

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

A.B.C. CARPET CO., INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 21-11591 (DSJ)

(Jointly Administered)

**ORDER (I) CONFIRMING AMENDED DEBTORS' JOINT CHAPTER 11 PLAN OF
LIQUIDATION FOR A.B.C. CARPET CO., INC., *ET AL.* (AS FURTHER MODIFIED)
AND (II) GRANTING RELATED RELIEF**

Upon the filing by A.B.C. Carpet Co., Inc. and the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”) of the *Amended Debtors’ Joint Chapter 11 Plan of Liquidation for A.B.C. Carpet Co., Inc., et al. (as Further Modified)* [Dkt. No. 370] (as may be amended, restated, supplemented, altered, or modified from time to time, the “Plan”),² which is attached hereto as **Exhibit A**; and the Court having approved the *Disclosure Statement for Amended Debtors’ Joint Chapter 11 Plan of Liquidation for A.B.C. Carpet Co., Inc., et al. (as Modified)* [Dkt. No. 345] (the “Disclosure Statement”) and the solicitation procedures applicable to the Disclosure Statement and the solicitation of acceptances and rejections of the Plan, pursuant to the *Order (I) Approving Adequacy of Disclosure Statement, (II) Approving Solicitation and Notice Procedures for Confirmation of the Debtors’ Joint Chapter 11 Plan of Liquidation, (III) Approving Ballot and Notice Forms in Connection Therewith, (IV) Scheduling Certain Dates with Respect Thereto, and (V) Granting Related Relief* [Dkt. No. 341] (the “Solicitation Procedures Order”); and the Debtors

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are A.B.C. Carpet Co., Inc. (6537), A.B.C. Home Furnishings, Inc. (6915), and A.B.C. Oriental Carpets, Inc. (3679).

² Capitalized terms used but not defined herein shall have the meanings given to them in the Plan.

having served the Solicitation Packages (as defined in the Solicitation Procedures Order), including the Disclosure Statement, on the Holders of Claims and Interests pursuant to the Solicitation Procedures Order and otherwise complied with the notice requirements and procedures set forth in the Solicitation Procedures Order, *see Affidavit of Service* [Dkt. No. 352], *Supplemental Affidavit of Service* [Dkt. No. 360], and *Affidavit of Service* [Dkt. No. 366] (collectively, the “Solicitation Materials Service Affidavit”); and the Debtors having filed the documents constituting the Plan Supplement on February 15, 2022, *see Notice of Filing of Plan Supplement* [Dkt. No. 358] (as modified on February 28, 2022 [Dkt No. 375] as may be amended, restated, supplemented, altered, or modified from time to time); and the Court having considered the record of the Chapter 11 Cases, the results of the Plan voting set forth in the *Certification of Stretto Regarding Tabulation of Votes in Connection with the Amended Debtors’ Joint Chapter 11 Plan of Liquidation for A.B.C. Carpet Co., Inc., et al. (as Modified)* [Dkt. No. 368] (the “Voting Report”), the briefs and arguments regarding Confirmation of the Plan, the evidence regarding Confirmation of the Plan; and the Court having found that notice and opportunity for any party in interest to object to Confirmation of the Plan has been adequate and appropriate as to all parties affected by the Plan and the transactions contemplated thereby; and a hearing on the Confirmation of the Plan having been held on March 3, 2022 (the “Confirmation Hearing”); and the record of the Confirmation Hearing, including the evidence admitted at the Confirmation Hearing, being incorporated herein; and the Court being familiar with and having taken judicial notice of all pleadings and other documents filed, all orders entered, and all evidence and arguments presented in the Chapter 11 Cases; and upon the appearance of all interested parties having been duly noted on the record of the Confirmation Hearing; and upon all of the proceedings held before the Court; and the Court having determined that the Plan should be confirmed as reflected by the Court’s

rulings made herein and on the record of the Confirmation Hearing; and after due deliberation and sufficient cause appearing therefor,

THE COURT HEREBY FINDS AND CONCLUDES:

I. The Bankruptcy Court has jurisdiction over the Chapter 11 Cases pursuant to 28 U.S.C. §§ 157 and 1334. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Bankruptcy Court has jurisdiction to enter a Final Order determining that the Plan complies with the applicable provisions of the Bankruptcy Code and other applicable law and should be approved and confirmed.

II. Venue is proper before the Bankruptcy Court pursuant to 28 U.S.C. §§ 1408 and 1409.

III. Each Debtor entity is a proper debtor eligible for relief under section 109 of the Bankruptcy Code.

IV. As set forth in the Solicitation Materials Service Affidavit, good, sufficient, and timely notice of the Confirmation Hearing has been provided to each Holder of Claims or Interests.

V. Votes on the Plan were solicited and tabulated fairly, reasonably, in good faith, and in compliance with the Solicitation Procedures Order, the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and any applicable non-bankruptcy rules, laws, and regulations governing the adequacy of disclosure in connection with such solicitation.

VI. The Debtors and each of their respective Affiliates, agents, directors, officers, employees, advisors, and attorneys have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer, issuance, sale, solicitation, and/or purchase of any securities offered under the Plan and, therefore, are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code to the full extent provided therein.

VII. The Plan has been proposed in good faith, for proper purposes, and not by any means forbidden by law, and thus satisfies section 1129(a)(3) of the Bankruptcy Code. In so finding, the Bankruptcy Court has considered the totality of the circumstances of the Chapter 11 Cases. The Plan was proposed by the Debtors with the purpose of liquidating the Debtors and maximizing value for the Debtors' stakeholders. The Plan (including all documents necessary to effectuate the Plan) and the Definitive Documents are the result of extensive, good faith, arm's-length negotiations among the Debtors and their stakeholders. The Plan implements a result that is consistent with the standards and goals of the Bankruptcy Code, including maximizing the value available for distributions and providing for the fair and equitable distributions to creditors, and is fair, just, and reasonable under the circumstances.

VIII. The filing and notice of the Plan Supplement (and any subsequent amendments, modifications, and supplements thereto filed with the Bankruptcy Court) was proper and in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Solicitation Procedures Order, and no other or further notice is or shall be required. Subject to the terms of Article XI.A and XI.B of the Plan, the Debtors' right to alter, amend, update, or modify the Plan Supplement, as well as the documents set forth therein, is reserved.

IX. Pursuant to Bankruptcy Rule 3019, the amendments and/or modifications made to the Plan since the filing thereof do not require either (a) any additional disclosure under section 1125 of the Bankruptcy Code or (b) the re-solicitation of votes under section 1126 of the Bankruptcy Code because such amendments and/or modifications do not adversely change the treatment of any Claims or Interests. A Holder of a Claim or Interest that has accepted the Plan shall be presumed to have accepted the Plan, as altered, amended, or modified.

X. The Debtors have met their burden of proving that the Plan complies with all applicable provisions of section 1129 of the Bankruptcy Code by a preponderance of the evidence, which is the applicable standard. Further, each witness who testified or submitted a declaration on behalf of the Debtors, or any other party, in support of Confirmation of the Plan at, or in connection with, the Confirmation Hearing was qualified to testify as to the topics addressed in their testimony and upon which testimony the Bankruptcy Court has relied.

XI. All requirements for the Confirmation of the Plan have been satisfied. The Plan complies with all applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. The discretionary provisions of the Plan comply with section 1123(b) of the Bankruptcy Code and are not inconsistent with the applicable provisions of the Bankruptcy Code.

XII. The Plan properly classifies all Claims against and Interests in the Debtors pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code, and properly identifies Impaired and Unimpaired Classes pursuant to section 1123(a)(2) of the Bankruptcy Code.

