agreement. The Liquidating Trustee shall not be obligated to give any bond or surety or other security for the performance of any of its duties, unless otherwise ordered by the Bankruptcy Court and, if so otherwise ordered, all costs and expenses of procuring any such bond shall be deemed Trust Expenses.

Section 5.8 Reliance by Liquidating Trustee. The Liquidating Trustee may rely, and shall be fully protected personally in acting upon any resolution, statement, certificate,

instrument, opinion, report, notice, request, consent, order or other instrument or document that the Liquidating Trustee has no reasonable belief to be other than genuine and to have been signed or presented other than by the proper party or parties or, in the case of facsimile or electronic transmissions, to have been sent other than by the proper party or parties, in each case without obligation to satisfy itself that the same was given in good faith and without responsibility for errors in delivery, transmission or receipt. In the absence of the Liquidating Trustee's willful misconduct, gross negligence, willful disregard of the Liquidating Trustee's duties or material breach of this Liquidating Trust Agreement, the Liquidating Trustee may rely as to the truth of statements and correctness of the facts and opinions expressed therein and may act in reliance thereon.

Section 5.9 Action Upon Instructions. If in performing the Liquidating Trustee's duties under the Plan, the Confirmation Order or this Liquidating Trust Agreement, the Liquidating Trustee is required to decide between alternative courses of action, or the Liquidating Trustee is unsure of the application of any provision of this Liquidating Trust Agreement, the Plan or Confirmation Order, then the Liquidating Trustee may seek direction from the Beneficiary Advisor (if any) or if the Liquidating Trustee believes that a court order is necessary or advisable to protect the interests of the Beneficiaries or to otherwise determine the Liquidating Trustee's rights or duties in any respect under the Plan, the Confirmation Order or this Liquidating Trust Agreement, then the Liquidating Trustee may apply to the Bankruptcy Court for a determination as to the course of action to be taken by the Liquidating Trustee.

Section 5.10 Banking Obligations. The Liquidating Trustee shall deposit and hold the liquid Trust Estate at a banking institution that is Federal Deposit Insurance Corporation insured. The Liquidating Trustee shall not be liable in any way for any loss or other liability arising from the deposit of the liquid Trust Estate, except for any such loss or liability arising from the Liquidating Trustee's gross negligence, willful misconduct or bad faith.

Section 5.11 Tax Filings and Notices. The Liquidating Trustee shall prepare and file, or cause to be prepared and filed, all tax returns and other filings, including all federal, state and local tax returns for the Liquidating Trust, as may be required under the Code or other applicable law, treating the Liquidating Trust as a grantor trust pursuant to Treasury Regulation section 1.671-4(a). In connection with the Liquidating Trustee's performance of its duties pursuant to this Section 5.11, the Liquidating Trustee may require any holder of an Allowed Class 1 Claim, an Allowed Reserve Fund Claim, or an Allowed Fee Claim to furnish to the Liquidating Trustee its employer or taxpayer identification number as assigned by the Internal Revenue Service, together with such other information, returns or forms as the Liquidating Trustee may determine are required, and the Liquidating Trustee may condition any distribution of the Trust Estate to any holder of an Allowed Class 1 Claim, an Allowed Reserve Fund Claim, or an Allowed Fee Claim upon such receipt of such identification number or such other information and returns and forms as are required for the Liquidating Trustee to comply with the requirements of the Code, the Internal Revenue Service, or other applicable law. The Liquidating Trustee may refuse to make a distribution to any holder of an Allowed Class 1 Claim, an Allowed Reserve Fund Claim, or an Allowed Fee Claim that fails to furnish such information in a timely fashion, until such information is delivered; provided, however, that upon the delivery of such information by a holder of a Class 1 Claim, a Reserve Fund Claim, or a Fee Claim, and upon request, the Liquidating Trustee shall make such distribution to which such holder is entitled, without

interest. The Liquidating Trustee shall be permitted to communicate and deliver notices to holders of Class 1 Claims, Reserve Fund Claims, and Fee Claims contemplated by this Liquidating Trust Agreement electronically and/or make available such notices on a website to which such holders have access, in its sole discretion.

Section 5.12 Compliance with Securities Laws. If and to the extent required by applicable federal and/or state securities laws, the Liquidating Trustee shall file with the Securities and Exchange Commission and other applicable federal and state governmental agencies the reports and other documents and take any other actions necessary to comply with such federal or state securities laws.

Section 5.13 Resignation; Removal; Vacancy.

(a) The Liquidating Trustee may resign as Liquidating Trustee by giving written notice of its resignation to the Beneficiary Advisor. If there is no Beneficiary Advisor, the Liquidating Trustee may resign as Liquidating Trustee by giving written notice of its resignation to the Beneficiaries. The Liquidating Trustee shall continue to serve as Liquidating Trustee for the shorter of (a) fourteen (14) days following the tender of the notice of resignation and (b) until the appointment of a successor Liquidating Trustee shall become effective in accordance herewith.

