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**COUNSEL TO HBT JV, LLC**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

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<b>In re:</b>	§	
	§	<b>Chapter 11</b>
	§	
<b>HBT JV, LLC, et al.</b>	§	<b>Case No.: 17-40659-mxm11</b>
	§	
<b>Debtor.</b>	§	<b>(Jointly Administered)</b>
	§	

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**HBT JV, LLC'S  
PLAN OF LIQUIDATION**

Dated: July 19, 2017

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## **ARTICLE 1 INTRODUCTION**

**1.01 Introduction.** HBT JV, LLC (the “**Debtor**”), the debtor and debtor-in-possession in the above-captioned chapter 11 case (the “**Bankruptcy Case**”) proposes the following plan of liquidation for the resolution of the outstanding claims and equity interests in the Debtor.

The Plan constitutes a liquidating Chapter 11 plan and serves as the mechanism for distributing the Sale Proceeds and the proceeds from the liquidation of the remaining assets of the Estate. Except as otherwise provided by order of the Bankruptcy Court, Distributions will occur on or as soon as practicable after the later of (i) the Effective Date, and (ii) the date on which such Claim becomes an Allowed Claim.

Subject to the restrictions on modifications set forth in § 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, and the restrictions on modifications set forth herein, the Debtor expressly reserves the right to alter, amend or modify the Plan before its substantial consummation.

### **SUMMARY OF THE PLAN**

The following is a brief summary of the Plan. This summary is qualified in its entirety by reference to the provisions of the entire Plan. The Plan contemplates the liquidation of substantially all of the Debtor's assets pursuant to the terms of this Plan. Proceeds from the liquidation of the assets will be distributed to Creditors and Equity Owners according to the terms of this Plan.

The Plan provides for the payment in full of all Allowed Claims, with all remaining funds to be distributed to Equity Owners. All Classes of Creditors are unimpaired and deemed to have accepted the Plan. Accordingly, no votes are being solicited for confirmation of the Plan of Liquidation.

The Plan summary is as follows:

<b>CLASS</b>	<b>CLAIMANT</b>	<b>TREATMENT</b>
N/A	ALLOWED ADMINISTRATIVE EXPENSE AND PRIORITY TAX CLAIMS	Paid in full as soon as practicable on or after the later of (i) the Effective Date, and (ii) the date on which such claim becomes an Allowed Claim, except with respect to Priority Tax Claims based on <i>ad valorem</i> taxes, which shall be paid in full pursuant to the Sale Order.
<b>CLASS</b>	<b>CLAIMANT</b>	<b>TREATMENT</b>
1.	ALLOWED PRE-PETITION PRIORITY NON-TAX CLAIMS	Paid in full as soon as practicable on or after the later of (i) the Effective Date, and (ii) the date on which such claim becomes an Allowed Claim.
2.	ALLOWED SECURED CLAIMS	Each holder of an Allowed Secured Claim shall receive, at the discretion of the Liquidating Debtor, either (a) transfer of title to its Collateral in full and final satisfaction of its Allowed Secured Claim, or (b) the net proceeds from the sale of its Collateral immediately following the sale thereof by the Liquidating Debtor.
3.	ALLOWED GENERAL UNSECURED CLAIMS	Paid in full as soon as practicable on or after the later of (i) the Effective Date, and (ii) the date on which such claim becomes an Allowed Claim.
4.	EQUITY INTERESTS OF MEMBERS	Holders of Equity Interests shall retain their Interests and shall be entitled to receive their applicable share of the net proceeds from the liquidation of the Debtor's assets, after payment of or reservation for all Allowed Claims, as provided in this Plan.

## ARTICLE 2 DEFINITIONS AND RULES OF INTERPRETATION

**2.01 Rules of Interpretation.** Except as expressly provided or unless the context otherwise requires, all capitalized terms used in the Plan not defined when used have the meanings ascribed to them in Article 2.02 of the Plan. Any term used in the Plan that is not defined in the Plan but is defined in the Bankruptcy Code or the Bankruptcy Rules retains the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules. Whenever the context requires, terms include the plural as well as the singular and the masculine gender as well as the feminine gender. Additionally,

- a. Bankruptcy Rule 9006(a) applies when computing any time period under the Plan.
- b. Without limiting the foregoing, the rules of construction set forth in § 102 shall apply to the Plan, unless superseded herein.
- c. The definition given to any term or provision in the Plan supersedes and controls any different meaning that may be given to that term or provision in the Disclosure Statement.
- d. Whenever it is appropriate from the context, each term, whether stated in the singular or the plural, includes both the singular and the plural.
- e. Any reference to a document or instrument being in a particular form or on particular terms means that the document or instrument will be substantially in that form or on those terms or as amended by the terms thereof.
- f. Any reference to an existing document means the document as it has been, or may be, amended or supplemented.
- g. Unless otherwise indicated, the phrase “under the Plan” and similar words or phrases refer to the Plan in its entirety rather than to only a portion of the Plan.
- h. Unless otherwise specified, all references to Sections or Exhibits is references to the Plan’s Sections or Exhibits.
- i. Section captions and headings is used only as convenient references and do not affect the Plan’s meaning.
- j. Unless otherwise indicated, use of the symbol “§” shall refer to that section in the Bankruptcy Code.

**2.02 Definitions.** As used in the Plan, the following terms have the following meanings:

“*Administrative Claim*” means a Claim for any cost or expense of administration of the Chapter 11 Case Allowed under §§ 503(b), 507(b) or 546(c)(2) and entitled to priority under § 507(a)(1), including, without limitation: (a) fees payable under 28 U.S.C. § 1930; (b) actual and

necessary costs and expenses incurred in the ordinary course of the Debtor's post-petition business; (c) actual and necessary costs and expenses of preserving the Estate or administering the Chapter 11 Case; (d) all Professional Fee Claims to the extent Allowed by Final Order under §§ 330, 331, or 503.

***“Administrative Expense Bar Date”*** means the first Business Day that is 30 days after the Effective Date.

***“Affiliate”*** means any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person and, with respect to any specified natural Person, any other Person having a relationship by blood, marriage, or adoption not more remote than first cousins with such natural Person. For purposes of this definition, “controlling” (including, with correlative meanings, the terms “controlled by” and “under direct or indirect common control with”), as used with regard to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement, or otherwise.

***“Allowed”*** means (a) a Claim that has been allowed by a Final Order or (b) with respect to any Claim against, or Equity Interest in, the Debtor: (i) (A) proof of which, request for payment of which, or application for allowance of which, was filed or deemed filed with the Bankruptcy Court on or before the Bar Date, the Administrative Expense Bar Date, the Professional Fee Bar Date, or the Rejection Damages Bar Date (as defined in section 7.03 of this Plan), as applicable, for filing proofs of claim or equity interest or requests for payment for Claims of such type against the Debtor or such date as established by order of the Bankruptcy Court, or (B) a Claim or Equity Interest that is allowed by the Debtor; (ii) listed as undisputed, liquidated, and non-contingent in the Schedules and as to which no objection to its allowance or motion to estimate for purposes of allowance has been interposed within the applicable period of limitation fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court; and (iii) in each case, a Claim or Equity Interest as to which no objection to its allowance or motion to estimate for purposes of allowance has been interposed within the applicable period of limitation fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court or, as to which any such objection or motion has been interposed, to the extent allowed by a Final Order. The term “Allowed,” when used to modify a reference in the Plan to any Claim, Equity Interest, Class of Claims, or Class of Equity Interests, means a Claim or Equity Interest (or any Claim or Equity Interest in any such Class) that is so allowed (e.g., an “Allowed Secured Claim” is a Claim that has been allowed to the extent of the value, as determined by the Bankruptcy Court under Bankruptcy Code § 506(a), of any interest in property of the Estate securing such Claim). For the avoidance of doubt, distributions on account of Allowed Claims shall be determined based on the amount of such Claim as of the Record Date.