XIII. The Plan provides for the same treatment for each Claim or Interest in each respective Class unless the holder of a particular Claim or Interest has agreed to a less favorable treatment of such Claim or Interest, thereby satisfying section 1123(a)(4) of the Bankruptcy Code.

XIV. The Plan has been accepted with respect to each Debtor by each Impaired Class entitled to vote to accept or reject the Plan, thereby satisfying section 1129(a)(10) of the Bankruptcy Code.

XV. With respect to each Impaired Class, each Holder of a Claim or Interest of such Class has either accepted the Plan or will receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date, that is not less than the amount that such

Holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code, thereby satisfying section 1129(a)(7) of the Bankruptcy Code.

XVI. The Plan does not “discriminate unfairly” and is “fair and equitable,” as such terms are used in section 1129(b) of the Bankruptcy Code, with respect to all Classes that are Impaired and are deemed to reject the Plan.

XVII. Pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the distributions and other benefits provided pursuant to the Plan, the applicable provisions of the Plan constitute a good-faith compromise and settlement of all Claims, interests and controversies relating to the contractual, legal and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Allowed Interest, any distribution to be made on account of such Allowed Claim or Allowed Interest, and all other such Claims, interests and controversies. Such compromises or settlements are in the best interests of the Debtors, their Estates and Holders of Claims and Interests and are fair, equitable and reasonable.

XVIII. The Releases by the Debtors contained in Article IX.B of the Plan (the “Debtor Releases”) are (a) in exchange for the good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties’ contributions to facilitating the restructuring and implementing the Plan; (b) a good faith settlement and compromise of the claims released by the Debtor Releases; (c) in the best interests of the Debtors and all Holders of Claims and Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to the Debtors, the Estates, and the Liquidating Trustee asserting any claim or Cause of Action released pursuant to the Debtor Releases.

XIX. The release by the Releasing Parties contained in Article IX.C of the Plan (the “Third-Party Release”) is appropriate because the Third-Party Release is voluntary, consensual and was adequately disclosed given that, among other things, (i) the Releasing Parties were provided adequate notice of the chapter 11 proceedings, the Plan, and the Disclosure Statement, (ii) Holders of Claims who voted to accept the Plan are not subject to the Third-Party Release if they made an affirmative election to opt out of granting the Third-Party Release on their Ballots or otherwise objected to the Third-Party Release pursuant to the terms of the Solicitation Procedures Order, and (iii) the Third-Party Release was adequately disclosed, noticed and conspicuous and emphasized with boldface type in the Plan, the Disclosure Statement and the Ballot.

XX. The exculpation provided by Article IX.D of the Plan for the benefit of the Exculpated Parties is integral to the Plan, reasonable in scope, and appropriately tailored to the circumstances of these cases. The record of the Chapter 11 Cases supports the exculpations provided by the Plan, and such exculpations are appropriate to protect the Exculpated Parties and the Estates from inappropriate litigation related to, among other things, matters that have been subject to the Bankruptcy Court’s review and approval.

XXI. The injunction provided by Article IX.E of the Plan is essential to the Plan and is necessary to implement the Plan and to preserve and enforce the releases by the Debtors, the Third-Party Release for those Holders of Claims or Interests that voted to accept the Plan and elected not to opt out of the Third-Party Release pursuant to the terms of the Solicitation Procedures Order, and the exculpation provision set forth in Article IX.D under the Plan. The injunction provisions are fair and reasonable and appropriately tailored to achieve those purposes.

XXII. The Debtors have exercised sound business judgment in determining to reject certain Executory Contracts and Unexpired Leases pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code, in accordance with Article V of the Plan.

XXIII. The Plan transactions are proposed in good faith. The terms and conditions of the Plan transactions, including, without limitation, the creation of the Liquidating Trust and issuance of the Liquidating Trust Primary Recovery Units and Liquidating Trust Second Recovery Units (collectively, the “Trust Units”), (A) have been negotiated in good faith and at arm’s length, without the intent to hinder, delay, or defraud any of the Debtors’ creditors; (B) are fair and reasonable; (C) represent a valid exercise of the Debtors’ business judgment; (D) are supported by reasonably equivalent value and fair consideration; and (E) are in the best interests of the Debtors, their Estates, and their stakeholders.

XXIV. The creation of the Liquidating Trust is an essential element of the Plan and necessary for Confirmation and consummation of the Plan. The creation of the Liquidating Trust, execution of the Liquidating Trust Agreement, and issuance of Trust Units in connection therewith are necessary and appropriate for Confirmation of the Plan. The Liquidating Trust Agreement and any other documents in connection with the Liquidating Trust were negotiated at arm’s-length and in good faith, without the intent to hinder, delay, or defraud any creditor of the Debtors, and are supported by reasonably equivalent value and fair consideration. The Debtors have exercised reasonable business judgment in determining to enter into the Liquidating Trust Agreement and have provided sufficient and adequate notice of the material terms of the Liquidating Trust Agreement to all parties in interest in the Chapter 11 Cases.

XXV. The offering, issuance and distribution of any securities pursuant to the Plan, including, without limitation, the Trust Units, and any and all settlement agreements incorporated

therein are exempt from applicable federal and state securities laws (including blue sky laws), registration and other requirements, including but not limited to, the registration and prospectus delivery requirements of Section 5 of the Securities Act, pursuant to section 1145 of the Bankruptcy Code or, if section 1145 of the Bankruptcy Code is not available, pursuant to Section 4(a)(2) of the Securities Act or another available exemption from registration under the Securities Act, as applicable.

BASED ON THE FOREGOING, IT IS HEREBY ORDERED THAT:

A. Confirmation of the Plan

1. The findings and conclusions set forth herein and in the record of the Confirmation Hearing constitute the Bankruptcy Court's findings of fact and conclusions of law pursuant to Federal Rule of Civil Procedure 52, as made applicable herein by Bankruptcy Rules 7052 and 9014, and are incorporated by reference as though fully set forth herein. To the extent that any finding of fact shall be determined to be a conclusion of law, it shall be deemed so, and vice versa.

2. The Plan in its entirety (including all of the amendments and/or modifications to the Plan filed with the Bankruptcy Court prior to or during the Confirmation Hearing) satisfies all applicable provisions of the Bankruptcy Code and is CONFIRMED.

3. Any and all objections, statements, informal objections, and reservations of rights, if any, related to the Plan or Confirmation of the Plan that have not been withdrawn or resolved prior to the Confirmation Hearing are hereby overruled on the merits. All withdrawn objections, if any, are withdrawn with prejudice.

4. The amendments and/or modifications to the Plan made since the filing thereof are approved in accordance with section 1127(a) of the Bankruptcy Code and Bankruptcy Rule 3019. Any votes timely and properly cast on the Plan shall constitute votes on the Plan.

5. The documents contained in the Plan Supplement (including the Liquidating Trust

Agreement) are integral to the Plan and are approved by the Bankruptcy Court. The Debtors and the Liquidating Trustee (as applicable) are authorized to take all actions required to effectuate the Plan and the transactions contemplated therein, including, for the avoidance of doubt, the implementation of the Plan transactions and the issuance of the Trust Units.