(b) Upon the earlier of the expiration of the current directors and officers insurance policy or the inability to procure a suitable replacement insurance policy covering the Liquidating Trustee, the Liquidating Trustee has the right to resign immediately without any recourse so long as written notice of resignation to the Beneficiary Advisor or to the Beneficiaries if there is no Beneficiary Advisor. If the Liquidating Trustee resigns for any reason, all unpaid fees and expenses shall be paid in full including for the full calendar month in the month of resignation.

(c) The Beneficiary Advisor may remove the Liquidating Trustee in its sole discretion, with or without cause. If there is no Beneficiary Advisor, then Beneficiaries holding a majority of the Beneficial Interests may remove the Liquidating Trustee in their sole discretion, with or without cause.

(d) In the event of any vacancy in the position of Liquidating Trustee, including such Liquidating Trustee's death (in the case of a Liquidating Trustee that is a natural person), dissolution (in the case of a Liquidating Trustee that is not a natural person), resignation, incompetency or removal, the Beneficiary Advisor shall designate a successor Liquidating Trustee. If there is no Beneficiary Advisor, then Beneficiaries holding a majority of the Beneficial Interests shall designate a successor Liquidating Trustee. Such appointment shall specify the date when such appointment shall be effective. Every successor Liquidating Trustee appointed hereunder shall execute, acknowledge and deliver to the Bankruptcy Court, to the Beneficiary Advisor, if any, and to the retiring Liquidating Trustee an instrument accepting the appointment and assuming all of the obligations of a Liquidating Trustee set forth hereunder, and thereupon the successor Liquidating Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Liquidating Trustee.

(e) If a successor Liquidating Trustee is not appointed within fourteen (14) days after the date of such vacancy, then the Bankruptcy Court shall appoint a successor Liquidating Trustee.

(f) In the event of the resignation or removal of the Liquidating Trustee, the Liquidating Trustee shall promptly (a) execute and deliver such documents, instruments and other writings as may be requested by the Beneficiary Advisor (and if there is no Beneficiary Advisor, by Beneficiaries holding a majority of the Beneficial Interests) or their counsel or a successor Liquidating Trustee to effect the termination of the Liquidating Trustee's capacity under this Liquidating Trust Agreement and the conveyance of the Trust Estate then held by the Liquidating Trustee to the successor Liquidating Trustee, and (b) otherwise assist and cooperate in effecting the assumption of its obligations and functions by such successor Liquidating Trustee.

Section 5.14 Reports to Beneficiary Advisor

(a) The Liquidating Trustee shall provide quarterly reports to the Beneficiary Advisor describing the status of the Liquidating Trust.

(b) The Liquidating Trustee agrees that it will promptly comply with reasonable requests for details and information concerning the Liquidating Trust that may be requested by the Beneficiary Advisor.

ARTICLE VI

Termination

Section 6.1 Termination of Trust.

(a) The Liquidating Trust shall terminate on the earlier of: (a) thirty (30) days after the final distribution of the Trust Estate in accordance with the terms of this Liquidating Trust Agreement; or (b) the first (1st) anniversary of the Effective Date (the "Termination Date"). Notwithstanding the foregoing, multiple fixed-term extensions of the term of the Liquidating Trust may be obtained upon approval of the Bankruptcy Court and a finding that such extension is necessary to facilitate or complete the recovery and liquidation of the Trust Estate, and such Bankruptcy Court approval is obtained within six (6) months prior to the expiration of the original term and each extended term. The aggregate of all such extensions shall not exceed three (3) years, unless the Liquidating Trustee receives a favorable ruling from the Internal Revenue Service that any further extension would not adversely affect the status of the Liquidating Trust as a liquidating trust within the meaning of Treasury Regulation section 301.7701-4(d) for federal income tax purposes.

(b) The Liquidating Trustee shall not unduly prolong the duration of the Liquidating Trust and shall at all times endeavor to resolve, settle or otherwise dispose of all claims that constitute the Trust Estate and to effect the distribution of the Trust Estate to the Beneficiaries in accordance with the terms hereof and terminate the Liquidating Trust as soon as practicable. The Liquidating Trustee shall retain the books, records and files that shall have been delivered to, or created by, the Liquidating Trustee. At the Liquidating Trustee's discretion, all

of such records and documents may be destroyed at any time after two (2) years from the Termination Date.

(c) Promptly before the Termination Date, the Liquidating Trustee shall distribute any amounts not yet distributed from the Trust Estate to or on behalf of the Beneficiaries in accordance with Article IV, the Plan, and the Confirmation Order.

ARTICLE VII

Miscellaneous

Section 7.1 Notices. All notices, requests or other communications required or permitted to be made in accordance with this Liquidating Trust Agreement shall be in writing and shall be delivered personally or by email or mailed by first class mail or by overnight delivery service:

If to the Liquidating Trustee, at:

Zolfo Cooper, LLC
1114 Avenue of the Americas, 41st Floor
New York, NY 10036
Attn: Elizabeth S. Kardos, General Counsel

Scott Martinez
c/o Zolfo Cooper, LLC
1114 Avenue of the Americas, 41st Floor
New York, NY 10036
Email: smartinez@zolfocooper.com

With a copy to:
Ropes & Gray LLP
800 Boylston Street
Boston, MA 02199
Attn: James A. Wright III
Email: james.wright@ropesgray.com

Notices sent out by email shall be deemed delivered when actually received, notices sent by first-class mail shall be deemed delivered three (3) Business Days after mailing and notices sent by overnight delivery service shall be deemed delivered the next Business Day after mailing.