***“Avoidance Actions”*** means all statutory causes of action preserved for the Estate under §§ 510, 542, 543, 544, 545, 547, 548, 549, 550, and 724(a) that the Debtor or the Estate may have against any Person including, without limitation, those listed in **Exhibit “A”** to the Plan. Failure to list an Avoidance Action in the Plan does not constitute a waiver or release by the Debtor of such Avoidance Action.

“**Bankruptcy Code**” means Title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended from time to time and as applicable to the Chapter 11 Cases.

“**Bankruptcy Court**” means the United States District Court for the Northern District of Texas, Fort Worth Division having jurisdiction over the Chapter 11 Case and, to the extent of any reference under 28 U.S.C. § 157, the bankruptcy unit of such District Court under 28 U.S.C. § 151.

“**Bankruptcy Rules**” means collectively, the Federal Rules of Bankruptcy Procedure as promulgated under 28 U.S.C. § 2075 and any Local Rules of the Bankruptcy Court, as applicable to the Chapter 11 Case.

“**Bar Date**” means July 20, 2017, which is the date fixed by the Bankruptcy Court by which Persons asserting a Claim against, or Equity Interest in, the Debtor (*except* Administrative Claims and Claims arising from the rejection of executory contracts and unexpired leases in accordance with Article 7 of the Plan) is required to file a proof of claim or equity interest or a request for payment or be forever barred from asserting a Claim against or Equity Interest in the Debtor or its property, from voting on the Plan, and from sharing in distributions under the Plan.

“**Bernal**” means Victor Bernal.

“**Bernal Note**” means the promissory note in the original principal amount of \$2,567,000 executed by Bernal and made payable to DK8 LLC dated December 27, 2012.

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

“**Cash**” means currency, checks drawn on a bank insured by the Federal Deposit Insurance Corporation, certified checks, money orders, negotiable instruments, wire transfers of immediately available funds, or other similar items.

“**Cause of Action**” means any and all actions, proceedings, causes of action, obligations, suits, judgments, damages, demands, debts, accounts, controversies, agreements, promises, liabilities, powers to avoid transfers, legal remedies, equitable remedies, and claims (and any rights to any of the foregoing) that belong to any Debtor or its Estate as of the Effective Date that have been or may be asserted against any third party, whether core or non-core, reduced to judgment, not reduced to judgment, liquidated, unliquidated, known or unknown, foreseen or unforeseen, fixed, contingent, matured, unmatured, disputed, undisputed, then existing or thereafter arising, secured or unsecured, and whether asserted or assertable directly or derivatively or as a defense, counterclaim or cross-claim, in law, equity or otherwise including any recharacterization, subordination, avoidance or other claim, power or right arising under or pursuant to § 105 or chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state or federal law. Causes of Action include (a) rights of setoff, counterclaim or recoupment, and claims on contracts or for breaches of duties imposed by law, (b) the right to object to claims or interests, (c) all non-bankruptcy law claims and defenses, whether in tort or based on a contract, including without limitation, fraud, negligent misrepresentations, intentional or negligent mismanagement, mistake, professional malpractice, duress and usury, (d) Avoidance Actions, (f) claims for tax refunds, (g) claims to recover outstanding accounts receivable, (h) such claims and defenses as

alter ego and substantive consolidation, and (i) any other claims which may be asserted against third parties.

“**Chapter 11 Case**” means the case under Chapter 11 of the Bankruptcy Code in which the Debtor is the Debtor and Debtor-in-possession, pending before the Bankruptcy Court.

“**Claim**” means a claim against the Debtor or its property as defined in § 101(5), including, without limitation: (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured arising at any time before the Effective Date; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

“**Class**” means a category consisting of holders of Claims or Equity Interests substantially similar in nature to the Claims or Equity Interests of other holders placed in that category, as designated in Article 4 of the Plan.

“**Collateral**” means any property or interest in property of the Estate subject to a Lien to secure the payment or performance of a Claim, the Lien not being subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law.

“**Company Agreement**” means the Second Amended and Restated Company Agreement of HBT JV, LLC dated December 27, 2012.

“**Confirmation Date**” means the date the Bankruptcy Court enters the Confirmation Order.

“**Confirmation Hearing**” means the hearing held by the Bankruptcy Court to consider confirmation of the Plan under § 1129, as such hearing may be continued or adjourned from time to time.

“**Confirmation Order**” means the order of the Bankruptcy Court confirming the Plan in accordance with the Bankruptcy Code. The Confirmation Order does not have to be a Final Order.

“**Contingent Claim**” means any Claim for which a proof of claim has been filed with the Bankruptcy Court that: (a) was not filed in a fixed amount, or has not accrued and depends on a future event which has not occurred and may never occur, and (b) has not been Allowed on or before the Confirmation Date.

“**Creditor**” means any holder of a Claim, whether or not such Claim is an Allowed Claim, encompassed within the statutory definition set forth in Bankruptcy Code § 101(10).

“**Cure**” means the payment on the Effective Date of Cash or other property as a condition to the assumption or assumption and assignment by Debtor of an executory contract or unexpired lease of nonresidential real property, in accordance with § 365(b).

“**Debtor**” means HBT JV, LLC, as Debtor and Debtor-in-possession in the Chapter 11 Case under §§ 1107 and 1108.

**“Disallowed”** means in reference to a Claim, a Claim or any portion of a Claim that has been disallowed, overruled, withdrawn, or expunged by Final Order.

**“Disclosure Statement”** means the written disclosure statement relating to the Plan including, without limitation, all exhibits and schedules to such disclosure statement, in the form approved by the Bankruptcy Court under § 1125 and Bankruptcy Rule 3017.

**“Disputed”** means with respect to Claims or Equity Interests, any Claim or Equity Interest: (a) that is listed in the Schedules as unliquidated, disputed, or contingent, or as to which the Debtor or any other party-in-interest has (i) interposed a timely objection or request for estimation, or (ii) sought to equitably subordinate or otherwise limit recovery in accordance with the Bankruptcy Code and the Bankruptcy Rules, in each case where such listing, objection, request for estimation, or action to limit recovery has not been withdrawn or determined by a Final Order; or (b) that is a Contingent Claim.

**“Effective Date”** means the first Business Day that is fifteen days after the Confirmation Date and on which (a) no stay of the Confirmation Order is in effect and (b) all conditions to effectiveness set forth in the Plan and the Confirmation Order have been satisfied or waived in accordance with the terms of the Plan.

**“Equity Interest”** means any interest in the Debtor represented by any class or series of membership interests or common or preferred stock issued before the Effective Date, and any warrants, options, or rights to purchase any such common or preferred stock.

**“Executory Contract”** means any executory contract or unexpired lease which is subject to section 365 of the Bankruptcy Code.

**“Estate”** means the estate for Debtor created in the Chapter 11 Case in accordance with § 541.

**“Estate Litigation Claims”** means all rights, claims, counterclaims, defenses, torts, Liens, actions, causes of action, avoiding powers, proceedings, debts, contracts, judgments, offsets, damages and demands whatsoever in law or in equity, including Avoidance Actions, whether known or unknown, contingent or otherwise, that the Debtor or the Estate may have against any Person as of the Effective Date, including without limitation, all such Estate Litigation Claims described on **Exhibit “A”** of this Plan. Failure to list an Estate Litigation Claim in the Plan does not constitute a waiver or release by the Debtor of such Estate Litigation Claim.

**“Final Order”** means an order or judgment of the Bankruptcy Court: (a) as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired, or as to which any right to appeal, petition for certiorari, reargue, or rehear has been waived in writing in form and substance satisfactory to the Debtor; and (b) if an appeal, writ of certiorari, or reargument or rehearing has been sought, as to which the highest court to which such order was appealed, or certiorari, reargument or rehearing was sought, has determined such appeal, writ of certiorari, reargument, or rehearing, or has denied such appeal, writ of certiorari, reargument, or rehearing, and the time to take any further appeal, petition for writ of certiorari, or move for reargument or rehearing has expired; but the filing of a motion under Rule 59 or 60 of the Federal Rules of Civil

Procedure, or any analogous rule under the Bankruptcy Rules, with respect to such order does not prevent such order from being a Final Order.