6. The terms of the Plan, the Plan Supplement, and any exhibits thereto are incorporated as if set forth at length herein, approved by this Confirmation Order and are an integral part of this Confirmation Order. Notwithstanding Bankruptcy Rules 3020(c), 6004(h), 7062, or otherwise, upon the occurrence of the Effective Date, the terms of the Plan, the Plan Supplement, all exhibits thereto and all amendments thereto, and all other documents necessary for the implementation of the foregoing shall be immediately effective and enforceable (except as otherwise set forth in the Plan) and deemed binding on the Debtors, the respective parties thereto, all present and former Holders of Claims or Interests, all parties in interest, and their respective heirs, executors, administrators, successors, and assigns. The failure to specifically include or refer to any particular article, section, or provision of the Plan, the Plan Supplement, or any related document in this Confirmation Order shall not diminish or impair the effectiveness of such article, section, or provision, it being the intent of the Bankruptcy Court that the Plan, the Plan Supplement, or any related document be approved and confirmed in their entirety, except as expressly modified herein, and incorporated herein by reference. Once finalized and executed, the documents comprising the Plan Supplement and all other documents contemplated for consummation of the Plan shall, as applicable, constitute legal, valid, binding, and authorized obligations of the respective parties thereto, enforceable in accordance with their terms and the terms of the Plan and this Confirmation Order.

7. After the Confirmation Date and prior to substantial consummation of the Plan, the

Debtors may institute proceedings in the Bankruptcy Court pursuant to section 1127(b) of the Bankruptcy Code to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or this Confirmation Order with respect to such matters as may be necessary to carry out the purposes and effects of the Plan; provided, however, that prior to the Effective Date, the Debtors may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court, where such technical adjustments and modifications do not materially and adversely affect the treatment of Holders of Claims or Interests.

8. The Plan transactions are hereby approved. The Debtors and the Liquidating Trustee as applicable, are authorized (but not directed) to take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan. Without in any way limiting the foregoing, this Confirmation Order shall constitute (a) approval by the Bankruptcy Court of establishing the Liquidating Trust on the Effective Date, and (b) authorization (but not direction) for the Debtors and Liquidating Trustee to enter into and execute the Liquidating Trust Agreement, and any such other documents as may be required to effectuate the foregoing and issuance of Trust Units pursuant to the Plan and Liquidating Trust Agreement.

9. The compromises and settlements set forth in the Plan are approved and shall be, effective as of the Effective Date, binding on all parties in interest in the Chapter 11 Cases. In accordance with the provisions of the Plan and, to the extent applicable, pursuant to Bankruptcy Rule 9019, without any further notice to, or action, order, or approval of, the Bankruptcy Court, after the Effective Date, the Liquidating Trustee may compromise and settle Claims against, and Interests in, the Debtors and their Estates and Causes of Action against other Entities.

10. The classification of all Allowed Claims and Interests and the respective distributions and treatments thereof under the Plan take into account, conform to, and satisfy the relative priority and rights of the Claims and Interests in accordance with any contractual, legal, and equitable subordination rights relating thereto.

11. This Confirmation Order shall constitute, to the greatest extent permissible, all approvals and consents, if any, required by the laws, rules or regulations of any state or any governmental authority with respect to the implementation or consummation of the Plan and any act that may be necessary or appropriate for the implementation or consummation of the Plan or the transaction contemplated by the Plan and this Confirmation Order.

12. Each federal, state, commonwealth, local, foreign, or other governmental agency is authorized and directed to accept for filing and/or recording any and all documents, mortgages, and instruments necessary or appropriate to effectuate, implement, or consummate the transactions contemplated by the Plan and this Confirmation Order, including, without limitation, this Confirmation Order itself.

13. Pursuant to Bankruptcy Rule 3020(c)(1), the following Plan provisions are expressly approved and shall be effective on the Effective Date without further order or action by the Bankruptcy Court or any other Entity: (i) Debtor Releases (Article IX.B); (ii) Third-Party Release (Article IX.C); (iii) Exculpation (Article IX.D); and (iv) Plan Injunction (Article IX.E).

14. Notwithstanding anything herein, the Liquidating Trust shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action on the terms set forth in the Plan. For the avoidance of doubt, notwithstanding anything to the contrary in the Plan or this Confirmation Order, all of the Debtors' rights and claims under the Sale Documents, including against Buyer, are preserved and vest with the Liquidating Trust.

15. Except as otherwise provided in the Plan or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Debtors and their successors and assigns. Any Holder of a Secured Claim or any agent for such Holder that has filed or recorded publicly any Liens and/or security interests to secure such Holder's Secured Claim shall, as soon as practicable on or after the Effective Date, take any and all steps requested by the Liquidating Trustee that are necessary or desirable to record or effectuate the cancellation and/or extinguishment of such Liens and/or security interests, including the making of any applicable filings or recordings, and the Liquidating Trustee shall be entitled to make any such filings or recordings on such Holder's behalf.

16. On the Effective Date, the Creditors' Committee shall be deemed to be dissolved and the members of the Creditors' Committee shall be released and discharged from all further authority, duties, responsibilities, and obligations arising from or related to the Chapter 11 Cases and Retained Professionals shall be released and discharged from all further authority, duties, responsibilities, and obligations relating to the Debtors and the Chapter 11 Cases; provided, however, that (a) the foregoing shall not apply to any matters concerning any Professional Fee Claims held or asserted by any Retained Professional or reimbursement of any reasonable and documented expenses of the Creditors' Committee's members incurred in their capacity as such, and (b) the Liquidating Trustee shall be deemed the successor to, and entitled to enforce, any rights of, the Creditors' Committee in connection with any dispute concerning the Committee Settlement.

17. On the Effective Date, all agreements and other documents evidencing (a) any Claim or rights of any Holder of a Claim against the Debtors, including any notes evidencing such Claims or (b) any Interest in the Debtors, including any options or warrants to purchase Interests, shall be cancelled. The Holders of, or parties to, such cancelled agreements and documents shall have no rights arising from or relating to such agreements and documents or the cancellation thereof, except as to the allowance and distribution on pre-Confirmation Claims in respect thereof as provided pursuant to the Plan. Each distribution under the Plan shall be governed by the terms and conditions set forth herein and in the Plan applicable to such distribution and by the terms and conditions of the instruments evidencing or relating to such Claim, if any, which terms and conditions shall bind each entity receiving such distribution.

B. Creation of Liquidating Trust; Issuance of Trust Units

18. The creation of the Liquidating Trust, and the transfer of the Debtors' assets to the Liquidating Trust, shall not be subject to avoidance for any purposes whatsoever, and shall not constitute a voidable transfer under the Bankruptcy Code or any other applicable non-bankruptcy law.

19. The Trust Units are hereby approved and authorized in all respects. The Liquidating Trustee is authorized, without further approval of the Bankruptcy Court or any other party, to (a) issue and distribute the Trust Units in accordance with the Plan and Liquidating Trust Agreement, (b) execute and deliver all agreements, documents, instruments, and certificates relating thereto, and (c) perform their obligations thereunder.

20. To the maximum extent provided by section 1145 of the Bankruptcy Code and applicable non-bankruptcy law, the offering, issuance, and distribution of the Trust Units are exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act and any other applicable state and federal law of the United States

requiring registration and/or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code.

21. On and after the Effective Date, the Liquidating Trustee is charged with administering the Claims, and has the sole authority to (a) file, withdraw, or litigate to judgment, objections to Claims or Interests; (b) settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (C) administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

22. In the event of an inconsistency between the Plan and the Liquidating Trust Agreement, the Plan shall control in all respects.

C. Rejection of Contracts; Bar Date

23. On the Effective Date, except as otherwise provided in the Plan (which exclusion includes the Insurance Policies), all Executory Contracts or Unexpired Leases not previously assumed, assumed and assigned, or rejected pursuant to an order of the Bankruptcy Court, will be **deemed rejected**, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code other than those Executory Contracts or Unexpired Leases that are the subject of a motion to assume that is pending on the Confirmation Date; provided, however, that any rejection of any agreement with ADP, LLC shall not affect its processing and administration of the Debtors' payroll tax credits (including, without limitation, the Earned Retention Credit).