Section 7.2 Effectiveness. This Liquidating Trust Agreement shall become effective on the Effective Date.

Section 7.3 Intention of Parties to Establish Trust. This Liquidating Trust Agreement is intended to create a trust, and the Liquidating Trust created hereunder shall be governed and construed in all respects as a “Liquidating Trust.”

Section 7.4 Investment Company Act. The Liquidating Trust is organized as a liquidating entity in the process of liquidation, and therefore should not be considered, and the Liquidating Trust does not and will not hold itself out as, an “investment company” or an entity “controlled” by an “investment company”, as such terms are defined in the Investment Company Act.

Section 7.5 Taxation. For United States federal income tax purposes, it is intended that the Trust be classified as a liquidating trust under Treasury Regulation section 301.7701-4 and as a grantor trust subject to the provisions of Subchapter J, Subpart E of the Code that is owned by the Beneficiaries as grantors and deemed owners.

Section 7.6 Counterparts. This Liquidating Trust Agreement may be executed in one or more counterparts (via facsimile or otherwise), each of which shall be deemed an original but which together shall constitute but one and the same instrument.

Section 7.7 Governing Law. This Liquidating Trust Agreement shall be governed by, construed under and interpreted in accordance with the laws of the State of New York.

Section 7.8 Headings. Sections, subheadings and other headings used in this Liquidating Trust Agreement are for convenience only and shall not affect the construction of this Liquidating Trust Agreement.

Section 7.9 Interpretative Provisions.

(a) All references to the plural herein shall also mean the singular and to the singular shall also mean the plural unless the context otherwise requires.

(b) All references to the Debtor and the Liquidating Trustee pursuant to the definitions set forth in the Recitals hereto, or to any other Person herein, shall include their respective successors and assigns.

(c) The words “hereof”, “herein”, “hereunder”, “this Liquidating Trust Agreement” and words of similar import when used in this Liquidating Trust Agreement shall refer to this Liquidating Trust Agreement as a whole and not any particular provision of this Liquidating Trust Agreement and as this Liquidating Trust Agreement now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

(d) The word “including” when used in this Liquidating Trust Agreement shall mean “including, without limitation”.

Section 7.10 Severability. Any provision of this Liquidating Trust Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions of this Liquidating Trust Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable any such provision in any other jurisdiction.

Section 7.11 Amendments. This Liquidating Trust Agreement may be amended from time to time by written instrument executed by the Liquidating Trustee and the Beneficiary

Advisor, and if there is no Beneficiary Advisor, by Beneficiaries holding a majority of the Beneficial Interests; provided that no such Beneficiary authorization shall be required (i) if the Liquidating Trustee's counsel advises the Liquidating Trustee that such amendment is required to ensure that the Liquidating Trust will not become subject to the Securities Exchange Act of 1934 (as amended) or Investment Company Act or to maintain its status as a liquidating trust within the meaning of Treasury Regulation section 301.7701-4(d) for federal income tax purposes or (ii) pursuant to an order of the Bankruptcy Court.

Section 7.12 Non-Transferability of Beneficial Interests; Successors.

(a) All interests of the Beneficiaries of this Liquidating Trust shall be non-transferable, except upon the death of a Beneficiary that is a natural Person or by operation of law.

(b) This Liquidating Trust Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns hereunder.

Section 7.13 No Suits by Claimholders. No holder of a Claim shall have any right by virtue of any provision of this Liquidating Trust Agreement to institute any action or proceeding in law or in equity against any party other than the Liquidating Trustee on or under or with respect to the Trust Estate or the Disputed Claims Reserve.

Section 7.14 Irrevocability. The Liquidating Trust is irrevocable, but is subject to amendment as provided for herein.

Section 7.15 Trust Continuance. The death, dissolution, resignation, incompetency or removal of the Liquidating Trustee shall not operate to terminate the Liquidating Trust created by this Liquidating Trust Agreement, revoke any existing agency created under the terms of this Liquidating Trust Agreement, or invalidate any action theretofore taken by the Liquidating Trustee.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Liquidating Trust Agreement or caused this Liquidating Trust Agreement to be duly executed by their respective officers thereunto duly authorized as of the date first above written.

DORAL PROPERTIES, INC.

By: _____
Name: _____
Title: _____

LIQUIDATING TRUSTEE

By: _____
Scott Martinez, as Liquidating Trustee

EXHIBIT B

Disclosure of Amount of the Reserve Fund

* * *

The Debtors currently estimate that the amount of the Reserve Fund shall be approximately \$589,000. The amount of the Reserve Fund is subject to change based on the payment of Administrative, Priority Tax, and Other Priority Claims prior to the Effective Date.