**“General Unsecured Claim”** means a Claim that is not a Secured Claim, an Administrative Claim, a Priority Tax Claim, or any other Claim entitled to priority treatment under 11 U.S.C. §507.

**“Impaired”** means when used with reference to a Claim or Interest, a Claim or Interest that is impaired within the meaning of § 1124.

**“Lien”** means a lien as defined in § 101(37), except a lien that has been avoided in accordance with §§ 544, 545, 546, 547, 548, or 549.

**“Liquidating Debtor”** means HBT JV, LLC as liquidating Debtor under the terms of this Plan.

**“Person”** means any individual, corporation, partnership, limited liability company, limited liability partnership, joint venture, association, joint-stock company, trust, unincorporated association or organization, governmental agency or associated political subdivision.

**“Petition Date”** means February 20, 2017, the date on which the petition was filed commencing the Chapter 11 Case.

**“Plan”** means this Plan of Liquidation, either in its present form or as it may be amended, supplemented or modified from time to time in accordance with the terms of the Plan, including, except where the context otherwise requires, all its annexed exhibits and schedules.

**“Plan Documents”** means collectively, (a) the Plan, (b) the Disclosure Statement, and (c) the Plan/Disclosure Statement Summary, copies of which are attached as exhibits to the Plan or which will be filed with the Bankruptcy Court no later than ten days before the Confirmation Hearing, and any other contracts, instruments, releases, and other agreements or documents to be executed in order to consummate the transactions contemplated under the Plan or otherwise necessary to effect and further evidence the terms and conditions of the Plan.

**“Post-Petition Interest”** and **“Plan Rate”** means interest on the Allowed Amount of a Claim from February 20, 2017 to and including five (5) Business Days immediately prior to the date a distribution is made on account of such Claim (**“Post-Petition Interest”**). Except as established pursuant to the procedure set forth in section 5.03 of this Plan with respect to Class 3 Claims, Post-Petition Interest shall be calculated at the Texas post-judgment rate in accordance with Section 304.003(c) of the Texas Finance Code (the **“Plan Rate”**).

**“Priority Tax Claim”** means any Claim of the kind specified in § 507(a)(8) against a Debtor.

**“Professional”** means a Person: (a) employed in the Chapter 11 Case in accordance with an order of the Bankruptcy Court under §§ 327, 328 or 1103 and to be compensated for services under §§ 327, 328, 329, 330, and 331; or (b) for whom compensation and reimbursement has been Allowed by a Final Order under § 503(b).

**“Professional Fee Bar Date”** means the deadline established by Section 3.02(d).

**“Professional Fee Claim”** means an Administrative Claim for compensation and reimbursement of expenses of a Professional rendered or incurred before the Effective Date submitted in accordance with §§ 328, 330, 331, or 503(b).

**“Purchase Agreement”** means that certain *Asset Purchase and Sale Agreement* dated as of March 22, 2017, among HBT JV, LLC and the Purchaser, approved by the Sale Order.

**“Purchaser”** means RLJ-McLarty Landers Automotive Holdings, LLC.

**“Record Date”** means the Confirmation Date.

**“Rejection Claims”** means all Claims arising from the rejection by any Debtor of an executory contract or unexpired lease of nonresidential real property either during the Chapter 11 Case or in connection with the Plan, including, without limitation, Claims for future rents under § 502(b)(6) or future contract payments and Unsecured Claims for unpaid rent or contract payments accruing before the Petition Date. Rejection Claims do not include Claims for unpaid rent or contract payments arising under a rejected executory contract or unexpired lease of nonresidential real property after the Petition Date and before the effective date of the rejection of such contract or lease.

**“Sale Motion”** means that certain motion filed at Docket No. 121 in Case No. 17-40659 entitled the *Motion for Order Approving/Authorizing (I) Sale of Substantially All of the Assets of HBT JV, LLC Free and Clear of All Clients, Claims, Encumbrances, and Interests and (II) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection with the Sale*.

**“Sale Order”** means that certain order entered at Docket No. 269 in Case No. 17-40659 entitled the *Order Approving/Authorizing (I) Sale of Substantially All of the Assets of HBT JV, LLC Free and Clear of All Clients, Claims, Encumbrances, and Interests and (II) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection with the Sale*.

**“Sale Proceeds”** means the net proceeds from the sale of assets to Purchaser pursuant to the Sale Order and the Purchase Agreement.

**“Sale Transaction”** means the sale of substantially all of the Debtor’s assets pursuant to the Sale Order and the Purchase Agreement.

**“Schedules”** means the schedules of assets and liabilities, the list of holders of interests, and the statements of financial affairs filed by the Debtor under § 521 and Bankruptcy Rule 1007, as such schedules, list, and statements may have been or may be supplemented or amended from time to time.

**“Secured Claim”** means any Claim (a) listed in the Schedules as a liquidated, noncontingent, and undisputed secured Claim, or (b) reflected in a proof of claim as a secured Claim, that is secured by a Lien on Collateral to the extent of the value of such Collateral, as determined in accordance with § 506(a), or, if such Claim is subject to setoff under § 553, net of

such setoff. For the avoidance of doubt, the term Secured Claim does not include any claim that was secured by property that was sold to the Purchaser under the Sale Transaction

“*Security Interest*” means as defined in § 101(51).

“*Transfer Agreement*” means the *Transfer Agreement and Related Matters Regarding HBT JV, LLC* executed by and between Bernal and DK8 LLC dated December 27, 2012.

### ARTICLE 3 TREATMENT OF UNCLASSIFIED CLAIMS

**3.01 Unclassified Claims.** As provided in § 1123(a)(1), Administrative Claims and Priority Tax Claims are not classified for purposes of voting on, or receiving distributions under, the Plan. Holders of such Claims are not entitled to vote on the Plan. All such Claims are instead treated separately in accordance with Section 3.02 of the Plan and in accordance with the requirements set forth in § 1129(a)(9)(A).

#### **3.02 Allowed Administrative and Priority Tax Claims.**

a. **Generally.** Except to the extent that any Person entitled to payment of an Allowed Administrative and Priority Tax Claim agrees to a less favorable treatment or unless otherwise ordered by the Bankruptcy Court, each holder of an Allowed Administrative and Priority Tax Claim (other than a Priority Tax Claim based on *ad valorem* taxes) shall receive, in full satisfaction, discharge, exchange, and release thereof, Cash in an amount equal to such Allowed Claim on or as soon as practicable after the later of (i) the Effective Date, and (ii) the date on which such Claim becomes an Allowed Claim. Priority Tax Claims based on *ad valorem* taxes shall be paid in full when due in accordance with the Sale Order. Notwithstanding the foregoing, Administrative Claims incurred by the Debtor in the ordinary course of business shall be paid in full in accordance with the terms and conditions of the particular transactions and any applicable agreements or as otherwise authorized by the Bankruptcy Code.

b. **Administrative Expense Bar Date.** All requests for allowance and payment of an Administrative Expense must be filed with the Bankruptcy Court no later than the Administrative Expense Bar Date or be forever barred. Any objection to the allowance of an Administrative Expense, other than a Professional Fee Claim, must be filed no later than thirty (30) days after the expiration of the Administrative Expense Bar Date (the “**Administrative Expense Objection Deadline**”). The Administrative Expense Objection Deadline may be extended only by an order of the Bankruptcy Court. If no objection to the allowance of an Administrative Expense is filed on or before the Administrative Expense Objection Deadline, such Administrative Expense shall be deemed Allowed as of such date.

c. **U.S. Trustee Fees.** All outstanding fees owed to the Office of the U.S. Trustee pursuant to 28 U.S.C. § 1930 that have not been paid as of the Effective Date shall be paid when due in accordance with applicable law. The Debtor shall continue to file required quarterly reports until the Chapter 11 Case is closed under § 350.

d. **Professional Fee Claims.**

(i) All final applications for allowance and payment of a Professional Fee Claim for services rendered or reimbursement of expenses incurred through and including the Effective Date must be filed with the Bankruptcy Court and served no later than forty-five (45) days after the Effective Date or such other date as may be fixed by the Bankruptcy Court. All objections to allowance of Professional Fee Claims through the Effective Date must be timely filed and served in accordance with the deadlines established by the Bankruptcy Court.