24. If the rejection of an Executory Contract or Unexpired Lease pursuant to the Plan and this Confirmation Order results in a Claim, **then, unless otherwise ordered by the Court, such Claim shall be forever barred and shall not be enforceable against the Debtors, the Estates, the Liquidating Trustee, Liquidating Trust, or any of their respective assets and properties** unless a Proof of Claim is Filed with the Notice and Claims Agent and served upon

counsel to the Liquidating Trustee within thirty (30) days of the Effective Date. The foregoing applies only to Claims arising from the rejection of an Executory Contract or Unexpired Lease under the Plan; any other Claims held by a party to a rejected Executory Contract or Unexpired Lease shall have been evidenced by a Proof of Claim Filed by the applicable Bar Date or shall be barred and unenforceable. Claims arising from the rejection of Executory Contracts or Unexpired Leases under the Plan and Confirmation Order shall be classified as General Unsecured Claims and shall, if Allowed, be treated in accordance with Article III.B.3 of the Plan.

25. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease pursuant to the Confirmation Order and Plan that are not timely Filed within thirty (30) days of the Effective Date will be automatically disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, the Estates, the Liquidating Trustee, Liquidating Trust, or any of their respective assets and properties, without the need for any objection by the Liquidating Trustee or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any such Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully released and waived, notwithstanding anything in the Schedules or a Proof of Claim to the contrary.

D. United States Trustee Fees

26. All fees payable pursuant to 28 U.S.C. § 1930 and any applicable interest thereon that are due and payable as of the Effective Date shall be paid in full in Cash by the Debtors or the Liquidating Trustee on the Effective Date. All such fees and any applicable interest thereon that become due and payable after the Effective Date shall be paid by the Liquidating Trustee from the Liquidating Trust Assets when such fees become due and payable. All such fees and any applicable interest thereon shall continue to become due and payable until the entry of a final decree closing

of the applicable Chapter 11 Case or conversion or dismissal of the applicable Chapter 11 Case, whichever is earlier. For the avoidance of doubt, no Governmental Unit is required to File a request for an Administrative Claim for Statutory Fees.

E. Notice of Confirmation and Effectiveness

27. The Notice and Claims Agent shall serve notice of the entry of this Confirmation Order on (a) all Holders of Claims or Interests and (b) those other parties on whom the Plan, Disclosure Statement, and related documents were served. Such service constitutes good and sufficient notice on all parties in interest pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c).

28. On the Effective Date, or as soon thereafter as is reasonably practicable, the Debtors shall file with the Bankruptcy Court a notice of Effective Date of the Plan (the “Notice of Effective Date”), substantially in the form annexed hereto as **Exhibit B**, and shall mail or cause to be mailed by first-class mail to (a) Holders of Claims and or Interests and (b) those persons who have filed with the Bankruptcy Court requests for notices pursuant to Bankruptcy Rule 2002 a copy of the Notice of Effective Date; provided, however, that the Debtors and the Liquidating Trustee shall not be required to transmit the Notice of Effective Date to any Holders of Claims or Interests for which applicable Solicitation Materials were returned to the Notice and Claims Agent as undeliverable. No other or further notice of the entry of this Confirmation Order and occurrence of the Effective Date shall be necessary.

F. Administrative Claims Bar Date

29. Except for Professional Fee Claims, and notwithstanding any prior Filing or Proof of Claim (other than 503(b)(9) Claims), requests for allowance and payment of Administrative Claims must be Filed and served by motion on the Debtors or the Liquidating Trustee and their counsel, no later than the Administrative Claims Bar Date, which shall be ninety (90) days after the Effective Date. For the avoidance of doubt, Holders of Administrative Claims based on

liabilities incurred by the Debtors in the ordinary course of their businesses after the Petition Date must File and serve a motion for allowance and payment of Administrative Claims by the Administrative Claims Bar Date.

30. Such motion for allowance of an Administrative Claim must include at a minimum: (i) the name of the applicable Debtor that is purported to be liable for the Administrative Claim and, if the Administrative Claim is asserted against more than one Debtor, the exact amount asserted to be owed by each such Debtor; (ii) the name of the Holder of the Administrative Claim; (iii) the asserted amount of the Administrative Claim; (iv) the basis of the Administrative Claim; and (v) supporting documentation for the Administrative Claim.

31. A notice setting forth the Administrative Claims Bar Date will be (i) filed on the Bankruptcy Court's docket, and included in and served with the Notice of Effective Date (as defined herein); and (ii) posted on the Debtors' Case Information Website. No other notice of the Administrative Claims Bar Date will be provided.

32. **Except as otherwise provided in Articles II.B or II.D of the Plan, Holders of Administrative Claims that do not File and serve a motion by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting Administrative Claims against the Debtors, the Estates, the Liquidating Trust, the Liquidating Trustee, or their assets and properties, and any Administrative Claims shall be deemed disallowed as of the Effective Date without the need for any notices, objection, or other action from the Debtors or Liquidating Trustee (as applicable) or any action or approval by the Bankruptcy Court. For the avoidance of doubt, a Proof of Claim asserting an Administrative Claim (other than 503(b)(9) Claims) does not constitute a request for allowance and payment of Administrative Claims, and a motion must be Filed as provided herein and in the Plan.**

G. Professional Fees Bar Date.

33. All requests for payment of Professional Fee Claims by Retained Professionals (other than OCPs) for services rendered and reimbursement of expenses incurred prior to the Effective Date must be Filed no later than thirty (30) days after the Effective Date.

34. All requests for payment of Professional Fee Claims of OCPs shall be made pursuant to the OCP Order. The amount of Professional Fee Claims owing to the OCPs shall be paid in Cash to such OCPs by the Debtors or the Liquidating Trustee (as applicable) from the Professional Fee Escrow Account (and if amounts remain outstanding, from Cash on hand or Liquidating Trust Assets (as applicable)) as soon as reasonably practicable after such Professional Fee Claims are Allowed pursuant to the OCP Order.

H. Professional Fee Escrow Account.

35. On or before the Effective Date, the Debtors or the Liquidating Trustee (as applicable) shall, if and to the extent necessary, fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Reserve Amount, plus \$18,223.70 for the postpetition fees and expenses incurred by ASK LLP as counsel for the Debtors' board. The Liquidating Trustee is charged with administering the Professional Fee Escrow Account after the Effective Date and making payments from the Professional Fee Escrow Account for the Retained Professionals (and OCPs if applicable).

36. The Liquidating Trustee shall maintain the Professional Fee Escrow Account for the benefit of Retained Professionals as is currently being maintained by Debtors (*i.e.*, in a separate bank account and on a per-Retained Professional basis), provided, further, that the Liquidating Trustee is permitted to open a new bank account to transfer funds from the Debtors' Professional Fee Escrow Account, at which point such new account shall be deemed the Professional Fee

Escrow Account and the funds therein shall be used pursuant to the terms of the Confirmation Order and Plan.

37. The Professional Fee Escrow Account and amounts funded therein for a Retained Professional are and shall continue to be maintained in trust solely for each Retained Professional separately on a per-Retained Professional basis. Notwithstanding anything to the contrary in the Plan or Liquidating Trust Agreement, the funds in the Professional Fee Escrow Account shall not be considered property of the Debtors, their Estates, or the Liquidating Trust; provided, however, the Liquidating Trust shall have a reversionary interest in any Cash remaining in the Professional Fee Escrow Account after payment in full of all Professional Fee Claims Allowed by the Bankruptcy Court at any time without any further notice, action, or order of the Bankruptcy Court. Unless otherwise agreed to (1) by the Debtors and the Retained Professional prior to the Effective Date or (2) by the Liquidating Trustee and the Retained Professional after the Effective Date, the amount of Professional Fee Claims owing to such Retained Professional shall be paid in Cash by the Liquidating Trustee as soon as reasonably practicable after its Professional Fee Claims are Allowed by order of the Bankruptcy Court, first from the Professional Fee Escrow Account and second, if any Allowed Professional Fee Claim remains outstanding, from the Liquidating Trust Assets. For the avoidance of doubt, the amount escrowed for each Retained Professional on the Effective Date is not a cap on such Retained Professional's Professional Fee Claim.