(ii) Except to the extent that any Person entitled to payment of any Allowed Professional Fee Claim agrees to a less favorable treatment or unless otherwise ordered by the Bankruptcy Court, each holder of an Allowed Professional Fee Claim shall receive, in full satisfaction, discharge, exchange, and release thereof, Cash in an amount equal to such Allowed Professional Fee Claim within five (5) Business Days after such Professional Fee Claim becomes an Allowed Professional Fee Claim, unless the Holder agrees to defer a payment of a portion of its Allowed Professional Fee Claim.

e. **Post-Effective Date Professional Fees.** All claims of Professionals for services rendered or expenses incurred after the Effective Date in connection with the Chapter 11 Case and the Plan including, without limitation, those relating to consummation of the Plan, any appeal of the Confirmation Order, the preparation, filing, and review of Professional Fee Claims, the prosecution of Estate Litigation Claims and the resolution of Disputed Claims, will be paid by the Debtor on receipt of an invoice for such services, or on such other terms as the Debtor and the Professional may agree, without the need for further Bankruptcy Court authorization or entry of a Final Order. The Debtor will have ten days after receiving any such invoice to object to any item contained in that invoice. If the Debtor and any Professional cannot agree on the amount of post-Effective Date fees and expenses to be paid to the Professional, the Professional may seek Bankruptcy Court approval of the requested amount.

**ARTICLE 4**  
**CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS**

The Claims of the Creditors are divided into the classes listed below. A Claim will be placed in a particular class only to the extent that the Claim qualifies within the description of that class and may be in a different class to the extent that the remainder of such Claim qualifies within the description of such different class. A Claim will be entitled to the treatment accorded a particular class only to the extent that such Claim is an Allowed Claim.

**4.01 Class 1 Claims: Priority Non-Tax Claims.** All Claims which are (i) accorded priority status pursuant to § 507 of the Bankruptcy Code, (ii) Allowed, and (iii) not an Administrative Expense or Priority Tax Claim. Class 1 is unimpaired.

**4.02 Class 2 Claims: Secured Claims.** All Secured Claims which are Allowed and not previously satisfied by the Debtor. Class 2 is unimpaired

**4.03 Class 3 Claims: General Unsecured Claims.** All Claims which are Allowed and which are General Unsecured Claims, other than those Claims included in Class 1. Class 3 is unimpaired.

**4.04 Class 4 Interests: Equity Interests.** All Equity Interests in the Debtor. Class 4 is unimpaired.

## **ARTICLE 5 TREATMENT OF CLAIMS AND EQUITY INTERESTS**

Except as provided herein, each Allowed Claim classified in Article IV shall be satisfied in full upon the delivery to the holder of such Claim by the Liquidating Debtor of the Cash, property or other consideration provided for in this Article V for Claims in the class to which such Allowed Claim belongs. Following the entry of the Confirmation Order, the rights of all Creditors shall be limited exclusively to the specific benefits made available and set forth under this Plan.

**5.01 Treatment of Class 1 Claims (Allowed Priority Non-Tax Claims).** Each holder of an Allowed Class 1 Claim shall be paid in full and shall receive Cash in an amount equal to the principal amount of such Allowed Claim, plus Post-Petition Interest at the Plan Rate or, if applicable, the non-default governmental rate of interest for such Allowed Claim, as soon as practicable on the later of the Effective Date and the date on which the Claim becomes an Allowed Claim. Class 1 is unimpaired. Holders of Class 1 Claims are conclusively presumed to have accepted the Plan and, accordingly, are not entitled to vote on the Plan.

**5.02 Treatment of Class 2 Claims (Allowed Secured Claims).** Each Allowed Class 2 Claim shall be satisfied, at the option of the Liquidating Debtor, by (a) the return of the Collateral to the Creditor in full and final satisfaction of the Creditor's Claim, or (b) the payment of the proceeds upon liquidation of the Collateral, less any expenses incurred in liquidation. Any deficiency Claim of the Class 2 Creditor, to the extent Allowed, shall be included as a Class 3 General Unsecured Claim. Class 2 is unimpaired. Holders of Class 2 Claims are conclusively presumed to have accepted the Plan and, accordingly, are not entitled to vote on the Plan.

**5.03 Treatment of Class 3 Claims (Allowed General Unsecured Claims).** Each holder of an Allowed General Unsecured Claim (except any holder that agrees to lesser or otherwise different treatment), shall be paid in full and shall receive Cash in an amount equal to the principal amount of such Allowed General Unsecured Claim, plus Post-Petition Interest as provided below, as soon as practicable on the later of the Effective Date and the date on which the Claim becomes an Allowed Claim.

Any Class 3 Claimant seeking payment of Post-Petition Interest on such holder's Allowed Claim at a rate other than the Plan Rate shall file a motion seeking such relief within 30 days after the Effective Date. Any such motion must include all of the documentation upon which the Claimant relies including, but not limited to, the contract with the Debtor, to establish the Claimant's entitlement to Post-Petition Interest at a rate other than the Plan Rate. The Debtor shall have 30 days from receipt of any such motion to resolve any objection to the motion without need of Bankruptcy Court approval, and if resolved, the Debtor shall file with the Bankruptcy Court a notice that the matter has been resolved. The Bankruptcy Court retains jurisdiction to resolve any

objections to such motions in the event the Debtor and the Claimant cannot reach an agreement. Notwithstanding the above, the inclusion of a claim for post-petition interest in excess of the Plan Rate, together with proper documentation as provided above, in a Proof of Claim filed prior to the Bar Date shall be sufficient to establish such Claimant's request for payment of Post-Petition Interest in excess of the Plan Rate, subject to any parties' right to object to such filed Claim as provided in section 8.01 of this Plan. If a Claimant's right to Post-Petition Interest in excess of the Plan Rate has not been resolved by agreement or Final Order prior to the date of distribution of the principal of such Claimant's Allowed Claim as provided above, such Claimant initially will be paid Post-Petition Interest at the Plan Rate and subsequently will be paid additional Post-Petition Interest to the extent Allowed pursuant to these procedures as soon as practicable thereafter.

Class 3 is unimpaired. Holders of Class 3 Claims are conclusively presumed to have accepted the Plan and, accordingly, are not entitled to vote on the Plan.

**5.04 Treatment of Class 4 Interests (Equity Interests).** Holders of existing Equity Interests in the Debtor shall retain their Interests and shall be entitled to receive their applicable share of the net proceeds from the liquidation of the Debtor's assets, in accordance with the Company Agreement, the Transfer Agreement and the Bernal Note, after payment or reservation for all Claims and expenses of the Liquidating Debtor as provided in this Plan. Class 4 is unimpaired. Holders of Class 4 Interests are conclusively presumed to have accepted the Plan, are unimpaired and, accordingly, are not entitled to vote on the Plan.

**5.05 Tax Identification Numbers.** The Liquidating Debtor may require any of the Creditors or Equity Interest holders to furnish to the Liquidating Debtor its employer or taxpayer identification number as assigned by the Internal Revenue Service, and the Liquidating Debtor may condition any Distribution to any of the Creditors or Equity Interest holders upon receipt of such identification number.

## ARTICLE 6 MEANS FOR THE IMPLEMENTATION OF THE PLAN

**6.01 Liquidating Debtor.** The Liquidating Debtor shall (i) liquidate all property of the Debtor, (ii) liquidate any other assets of the Debtor, such as causes of action under the Bankruptcy Code or otherwise, (iii) pursue any claims against third parties which are property of the Debtor's Estate, (iv) seek determination of such claims, and (v) make Distributions to the Debtor's Creditors and Equity Owners as provided in this Plan.

**6.02 Management of the Liquidating Debtor.** Kenneth L. Schnitzer, Jr., the Liquidating Debtor's non-member manager (the "**Manager**") is responsible for supervising the liquidation of the Debtor's assets and the consummation of the Plan.

a. **Compensation of Liquidating Debtor's Manager.** The Liquidating Debtor's Manager shall be compensated at the rate of \$10,000 per month and will be reimbursed for actual and necessary expenses incurred. To the extent it is necessary for the Manager to employ an attorney or other professional, such fees and expenses are to be paid by the Liquidating Debtor pursuant to the procedure provided in this Plan.

b. **Liability of the Manager.** The Manager shall use his best judgment and discretion in all things connected therewith and shall not be personally liable for any loss or damage arising in connection with the business of the Liquidating Debtor, either for his acts or for his failure to act unless he personally shall have been guilty of fraud, willful misconduct, or gross negligence. In no case shall the Manager be held liable or responsible for the fraud, willful misconduct, or gross negligence of any employee or agent of the Liquidating Debtor. In addition, the Manager shall be indemnified by and receive reimbursement against and from any and all loss, liability, expense, or damage which he may incur or sustain, in good faith and without fraud, willful misconduct or gross negligence, in the exercise and performance of any of his powers and duties under this Plan. The amounts necessary for all such compensation, indemnification and reimbursement and for all expenses of administration, including counsel fees, shall be withdrawn by the Manager from the Debtor's assets.

c. **Employees and Agents.** The Manager may select and employ brokers, banks, custodians, investment advisors, attorneys, accountants, auditors, staff (e.g., phone operators, clerical support, etc.) and other agents. The Manager may employ as a consultant to him any Person or Persons having particular knowledge of the Liquidating Debtor's assets.

d. **Rights and Obligations of the Manager.** The Manager shall continue to have the rights and obligations as outlined in the Company Agreement.

e. **Plan Distributions.** The Manager may rely upon the undisputed, noncontingent and liquidated Claims scheduled by the Debtor in its Schedules filed with the Bankruptcy Court, and the Claims filed with the Bankruptcy Court on or before the Bar Date in making distributions (or reserving funds for any Disputed Claim) to holders of Class 4 Equity Interests. The Manager shall reserve funds for any Disputed Claim, and may reserve additional funds in his sole discretion for potential claims, before he elects to distribute funds to Class 4 Equity Interests.

**6.03 Continued Operations.** The Liquidating Debtor will continue its operations after the Effective Date as necessary to: (i) liquidate all property of the Debtor, (ii) liquidate any other assets of the Debtor, such as causes of action under the Bankruptcy Code or otherwise, (iii) pursue any claims against third parties which are property of the Debtor's estate, (iv) seek determination of such claims, and (v) make Distributions to the Debtor's Creditors and Equity Interest Owners as provided in this Plan. In performing these functions, the Liquidating Debtor shall, among other things, be authorized to:

- a. continue the retention of professionals deemed necessary to perform the duties of the Liquidating Debtor;
- b. to pay reasonable and necessary costs and expenses of liquidating;
- c. abandon assets of inconsequential value; and
- d. dissolve upon the liquidation and distribution of all property of the Liquidating Debtor.

**6.04 Actions Without Bankruptcy Court Approval.** The Confirmation Order shall authorize the Manager of the Liquidating Debtor without further approval of the Bankruptcy Court: (i) to sell any asset, subject to any required consent of any Creditor with a Lien upon such asset; (ii) to settle any Disputed Claim, or (iii) settle any cause of action.

**6.05 Costs of Continued Operations.** The costs of the Liquidating Debtor's continued operations, including (i) the fees and expenses of the Manager of the Liquidating Debtor; (ii) the fees and expenses of the Liquidating Debtor's professionals, (iii) the salaries and expenses of other employees and agents hired by the Manager pursuant to this Plan, and (iv) the expenses of the Manager including the fees and expenses of an attorney or other professional hired by the Manager, shall be paid by the Liquidating Debtor.

**6.06 Limitations on Cash Accumulation and Investment Powers of the Liquidating Debtor.** The investment powers of the Liquidating Debtor are limited to those powers established for bankruptcy trustees by the United States Trustee's Office for the Northern District of Texas in any bankruptcy case filed pursuant to Chapter 11 of Title 11 of the United States Code and the right to invest in United States governmental agency discount notes.

**6.07 Depositories.** The Liquidating Debtor may deposit its Cash at such banks, in the types of accounts, as the Liquidating Debtor may, in its sole discretion, select.

**6.08 Maintenance of Register.** The Liquidating Debtor shall at all times maintain a register of the names, addresses, amount of Claims of the Creditors and Equity Interest holders filed with the Court.

**6.09 Determination of Disputed Claims.**

a. **Objections to Claims; Prosecution of Disputed Claims.** The Manager shall be authorized to object to the allowance of Claims filed with the Bankruptcy Court.

b. **Distributions on Account of Disputed Claims.** Prior to making any distributions to holders of Equity Interests, the Manager shall have paid all Allowed Claims in full and shall have reserved and set aside an amount sufficient to pay all Disputed Claims as if all such Disputed Claims were Allowed Claims in the full amount claimed by the holders thereof, unless otherwise ordered by the Court, and may reserve additional funds in his sole discretion for potential Claims. No Distribution shall be made with respect to all or any portion of any Disputed Claim pending the entire resolution thereof by Final Order.

**ARTICLE 7  
EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**7.01 Assumption or Rejection of Executory Contracts and Unexpired Leases.** This Plan shall constitute a motion to assume or reject Executory Contracts as provided herein. All Executory Contracts, including without limitation those Executory Contracts identified on **Exhibit "B" (List of Rejected Executory Contracts)** to this Plan, shall be deemed as rejected by the Debtor upon the Effective Date, unless an Executory Contract (a) is identified on **Exhibit "C" (List of Assumed Executory Contracts)** to this Plan, (b) has been previously assumed or rejected

pursuant to an order of the Bankruptcy Court, (c) is identified in this Plan or the Confirmation Order to be assumed, or (d) is the subject of a motion to assume filed on or before the Confirmation Date. The Debtor may file a motion for the assumption or rejection of any Executory Contract at any time through the Effective Date and such motion shall be determined by the Bankruptcy Court thereafter.

**7.02 Approval of Assumption or Rejection.** Entry of the Confirmation Order constitutes the approval under §§ 365 and 1113 of the assumption or rejection, as applicable, of the Executory Contracts assumed or rejected under the Plan.

**7.03 Rejection Damages Bar Date.** All proofs of claim asserting Claims arising from the rejection of any Executory Contract under the Plan are required to be filed with the Bankruptcy Court no later than the first Business Day that is 30 days after the Effective Date. Any such Claim not filed within that time will be forever barred.

## **ARTICLE 8 DETERMINATION OF CLAIMS**

**8.01 Objections to Claims.** Notwithstanding the occurrence of the Effective Date, and except as to any Claim that has been Allowed before the Effective Date, any party-in-interest may object to the allowance of any Claim against the Debtor or seek estimation of any Claim on any grounds permitted by the Bankruptcy Code. All objections to Claims must be brought by filing the appropriate pleading in the Bankruptcy Court before the first Business Day that is 30 days after the Effective Date, but the Bankruptcy Court may approve a later date on motion filed (but not necessarily heard) before the first Business Day that is 30 days after the Effective Date.

**8.02 Distributions upon Allowance or Disallowance of Disputed Claims.** No distributions will be made to any holder of a Claim unless and until the Claim becomes an Allowed Claim. If a Claim is not an Allowed Claim as of the Effective Date, distributions on account of that Claim shall be reserved and will commence only when the Claim becomes an Allowed Claim. Distributions for Disputed Claims may be reserved and such amounts will not be distributed to holders of Equity Interests.