I. Payment of Legal Fees under Insurance Policy.

38. The automatic stay imposed by section 362 of the Bankruptcy Code and any stay or injunction imposed by the Bankruptcy Code, Bankruptcy Rules, Plan and this Confirmation Order is modified to the extent necessary to allow insurers to pay, reimburse, and/or advance insurance proceeds under the Side A portion of the D&O Policies issued to the Debtors (including for the benefit of the Debtors' directors and officers) for Losses and Defense Costs and all other

types of costs covered under the D&O Policies, whenever incurred by Insured Persons (including Cole) as provided for in the respective D&O Policies, and such payments, reimbursements and/or advances of insurance proceeds under the D&O Policies are expressly authorized. Beginning on the Effective Date, but not more frequently than on a quarterly basis, the Liquidating Trustee shall be entitled to reasonably request from the insurer and obtain (i) the total amount that has been advanced or paid by the insurers under the D&O Policies during that reporting period; (ii) the total amount advanced to date under each D&O Policy; and (iii) the remaining available limits under the D&O Policies.

J. Miscellaneous.

39. Notwithstanding anything in the Plan or this Confirmation Order to the contrary, ABC Home shall not be dissolved until the earlier of sixty (60) days following the effective date or such time as those certain liquor licenses associated with those restaurants doing business as ABC Kitchen, ABC Cocina, and ABC V (the "Liquor Licenses"), which Liquor Licenses were previously sold by ABC Home to ABC Kitchen(s), LLC ("Kitchen(s)"), subject to the post-closing condition that the parties obtain all necessary governmental and regulatory approvals for the transfer of the Liquor Licenses, have been transferred to ABC Kitchen(s), LLC, *provided that* Kitchen(s) reimburses the Liquidating Trust for any reasonable costs associated with maintaining ABC Home. Notwithstanding the foregoing, (i) to the extent the Liquor Licenses have not been transferred to Kitchen(s) within sixty (60) days of the Effective Date, Kitchen(s) may request further extensions of time from the Liquidating Trustee subject to providing adequate assurance to the Liquidating Trustee that any reasonable costs associated with maintaining ABC Home will be reimbursed by Kitchen(s), and (ii) nothing contained in this paragraph shall prejudice the Liquidating Trustee's rights to seek reimbursement from Kitchen(s) or pursue any claims arising out of Kitchen(s)' use of the Liquor Licenses.

40. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation all such instruments or other documents governing or evidencing such transfers without the payment of any such tax, recordation fee, or governmental assessment. Such exemption specifically applies, without limitation, to the transfer of the Liquidating Trust Assets to the Liquidating Trust and issuance of the Trust Units. Federal, state, or local governmental officials or agents are hereby directed to forego the collection of any such tax or governmental assessment and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

41. Pursuant to sections 1123(a) and 1142(a) of the Bankruptcy Code and the provisions of this Confirmation Order, the Plan and all Plan-related documents shall apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

42. In the event that any payment, distribution, act or deadline under the Plan is required to be made or performed or occurs on a day that is not a Business Day, then the making of such payment or distribution, the performance of such act or the occurrence of such deadline shall be deemed to be on the next succeeding Business Day, but shall be deemed to have been completed or to have occurred as of the required date.

43. The requirements of Bankruptcy Rule 3020(e) that an order confirming a plan is stayed until the expiration of fourteen (14) days after entry are hereby waived. The terms of this

Confirmation Order shall be immediately effective and shall not be stayed pursuant to Bankruptcy Rules 3020(e), 6004(h), 6006(d), or 7062. Immediately upon the entry of this Confirmation Order, the provisions of the Plan shall be binding upon and inure to the benefit of (i) the Debtors, (ii) the Liquidating Trustee, (iii) every Holder of a Claim against or Interest in any Debtor, regardless of whether the Claim or Interest of such Holder is Impaired under the Plan or whether such Holder has accepted the Plan, (iv) each Person acquiring property under the Plan, (v) any other party in interest, (vi) any Person making an appearance in the Chapter 11 Cases, and (vii) each of the foregoing's respective heirs, successors, assigns, trustees, executors, administrators, affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, or guardians.

44. Except as otherwise provided in this Confirmation Order, if any or all of the provisions of this Confirmation Order are hereafter reversed, modified, vacated, or stayed by subsequent order of the Bankruptcy Court, or any other court, such reversal, modification, vacatur, or stay shall not affect the validity or enforceability of any act, obligation, indebtedness, liability, priority, or Lien incurred or undertaken by the Debtors, the Liquidating Trustee or any other party authorized or required to take action to implement the Plan, as applicable, prior to the effective date of such reversal, modification, vacatur, or stay. Notwithstanding any such reversal, modification, vacatur, or stay of this Confirmation Order, any act or obligation incurred or undertaken pursuant to, or in reliance on this Confirmation Order prior to the effective date of such reversal, modification, vacatur, or stay shall be governed in all respects by the provisions of this Confirmation Order, the Plan, the Plan Supplement, or any amendments or modifications to the foregoing.

45. The Debtors are authorized to consummate the Plan at any time after the entry of this Confirmation Order subject to satisfaction or waiver of the conditions precedent to effectiveness set forth in Article VIII of the Plan.

46. On the Effective Date, the Plan shall be deemed substantially consummated as to each Debtor under sections 1101(2) and 1127(b) of the Bankruptcy Code.

47. The provisions of the Plan and this Confirmation Order shall be construed in a manner consistent with each other so as to effect the purpose of each; provided, however, that if there is determined to be any inconsistency between any Plan provision and any provision of this Confirmation Order that cannot be so reconciled, then solely to the extent of such inconsistency, the provisions of this Confirmation Order shall govern, and any provision of this Confirmation Order shall be deemed a modification of the Plan and shall control and take precedence. Notwithstanding anything to the contrary herein, nothing in the Plan or this Confirmation Order shall affect, impair or supersede the 9019 Order or the Committee Settlement, or the Sale Order or Sale Documents, each of which remains in full force and effect and governs in the event of inconsistency with the Plan or this Confirmation Order.

48. This Bankruptcy Court shall retain jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Confirmation Order and all matters arising in and under, and related to, these Chapter 11 Cases, as set forth in Article VIII of the Plan, or pursuant to section 1142 of the Bankruptcy Code.

Dated: New York, New York
March 3, 2022

s/ David S. Jones
HONORABLE DAVID S. JONES
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Plan

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

A.B.C. CARPET CO., INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 21-11591 (DSJ)

(Jointly Administered)

**AMENDED DEBTORS' JOINT CHAPTER 11 PLAN OF LIQUIDATION
FOR A.B.C. CARPET CO., INC., *ET AL.* (AS FURTHER MODIFIED)**

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Dated: February 28, 2022
New York, New York

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are A.B.C. Carpet Co., Inc. (6537), A.B.C. Home Furnishings, Inc. (6915), and A.B.C. Oriental Carpets, Inc. (3679).

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INTRODUCTION

A.B.C. Carpet Co., Inc., A.B.C. Home Furnishings, Inc., and A.B.C. Oriental Carpets, Inc. (each a “Debtor” and collectively, the “Debtors”) propose this chapter 11 plan (this “Plan”)² under section 1121 of the Bankruptcy Code. The Debtors are proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code. The Creditors’ Committee has reviewed and supports this Plan; it is not, however, a co-proponent of the Plan. Capitalized terms used in the Plan and not otherwise defined have the meanings ascribed to such terms in Article I of this Plan.