**8.03 Contingent Claims.** Until a Contingent Claim becomes an Allowed Claim or is Disallowed, the Claim will be treated as a Disputed Claim for all purposes under the Plan. The holder of a Contingent Claim will be entitled to a distribution under the Plan only when the Contingent Claim becomes an Allowed Claim. Any Contingent Claim for reimbursement or contribution held by a Person that may be liable with any Debtor on a Claim of a Creditor is Disallowed as of the Effective Date if: (a) that Creditor's Claim is Disallowed; (b) the Claim for reimbursement or contribution is contingent as of the Effective Date; or (c) that Person asserts a right of subrogation to the rights of the Creditor under Bankruptcy Code § 509.

## **ARTICLE 9 PRESERVATION OF LITIGATION CLAIMS**

**9.01 Retention of Estate Litigation Claims.** In accordance with § 1123(b)(3), all Estate Litigation Claims (including without limitation all Avoidance Actions) are retained and reserved for the benefit of holders of Allowed Claims and Interests, and shall be transferred to, and vested

in, the Liquidating Debtor, both for purposes of seeking an affirmative recovery against any Person and as an offset or defense against any Claim asserted against the Estate or Liquidating Debtor. Without limiting the generality of the foregoing, all applicable legal privileges of the Debtor or Estate, including both the attorney-client privilege and the work product privilege, shall be vested in the Liquidating Debtor which shall be clothed with the sole and exclusive standing and authority to assert any such privilege on behalf of the Debtor, Estate or Liquidating Debtor. All Estate Litigation Claims shall be deemed to have been transferred to, and vested in, the Reorganized Debtor as of the Effective Date based on the entry of the Confirmation Order. Without limiting the effectiveness or generality of the foregoing reservation, out of an abundance of caution, the Debtor and the Estate hereby specifically reserve and retain the Estate Litigation Claims. The provisions of this Article of the Plan, as well as the descriptions and disclosures relating to the Estate Litigation Claims in the Disclosure Statement, are provided in the interest of providing maximum disclosure of the Estate Litigation Claims of which Debtor is presently aware, and shall not act as a limitation on the potential Estate Litigation Claims that may exist. It is the specific intention of this Plan that all Estate Litigation Claims, including all Avoidance Actions and all associated remedies, and any other causes of action, whether arising before or after the Petition Date, and whether arising under the Bankruptcy Code or applicable state or federal non-bankruptcy laws shall all be retained and preserved under this Plan to be transitioned to, and vested in the Liquidating Debtor. All Estate Litigation Claims are retained both as causes of action for an affirmative recovery and as counterclaims and offset to any Claims asserted against the Estate.

**9.02 Prosecution of Estate Litigation Claims.** For the avoidance of doubt, the Manager of the Liquidating Debtor will have the authority to prosecute, defend, compromise, settle, and otherwise deal with any Estate Litigation Claims and will do so in his capacity as a representative of the Estate in accordance with § 1123(b)(3)(B). The Liquidating Debtor will bear the fees and costs associated with litigating the Estate Litigation Claims, and the Manager will have sole discretion to determine in his business judgment which Causes of Action to pursue, which to settle, and the terms and conditions of those settlements.

**9.03 Distribution of Estate Litigation Claim Proceeds.** Any monetary judgment, award, or other Cash proceeds resulting from the settlement or prosecution of the Estate Litigation Claims will be distributed in accordance with the Plan to the holders of any outstanding Allowed Claims and Interests after deduction of the reasonable and necessary fees and costs that the Debtor incurs in connection with that Cause of Action.

**9.04 Preservation of Insurance.** Any discharge and release of the Debtor from Claims as provided in the Plan or under the Bankruptcy Code, except as necessary to be consistent with the Plan, will not diminish or impair the enforceability of any insurance policy that may cover Claims against any Debtor or any other Person.

## ARTICLE 10 CONDITIONS PRECEDENT

**10.01 Conditions to Confirmation.** The following are conditions precedent to confirmation of the Plan:

a. **Approval of the Plan Summary.** The Bankruptcy Court enters a Final Order approving the Plan Summary to be distributed to holders of Claims and Equity Interests.

b. **Approval of Disclosure Statement and Plan.** The Bankruptcy Court enters a Final Order approving the Disclosure Statement and Plan.

c. **Form of Confirmation Order.** The Bankruptcy Court enters the Confirmation Order in form and substance reasonably acceptable to the Debtor. If the Debtor is unable to reach an agreement with any party regarding the form and substance of the Confirmation Order, the Bankruptcy Court will resolve all such disputes.

d. **Substance of Confirmation Order.** The Confirmation Order contains the following:

(i) The provisions of the Confirmation Order are nonseverable and mutually dependent;

(ii) Approval of the assumption or rejection of all executory contracts and unexpired leases under the Plan not previously assumed or rejected pursuant to an order of the Bankruptcy Court;

(iii) The Debtor is released and discharged from all obligations arising under all executory contracts and unexpired leases rejected by the Debtor during the Chapter 11 Cases or under the Plan; and

(iv) Retention of jurisdiction of the Bankruptcy Court to the fullest extent permissible by applicable law, and at least to the extent contemplated by Article 12 of the Plan.

**10.02 Conditions to Effectiveness.** The following are conditions precedent to the occurrence of the Effective Date:

a. The Confirmation Date occurs;

b. The Confirmation Order becomes a Final Order; and

c. Each of the Plan Documents to be issued, entered into, delivered, or filed under the Plan has been issued, entered into, delivered, or filed and is effective.

**10.03 Waiver of Conditions.** The Debtor may waive any condition to confirmation or the Effective Date, in whole or in part, at any time without notice, an order of the Bankruptcy Court, or any further action other than proceeding to confirmation and consummation of the Plan.

**10.04 Notice of Effective Date.** Within five (5) business days after the Effective Date, the Debtor shall serve notice of the Effective Date and the Administrative Expense Bar Date on all creditors and parties-in-interest.

**ARTICLE 11**  
**TITLE TO PROPERTY; THIRD-PARTY RIGHTS AND RELEASES**

**11.01 Injunction.** THIS SECTION IS REFERRED TO HEREIN AS THE “PLAN INJUNCTION.” EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, AS OF THE EFFECTIVE DATE ALL HOLDERS OF CLAIMS AGAINST, OR EQUITY INTERESTS IN, THE DEBTOR, THE ESTATE OR ANY OF THEIR ASSETS THAT AROSE OR ACCRUED PRIOR TO THE EFFECTIVE DATE ARE HEREBY PERMANENTLY ENJOINED AND PROHIBITED FROM EACH OF THE FOLLOWING: (I) THE COMMENCING OR CONTINUATION IN ANY MANNER, DIRECTLY OR INDIRECTLY, OF ANY ACTION, CASE, LAWSUIT OR OTHER PROCEEDING OF ANY TYPE OR NATURE AGAINST THE DEBTOR OR THE LIQUIDATING DEBTOR, WITH RESPECT TO ANY SUCH CLAIM OR INTEREST ARISING OR ACCRUING BEFORE THE EFFECTIVE DATE, INCLUDING WITHOUT LIMITATION THE ENTRY OR ENFORCEMENT OF ANY JUDGMENT, OR ANY OTHER ACT FOR THE COLLECTION, ENFORCEMENT OR LIQUIDATION, EITHER DIRECTLY OR INDIRECTLY, OF ANY CLAIM AGAINST OR INTEREST IN THE DEBTOR, THE LIQUIDATING DEBTOR OR THEIR ASSETS; (II) THE CREATION, PERFECTION OR ENFORCEMENT OF ANY LIEN, SECURITY INTEREST, ENCUMBRANCE, RIGHT OR BURDEN, EITHER DIRECTLY OR INDIRECTLY, AGAINST THE DEBTOR, THE LIQUIDATING DEBTOR, OR THEIR ASSETS; OR (III) TAKING ANY ACTION IN RELATION TO THE DEBTOR, THE LIQUIDATING DEBTOR, OR THEIR ASSETS, EITHER DIRECTLY OR INDIRECTLY, WHICH VIOLATES OR DOES NOT CONFORM OR COMPLY WITH THE PROVISIONS OF THIS PLAN OR THE CONFIRMATION ORDER APPLICABLE TO SUCH CLAIM OR INTEREST. THIS PARAGRAPH DOES NOT PROHIBIT ANY PERSON FROM BRINGING A CLAIM DESCRIBED IN THIS PARAGRAPH IN THE BANKRUPTCY COURT OR ASSERTING ANY RIGHT PURSUANT TO THE PLAN BY FILING AN APPROPRIATE PLEADING OR CLAIM IN THE BANKRUPTCY COURT. FROM TIME TO TIME THE LIQUIDATING DEBTOR WILL MAKE DISTRIBUTIONS TO EQUITY OWNERS PURSUANT TO THE TERMS OF THE PLAN. ALL PERSONS WITH CLAIMS AGAINST OR INTERESTS IN THE DEBTOR THAT AROSE OR ACCRUED BEFORE THE EFFECTIVE DATE SHALL BE ENJOINED FROM ASSERTING THOSE CLAIMS AGAINST THE DEBTOR, THE LIQUIDATING DEBTOR, THE MANAGER OR THE EQUITY OWNERS (THE “**PROTECTED PERSONS**”) EXCEPT THROUGH THE BANKRUPTCY COURT AS PROVIDED IN THIS PLAN AND THE CONFIRMATION ORDER. THIS COURT SHALL HAVE AND RETAIN EXCLUSIVE JURISDICTION OVER ALL SUCH CLAIMS AGAINST ANY OF THE PROTECTED PERSONS. ANY PERSON WHO WISHES TO ASSERT ANY SUCH CLAIM AGAINST ANY OF THE PROTECTED PERSONS MUST DO SO IN THE BANKRUPTCY COURT IN ACCORDANCE WITH THE TERMS OF THE PLAN AND THE CONFIRMATION ORDER. SHOULD SUCH A CLAIM BE BROUGHT IN ANOTHER COURT AGAINST ONE OR MORE OF THE PROTECTED PERSONS, EACH SUCH PROTECTED PERSON SHALL BE ENTITLED TO (A) REOPEN THE BANKRUPTCY CASE TO ENFORCE THIS PLAN INJUNCTION AS TO ANY SUCH CLAIM, INCLUDING SEEKING ALL APPROPRIATE DAMAGES OR SANCTIONS, (B) SEEK DISMISSAL OF ANY SUCH CLAIM BASED ON THE PLAN AND THE CONFIRMATION ORDER, OR (C) REMOVE SUCH SUIT TO THE PROPER FEDERAL COURT AND SEEK ITS TRANSFER TO THE BANKRUPTCY COURT.

THE PLAN INJUNCTION SHALL ALSO BE INCORPORATED INTO THE CONFIRMATION ORDER.

**11.02 Exculpation.** Neither the Debtor, nor its managers (collectively, the “**Exculpated Parties**”) shall have or incur any liability to any Person, holder of a Claim or Equity Interest, or any other party in interest or entity, or any of their respective members or former members, managers, agents, employees, representatives, financial advisors, attorneys, or Affiliates, or any of their predecessors, successors, or assigns, for any act, omission, claim, remedy, cause of action (whether known or unknown, matured or unmatured, contingent, unliquidated or disputed) in connection with, relating to, or arising out of the Chapter 11 Case (arising from and after the Petition Date) , the Sale Transaction, or any other action or inaction in the Chapter 11 Case, including the formulation, preparation, negotiation, dissemination, approval, confirmation, administration, or consummation of the Plan, the Disclosure Statement, the solicitation of votes for or confirmation of the Plan or consummation or administration of the Plan or Distributions under the Plan, except for fraud, willful misconduct or gross negligence, as finally determined by the Bankruptcy Court, and such Exculpated Parties shall not be liable for any obligations of the Debtor under the Plan, and in all respects shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities.

**11.03 Preservation of Insurance.** The discharge and release from Claims as provided in the Plan, except as necessary to be consistent with the Plan, do not diminish or impair the enforceability of any insurance policy that may cover Claims against the Debtor or any other Person.

## ARTICLE 12 RETENTION OF JURISDICTION

**12.01 Jurisdiction.** Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain as much jurisdiction over the Chapter 11 Case after the Effective Date as legally permissible including, without limitation, jurisdiction to:

- a. Allow, disallow, determine, liquidate, classify, estimate, or establish the amount, priority, or secured or unsecured status of any Claim, and resolve any request for payment of any Administrative Claim and any objection to the Allowance or priority of any Claim;
- b. Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized under the Bankruptcy Code or the Plan;
- c. Resolve any matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease to which a Debtor is a party and to hear, determine and, if necessary, liquidate any Claims arising from, or Cure related to, assumption or rejection;
- d. Ensure that distributions to holders of Allowed Claims is accomplished in accordance with the Plan;

e. Decide or resolve any motions, adversary proceedings, contested matters, and any other matters and grant or deny any applications or motions involving the Debtor that may be pending on the Effective Date;

f. Enter any necessary or appropriate orders to implement or consummate the Plan's provisions and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan or the Disclosure Statement;

g. Resolve any cases, controversies, suits, or disputes that may arise in connection with the consummation, interpretation, or enforcement of the Plan, or any Person's obligations incurred in connection with the Plan;

h. Resolve any cases, controversies, suits, or disputes that may arise in connection with the interpretation or enforcement of any orders entered by the Bankruptcy Court during the Chapter 11 Case;

i. Hear and determine any motion or application to modify the Plan before or after the Effective Date under § 1127 or modify the Disclosure Statement or any contract, instrument, release, or other agreement or document issued, entered into, filed, or delivered in connection with the Plan or the Disclosure Statement; or hear or determine any motion or application to remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, or any contract, instrument, release, or other agreement or document issued, entered into, filed or delivered in connection with the Plan or the Disclosure Statement, in such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by the Bankruptcy Code;

j. Issue injunctions, enter and implement other orders, or take any other necessary or appropriate actions to restrain any entity's interference with consummation or enforcement of the Plan;

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

l. Determine any other matters that may arise in connection with or related to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document issued, entered into, filed, or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

m. Issue final decrees and enter orders closing the Chapter 11 Case; and

n. Adjudicate Disputed Claims and the Estate Litigation Claims (including those to be initiated and prosecuted by the Debtor as the Estate's representative under § 1123(b)(3)(B)), and any other cause of action or claims of the Debtor.

**ARTICLE 13**  
**AMENDMENT AND WITHDRAWAL OF PLAN**

**13.01 Amendment of Plan.** At any time before the Confirmation Date, the Debtor may alter, amend, or modify the Plan under § 1127(a) as long as doing so does not materially and adversely affect the treatment and rights of the holders of Claims under the Plan. After the Confirmation Date but before substantial consummation of the Plan as defined in § 1101(2), the Debtor may, under § 1127(b), institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, the Plan Documents, or the Confirmation Order, and any matters necessary to carry out the purposes and effects of the Plan as long as such proceedings do not materially and adversely affect the treatment of holders of Claims under the Plan. The Debtor must serve prior notice of such proceedings in accordance with the Bankruptcy Rules or applicable order of the Bankruptcy Court.

**13.02 Revocation or Withdrawal of Plan.** The Debtor reserves the right to revoke or withdraw the Plan at any time before the Confirmation Date. If withdrawn or revoked, the Plan will be deemed void and nothing contained in the Plan may be deemed a waiver of any Claims by or against the Debtor or any other Person in any further proceedings involving the Debtor or an admission of any sort, and the Plan and any transaction contemplated by the Plan may not be admitted into evidence in any proceeding.