Reference is made to the Disclosure Statement Filed contemporaneously with the Plan for a discussion of the Debtors’ history, business, historical financial information, and liquidation analysis, as well as a summary and analysis of the Plan and certain related matters, including distributions to be made under this Plan.

ALL HOLDERS OF CLAIMS AND INTERESTS ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

Article I. DEFINED TERMS AND RULES OF INTERPRETATION

A. Definitions

The following terms, when used in this Plan, or any subsequent amendments or modifications thereof, have the respective meanings hereinafter set forth and shall be equally applicable to the singular and plural of terms defined.

1. “503(b)(9) Claim” means a Claim entitled to priority under section 503(b)(9) of the Bankruptcy Code.

2. “9019 Order” means the *Order Pursuant to Section 105(a) of the Bankruptcy Code and Rule 9019 of the Federal Rules of Bankruptcy Procedure Approving Settlement Between the Debtors, the Official Committee of Unsecured Creditors, 888 Capital Partners, LLC, and Paulette Cole* [Docket No. 227], entered on October 27, 2021.

3. “ABC Carpet” means A.B.C. Carpet Co., Inc.

4. “ABC Home” means A.B.C. Home Furnishings, Inc.

5. “ABC OC” means A.B.C. Oriental Carpets, Inc.

6. “Accrued Professional Compensation Claims” means at any given moment, all Claims for accrued fees and expenses for services rendered by a Retained Professional from November 1, 2021 through and including the Effective Date, to the extent such fees and expenses have not been paid pursuant to the Interim Compensation Order, OCP Order, or any other order of the Bankruptcy Court and regardless of whether a fee application has been Filed for such fees and expenses. To the extent the Bankruptcy Court denies or reduces Accrued Professional Compensation Claims by a Final Order any amount of a Retained Professional’s fees or expenses, then the amount by which such fees or expenses are reduced or denied shall

² The Filing of this Plan shall not affect, impair, or waive the Debtors’ exclusive right to File and solicit a plan.

reduce the applicable Accrued Professional Compensation Claims. For the avoidance of doubt, the Accrued Professional Compensation Claim shall not include any Claims for fees and expenses for services rendered by a Retained Professional prior to the Sale closing.

7. “Administrative Claim” means a Claim entitled to priority under section 503(b) (including sections 503(b)(3), 503(b)(4) or 503(b)(5) of the Bankruptcy Code), 507(a)(2), or 507(b) of the Bankruptcy Code, including actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Estates and operating the business of the Debtors.

8. “Administrative Claims Bar Date” means the deadline for Filing all requests for allowance and payment of Administrative Claims, which shall be ninety (90) days after the Effective Date.

9. “Allowed” means, with respect to any Claim, except as otherwise provided in the Plan: (a) a Claim that is evidenced by a Proof of Claim Filed by the Bar Date (or for which Claim under the Plan, the Bankruptcy Code, or pursuant to a Final Order a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim, as applicable, has been timely Filed; or (c) a Claim Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; provided that with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that, with respect to such Claim, no objection to the allowance thereof has been interposed by any party in interest within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim, as applicable, shall have been Allowed by a Final Order. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors or the Liquidating Trustee (as applicable) and without further notice to any party or action, approval, or order of the Bankruptcy Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes the Debtors to the Debtors or the Liquidating Trust (as applicable). For the avoidance of doubt, unless agreed to in writing by the Debtors or the Liquidating Trustee (as applicable), a Proof of Claim Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-Filed Claim. “Allow” and “Allowing” shall have correlative meanings.

10. “Avoidance Actions” means any and all avoidance, recovery, subordination, or other claims, actions, or remedies that may be brought by or on behalf of any Debtor or the Estates or other authorized parties in interest under the Bankruptcy Code or applicable non-bankruptcy law, including actions or remedies under sections 502, 510, 542, 544, 545, 547 through 553, and 724(a) of the Bankruptcy Code or under similar or related state or federal statutes and common law, including fraudulent transfer laws; provided, however, Avoidance Actions shall exclude any avoidance, recovery, or other claims or actions transferred to Buyer pursuant to the Sale Documents.

11. “Bankruptcy Code” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended from time to time.

12. “Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of New York.

13. “Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, 28 U.S.C. § 2075, as applicable to the Chapter 11 Cases, and the general, local, and chambers rules of the Bankruptcy Court.

14. “Bar Date” means, as applicable, the Administrative Claims Bar Date and any other date or dates established by an order of the Bankruptcy Court by which Proofs of Claim must be Filed, including the general bar date of November 12, 2021 and the bar date of March 7, 2022 for Governmental Units, as set forth in the *Order Establishing Deadline for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof* [Docket No. 140, as amended by Docket No. 192]; provided, for the avoidance of doubt, that Professional Fee Claims shall be Filed in accordance with Article II.B of the Plan.

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

16. “Buyer” means 888 Capital Partners, LLC.

17. “Cash” means cash and cash equivalents in legal tender of the United States of America.

18. “Causes of Action” means any claims, interests, damages, remedies, causes of action, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, Liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable, directly or derivatively, matured or unmatured, suspected or unsuspected, in contract, tort, law, equity, or otherwise, with the exception, as to each, of those transferred to Buyer pursuant to the Sale Documents. Causes of Action also include: (a) all rights of setoff, counterclaim, or recoupment and claims under contracts or for breaches of duties imposed by law; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code; and (d) such claims and defenses as fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code, with the exception, as to each, of those transferred to Buyer pursuant to the Sale Documents.

19. “Chapter 11 Cases” means the chapter 11 cases Filed by the Debtors under chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

20. “Claim” means any claim, as defined in section 101(5) of the Bankruptcy Code, against any Debtor or any Estate.

21. “Claims Objection Bar Date” means the date that is one hundred eighty (180) days after the Effective Date, which date may be extended upon presentment of an order to the Bankruptcy Court by the Liquidating Trustee.

22. “Claims Register” means the official register of Claims maintained by the Notice and Claims Agent.

23. “Class” means a category of Claims or Interests as established by and set forth in Article III of this Plan pursuant to section 1122(a) of the Bankruptcy Code.

24. “Cole” means Ms. Paulette Cole.

25. “Committee Settlement” means that certain settlement by and among the Debtors, the Creditors’ Committee, Buyer and Cole approved by the 9019 Order.

26. “Confirmation” means the entry of the Confirmation Order by the Bankruptcy Court on the docket of the Chapter 11 Cases.

27. “Confirmation Date” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases.

28. “Confirmation Hearing” means the hearing(s) conducted by the Bankruptcy Court pursuant to section 1128(a) of the Bankruptcy Code to consider Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code, as such hearing may be adjourned or continued from time to time.

29. “Confirmation Order” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

30. “Creditors’ Committee” means the official committee of unsecured creditors appointed in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

31. “Cure” means all amounts, including an amount of \$0.00, required to cure any monetary defaults under any Executory Contract or Unexpired Lease (or such lesser amount as may be agreed upon by the parties under an Executory Contract or Unexpired Lease) that is to be assumed by the Debtors pursuant to sections 365 or 1123 of the Bankruptcy Code.

32. “D&O Coverage” means the extent of insurance coverage for the Debtors’ directors and officers under the D&O Policies.

33. “D&O Policies” means, collectively, the Debtors’ directors & officers liability insurance policies, including Federal Insurance Company, policy number 8250-5275; QBE Insurance Corporation, policy number 100010126; Allied World Insurance Company, policy number 0312-0613; and any other applicable Directors & Officers liability insurance policies (including primary insurance, excess insurance, or tail insurance policies).

34. “Debtor Releases” means the releases set forth in Article IX.B of this Plan.

35. “DIP Credit Agreement” means that certain *Post-Petition Loan and Security Agreement*, dated as of September 10, 2021, entered into by and between the Debtors and the DIP Lender (as may have been amended, supplemented, or otherwise modified from time).

36. “DIP Facility” means that certain debtor-in-possession financing facility available pursuant to the DIP Loan Documents.

37. “DIP Lender” means 888 Capital Partners, LLC, in its capacity as lender under the DIP Loan Documents.

38. “DIP Loan Documents” means, collectively, the DIP Credit Agreement and all agreements, documents and instruments related thereto, including the DIP Orders.

39. “DIP Orders” means, collectively, the Interim DIP Order and the Final DIP Order.

40. “Disbursing Agent” means the Liquidating Trustee or the Entity(ies) selected by the Liquidating Trustee to make or to facilitate distributions pursuant to the Plan.

41. “Disclosure Statement” means the *Disclosure Statement for Amended Debtors’ Joint Chapter 11 Plan of Liquidation for A.B.C. Carpet Co., Inc., et al. (as Modified)*, dated January 28, 2022 (as may be amended, supplemented or modified from time to time), including all exhibits and schedules thereto

and references therein that relate to the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law.

42. “Disputed” means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed.

43. “Distribution Record Date” means the date for determining which Holders of Claims are eligible to receive distributions under the Plan, which date shall be the Confirmation Date or such other date as designated in a Final Order of the Bankruptcy Court.

44. “Effective Date” means the date that is the first Business Day after the Confirmation Date on which (a) no stay of the Confirmation Order is in effect, (b) all conditions precedent to the occurrence of the Effective Date set forth in Article VIII.A of the Plan have been satisfied or waived in accordance with Article VIII.B of the Plan, and (c) the Debtors declare the Plan effective. Any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable thereafter. The Debtors or the Liquidating Trustee will File and serve a notice of the occurrence of the Effective Date.

45. “Entity” means any “entity,” as defined in section 101(15) of the Bankruptcy Code.

46. “Estates” means the bankruptcy estates of the Debtors created pursuant to section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases.

47. “Exculpated Parties” or “Exculpated Party” means, in each case in its capacity as such: (a) the Debtors, (b) the Debtors’ directors and officers during the Chapter 11 Cases, (c) the Creditors’ Committee and all members thereof, and (d) the Retained Professionals.

48. “Executory Contract” means a contract to which any Debtor is a party and subject to assumption or rejection under section 365 of the Bankruptcy Code.

49. “File” or “Filed” means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases, or, in the case of a Proof of Claim or a Proof of Interest, the Notice and Claims Agent.

50. “Final DIP Order” means the *Final Order (A) Authorizing Debtors and Debtors in Possession to Obtain Superpriority Postpetition Financing, (B) Authorizing Use of Cash Collateral, (C) Granting Liens and Superpriority Claims, (D) Granting Adequate Protection to Prepetition Secured Party, (E) Modifying the Automatic Stay, and (F) Granting Related Relief* [Docket No. 123], entered on October 1, 2021.

51. “Final Order” means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, seek reconsideration under Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure, seek a new trial, reargument, or rehearing and, where applicable, petition for certiorari has expired and no appeal, motion for reconsideration under Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure, motion for a new trial, reargument or rehearing or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought, or as to which any motion for reconsideration that has been filed pursuant to Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure or any motion for a new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; provided that the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil

Procedure or Bankruptcy Rule 9024, or any analogous rule, may be filed relating to such order or judgment shall not cause such order or judgment not to be a Final Order.

52. “General Unsecured Claim” means any Claim other than a(n): (a) DIP Facility Claim, (a) Administrative Claim, (b) Professional Fee Claim, (c) Priority Tax Claim, (d) Secured Claim, (e) Other Priority Claim, or (f) Subordinated Claim.

53. “Governmental Unit” means a “governmental unit,” as defined in section 101(27) of the Bankruptcy Code.

54. “Holder” means an Entity holding a Claim or Interest.

55. “Impaired” means “impaired” within the meaning of section 1124 of the Bankruptcy Code.

56. “Insurance Policies” means all insurance policies of the Debtors not sold to Buyer in the Sale, including, but not limited to, any D&O Policy.

57. “Intercompany Claims” means a Claim by any Debtor against another Debtor.

58. “Interest” means any issued, unissued, authorized, or outstanding shares of common equity, preferred stock, or other instrument evidencing an ownership or economic interest in any Debtor.

59. “Interim DIP Order” means the *Interim Order (A) Authorizing Debtors and Debtors in Possession to Obtain Superpriority Postpetition Financing, (B) Authorizing Use of Cash Collateral, (C) Granting Liens and Superpriority Claims, (D) Granting Adequate Protection to Prepetition Secured Party, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief* [Docket No. 39], entered on September 13, 2021.

60. “Interim Compensation Order” means the *Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Professionals* [Docket No. 78], entered on September 24, 2021.

61. “IRS Form” means IRS Form W-9, W-8BEN, any acceptable substitute, or any other tax information form that the Debtors or the Liquidating Trustee (as applicable) may require from a Holder of a Claim for a distribution under the Plan.

62. “Lien” means a “lien,” as defined in section 101(37) of the Bankruptcy Code.

63. “Liquidating Trust” means the liquidating trust established on the Effective Date pursuant to Article IV of the Plan and the Liquidating Trust Agreement.

64. “Liquidating Trust Agreement” means the agreement to be executed as of the Effective Date establishing the Liquidating Trust pursuant to this Plan and to be Filed as part of the Plan Supplement.

65. “Liquidating Trust Assets” means all assets of the Debtors and the Estates as of the Effective Date (and, for the avoidance of doubt, excluding assets transferred to Buyer pursuant to the Sale Documents and the Professional Fee Escrow Account), including Cash on hand, Causes of Action, and the D&O Policies.

66. “Liquidating Trust Beneficiaries” means, collectively, all creditors who are entitled to receive a distribution under this Plan, other than Retained Professionals.

67. “Liquidating Trust Oversight Committee” means a committee, if any, appointed pursuant to Article IV.L.8 of the Plan and the Liquidating Trust Agreement and identified in the Plan Supplement, which, if appointed, shall have the responsibility to review and advise the Liquidating Trustee with respect to the liquidation and distribution of the Estates’ assets in accordance with the Liquidating Trust Agreement and this Plan.

68. “Liquidating Trust Primary Recovery Units” means the liquidating trust units, which, in the aggregate, shall entitle the holders thereof to receive distributions from the Liquidating Trust, in accordance with the Plan and the terms of the Liquidating Trust Agreement. The Liquidating Trust Primary Recovery Units shall be distributed to Holders of Allowed Class 3 Claims. The total amount of Liquidating Trust Primary Recovery Units shall equal to the total amount of Allowed Class 3 Claims. For the avoidance of doubt, the Liquidating Trust Primary Recovery Units will only be entitled to a distribution from the Liquidating Trust Assets after payment in full of any Allowed Administrative Claims, Professional Fee Claims, Priority Tax Claims, Secured Claims, and Other Priority Claims.