#### **ARTICLE 14 ADMINISTRATIVE PROVISIONS**

**14.01 Effectuating Documents; Further Transactions; Timing.** The Debtor and all other parties to the Plan Documents are authorized and directed as of the Effective Date, and without further order of the Court, to execute, deliver, file, or record all Plan Documents and other contracts, instruments, releases, and other agreements or documents, and to take all actions necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. All transactions required to occur on the Effective Date under the terms of the Plan are deemed to have occurred simultaneously.

**14.02 Exemption From Transfer Taxes.** In accordance with Bankruptcy Code § 1146(c): (a) the issuance, distribution, transfer, and exchange of assets or property of the Estates; (b) the creation, modification, consolidation, or recording of any deed of trust or other Security Interest, the securing of additional indebtedness by such means or by other means in furtherance of, or in connection with, the Plan or the Confirmation Order; (c) the execution, assignment, modification, or recording of any lease or sublease; and (d) the execution, delivery, or recording of a deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, the Confirmation Order, or any transaction contemplated above, or any transactions arising out of, contemplated by, or in any way related to, the foregoing is not subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, or real estate transfer tax, or other similar tax or governmental assessment and the appropriate state or local government officials or agents is directed to forego the collection of any such tax or assessment and to accept for filing or recordation any of the foregoing instruments or other documents without the payment of any such tax or assessment.

**14.03 Binding Effect.** The Plan is binding on, and inures to the benefit of, the Debtor, the Liquidating Debtor and the holders of all Claims and Equity Interests and their respective successors and assigns.

**14.04 Governing Law.** Except to the extent that the Bankruptcy Code or other federal law is applicable or as provided in any document entered into in connection with the Plan, the rights, duties and obligations of the Debtor and any other Person arising under the Plan is governed by, and construed and enforced in accordance with, the internal laws of the State of Texas, without giving effect to Texas's choice-of-law provisions.

**14.05 Modification of Treatment of Claims.** The Debtor reserves the right to modify the treatment of any Allowed Claim in any manner adverse only to the holder of such Claim at any time after the Effective Date on the prior written consent of the holder whose Allowed Claim treatment is being adversely affected.

**14.06 Setoffs and Recoupment.** The Debtor may, but is not required to, set off or recoup against any Claim or Equity Interest and the payments or other distributions to be made under the Plan in respect of such Claim, Claims of any nature that arose before the Petition Date that the Debtor may have against the holder of such Claim or Equity Interest to the extent such Claims may be set off or recouped under applicable law, but neither the failure to do so nor the fact of any Claim or Equity Interest under the Plan becoming Allowed constitutes a waiver or release by the Debtor of any such claim that it may have against such holder.

**14.07 Notices.** Any notice required or permitted to be provided under the Plan is required to be in writing and served by one of the following: (a) certified mail, return receipt requested, postage prepaid; (b) hand delivery; (c) reputable overnight courier service, freight prepaid; (d) e-mail; or (e) fax; addressed as follows:

If to the Debtor:

Jeff P. Prostok  
J. Robert Forshey  
Lynda L. Lankford  
**FORSHEY PROSTOK, LLP**  
777 Main Street, Suite 1290  
Fort Worth, TX 76102  
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[llankford@forsheyprostok.com](mailto:llankford@forsheyprostok.com)

**14.08 Delivery of Notices.** If personally delivered, notice is deemed delivered on actual receipt; if faxed or e-mailed in accordance with the Plan, notice is deemed delivered noon of the first Business Day following transmission; if sent by overnight courier in accordance with the Plan, notice is deemed delivered noon of the first Business Day following deposit with such courier; and if sent by U.S. mail in accordance with the Plan, notice is deemed delivered as of the date of delivery indicated on the receipt issued by the relevant postal service; or, if the addressee fails or refuses to accept delivery, as of the date of that failure or refusal. Any party to the Plan may change its address for the purposes of the Plan by giving notice of the change.

**14.09 Severability.** If the Bankruptcy Court finds the Plan or any provision of the Plan to be invalid, illegal or unenforceable, or if the Bankruptcy Court cannot confirm the Plan under

§ 1129, the Bankruptcy Court, at the Liquidating Debtor's request, may retain the power to alter and interpret the Plan or any such provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the provision held to be invalid or unenforceable, and such provision will then become applicable as altered or interpreted. The Confirmation Order constitutes a judicial determination and provides that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable.

**14.10 Plan Documents.** Forms of the Plan Documents may be inspected in the office of the Clerk of the Bankruptcy Court during normal business hours. Holders of Claims or Equity Interests may obtain a copy of the Plan Documents upon written request to the Debtor. Notwithstanding anything to the contrary contained in the Plan, including without limitation any reference in the Plan to documents in the forms annexed to the Plan as exhibits, the Debtor may revise any Plan Document (a) by filing such revised Plan Document with the Bankruptcy Court more than ten days before the deadline for voting on the Plan, or (b) with the written consent of all parties in interest that is entitled to vote on the Plan and is materially and adversely affected by such revision.

**14.11 Inconsistency.** If any inconsistency between the Plan and the Disclosure Statement exists, the provisions of the Plan govern. If any inconsistency between the Plan and any Plan Document exists, the provisions of the Plan govern. If any consistency between any Plan Document and the Confirmation Order exists, the provisions of the Confirmation Order governs.

**14.12 Withholding and Reporting Requirements.** In connection with the Plan and all instruments issued in connection with the Plan, the Debtor must comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions under the Plan remain subject to any such withholding and reporting requirements. The Debtor may take all actions necessary to comply with such withholding and reporting requirements. Notwithstanding any other provision of the Plan, each holder of an Allowed Claim that has received a distribution under the Plan of Cash has sole and exclusive responsibility for the satisfaction or payment of any tax obligation imposed by any governmental unit, including income, withholding and other tax obligation on account of such distribution.

**14.13 Post-Effective Date Fees; Final Decree.** The Debtor will be responsible for paying any post-Effective Date fees under 28 U.S.C. § 1930(a)(6) and filing post-confirmation reports until the Bankruptcy Court enters a final decree, which will be as soon as practicable after distributions under the Plan have occurred. Notice of application for a final decree need be given only to those holders of Claims and Equity Interests and other parties that, after the Effective Date, specifically request such notice.

**14.14 De Minimis Distributions.** No distributions of less than \$100 will be made to any Creditor on account of any Claim. If a claimant holding an Allowed Claim does not receive a distribution owing to the provisions of this Section on the Effective Date or any subsequent date, the Allowed Claim remains eligible for distributions on the first date set for distributions when such distribution exceeds \$100. No payments or distributions under the Plan of fractions of dollars will be made. When any such fractional dollar payment or distribution would otherwise be

required, the actual payment or distribution made will reflect a rounding, up or down, of such fraction to the nearest whole dollar.

**14.15 Method of Payment; Payments, Filings, and Notices Only on Business Days.** Payments of Cash under the Plan must be made by check drawn on a domestic bank or by wire transfer from a domestic bank. Whenever any payment, distribution, filing, delivery, or notice to be made under the Plan is due on a day other than a Business Day, such payment, distribution, filing, delivery, or notice may instead be made, without interest or penalty, on the immediately following Business Day.

**ARTICLE 15  
CONFIRMATION REQUEST**

The Debtor hereby requests Confirmation of the Plan pursuant to sections 1129(a) and (b) of the Bankruptcy Court.

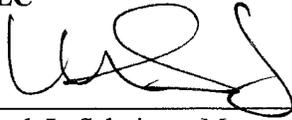
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Dated: July 19, 2017.

Respectfully submitted,

**HBT JV, LLC**

By:

  
\_\_\_\_\_  
Kenneth L. Schnitzer, Manager

APPROVED:

/s/ Jeff P. Prostok

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Attorneys for HBT JV, LLC,  
Debtor and Debtor in Possession

**EXHIBIT "A"**

**Estate Litigation Claims**

[to be provided later]

**EXHIBIT "B"**

**List of Rejected Executory Contracts**

[to be provided later]

**EXHIBIT "C"**

**List of Assumed Executory Contracts**

[to be provided later]