69. “Liquidating Trust Secondary Recovery Units” means the liquidating trust units, which, in the aggregate, shall entitle the holders thereof to receive distributions from the Liquidating Trust, in accordance with the Plan and the terms of the Liquidating Trust Agreement. For the avoidance of doubt, the Liquidating Trust Secondary Recovery Units shall be distributed to Holders of Allowed Class 4 Claims. The total amount of Liquidating Trust Secondary Recovery Units shall equal to the total amount of Allowed Class 4 Claims. For the avoidance of doubt, the Liquidating Trust Secondary Recovery Units will only be entitled to a distribution from the Liquidating Trust Assets after payment in full of any Allowed Administrative Claims, Professional Fee Claims, Priority Tax Claims, Secured Claims, and Other Priority Claims, and after holders of Liquidating Trust Primary Recovery Units receive a distribution in full on account of Allowed General Unsecured Claims.

70. “Liquidating Trustee” means the trustee appointed jointly by the Debtors and Creditors’ Committee, and identified in the Plan Supplement, to act as trustee of and administer the Liquidating Trust, and any successor thereto.

71. “Notice and Claims Agent” means Bankruptcy Management Solutions, Inc. d/b/a Stretto in its capacity as noticing, claims, and solicitation agent for the Debtors, pursuant to orders of the Bankruptcy Court [Docket Nos. 30 & 213].

72. “OCP” has the meaning ascribed to such term in the *Debtors’ Motion for Entry of an Order (I) Authorizing the Retention and Compensation of Certain Professional Utilized in the Ordinary Course of Business and (II) Granting Related Relief* [Docket No. 62], which motion was approved pursuant to the OCP Order.

73. “OCP Order” means the *Order (I) Authorizing the Retention and Compensation of Certain Professional Utilized in the Ordinary Course of Business and (II) Granting Related Relief* [Docket No. 130] entered on October 4, 2021.

74. “Other Priority Claim” means any Claim, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

75. “Participation Interest” has the meaning ascribed to it under the DIP Orders.

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

77. “Petition Date” means September 8, 2021, the date on which each Debtor Filed its voluntary petition for relief under chapter 11 of the Bankruptcy Code, thereby commencing the Chapter 11 Cases.

78. “Plan” means this plan of reorganization under chapter 11 of the Bankruptcy Code, either in its present form or as it may be altered, amended, modified, or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules, or the terms hereof, as the case may be, and the Plan Supplement, which is incorporated herein by reference, including all exhibits and schedules hereto and thereto.

79. “Plan Expenses” means all actual and necessary fees, costs, expenses, and obligations incurred by or owed to the Liquidating Trustee and its agents, employees, attorneys, advisors, and other professionals in administering this Plan and the Liquidating Trust, including (a) reasonable compensation for services rendered and reimbursement for actual and necessary expenses incurred by the Liquidating Trustee and its agents, employees, and professionals after the Effective Date through and including the date upon which the Bankruptcy Court enters a final decree closing the Chapter 11 Cases, and (b) all Statutory Fees payable pursuant to the Plan.

80. “Plan Supplement” means a supplemental appendix to the Plan that shall be Filed by the Debtors no later than seven (7) days before the Voting Deadline to accept or reject the Plan or such later date as may be approved by the Bankruptcy Court on notice to parties in interest and that shall include, among other things, draft forms of documents (or term sheets thereof), schedules, and exhibits to the Plan, and as may be amended, modified, or supplemented from time to time on or prior to the Effective Date in accordance with the terms thereof and hereof, the Bankruptcy Code, and the Bankruptcy Rules, including the following documents: (a) the identity and compensation of the Liquidating Trustee; (b) the Liquidating Trust Agreement; (c) the members of the Liquidating Trust Oversight Committee, if any; (d) to the extent known, the identity of any insider that will be employed or retained by the Liquidating Trustee, and the nature of any compensation for such insider; and (e) other documentation necessary to effectuate the Plan or that is contemplated by the Plan.

81. “Prepetition Loan” has the meaning ascribed to such term in the DIP Orders.

82. “Prepetition Loan Documents” has the meaning ascribed to such term in the DIP Orders.

83. “Preserved D&O Claims” means all claims, causes of action and remedies of the Debtors against Cole in her capacity as a director or officer of the Debtors, but solely to the extent payable and paid from D&O Coverage.

84. “Priority Tax Claim” means a Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

85. “Professional Fee Claims” means a Claim (1) by a Retained Professional seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred after the Petition Date and on or before the Effective Date under sections 328, 330, 331 or 503(b)(2) of the Bankruptcy Code, as applicable, or (2) by an OCP for compensation for services rendered or reimbursement of expenses incurred after the Petition Date and on or before the Effective Date pursuant to the OCP Order.

86. “Professional Fee Escrow Account” means the “Professional Fee Escrow Account” as defined in the Sale Order and the account holding the “Professional Fee Reserve” as defined in the DIP Orders. Absent the written consent or payment in full by Final Order of the affected Retained Professional,

amounts escrowed in the Professional Fee Escrow Account are escrowed on a per-Retained Professional basis and may only be paid to the Retained Professional for which they were escrowed.

87. “Professional Fee Reserve Amount” means the aggregate of unpaid Professional Fee Claims and other unpaid fees and expenses incurred in rendering services to the Debtors and/or the Creditors’ Committee from November 1, 2021 through the Effective Date, which estimates shall be submitted by Retained Professionals or otherwise established by the Debtors pursuant to Article II.B.4 of the Plan.

88. “Proof of Claim” means a proof of Claim Filed against any Debtor in the Chapter 11 Cases.

89. “Proof of Interest” means a proof of Interest Filed against any Debtor in the Chapter 11 Cases.

90. “Purchase Agreement” has the meaning ascribed to such term in the Sale Order.

91. “Released Parties” or “Released Party” means, collectively, and in each case, in its capacity as such: (a) the Debtors; (b) the Creditors’ Committee and its members; and (c) with respect to the each of the foregoing Entities in clauses (a) through (b), such Entity’s current and former directors, managers, officers, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, except that Cole is not a Released Party with respect to the Preserved D&O Claims; provided, however, that any Entity or Person that opts out of the third-party release under Article IX.C of the Plan or otherwise objects to Confirmation of the Plan shall not be deemed a “Released Party” under this Plan.

92. “Releasing Parties” or “Releasing Party” means only: (a) a Holder of a Class 3 Claim that has affirmatively demonstrated its consent to granting such releases by (x) submitting a ballot affirmatively voting to accept the Plan and (y) not indicating on the ballot submitted by such Holder that it opts out of the release under Article IX.C of the Plan, (b) Holders of Allowed Subordinated Claims, and (c) with respect to the foregoing Entities in clauses (a) and (b), such Entity’s current directors, managers, officers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals (all only in their representative capacities for the Person or Entity affirmatively consenting to grant the release and not in their individual capacities or in a representative capacity of any other Person or Entity not giving a release under Article IX.C of the Plan)(the foregoing Entities and Persons identified in clause (c), the “Related Parties”), predecessors, successors, and assigns. For the avoidance of doubt, no Person or Entity shall be or shall be deemed to be a Releasing Party that: (1) is deemed to reject or deemed to accept the Plan on account of such Claim or Interest (as applicable); (2) votes to reject the Plan, (3) files an objection to the releases contained in the Plan; or (4) is entitled to vote on the Plan but does not return a ballot or returns a ballot after the Voting Deadline and its ballot is not accepted or considered for voting purposes. Notwithstanding the foregoing, Holders of Allowed Subordinated Claims shall be deemed to consent to the release set forth under Article IX.C of the Plan, on behalf of themselves and their Related Parties.

93. “Retained Professional” means an Entity employed in the Chapter 11 Cases pursuant to a Final Order in accordance with sections 327, 328, and/or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date, pursuant to sections 327, 328, 329, 330, or 331 of the Bankruptcy Code.

94. “Sale” means the transaction between and among the Debtors and Buyer pursuant to which the Debtors sold substantially all of their assets to the Buyer pursuant to sections 363 and 365 of the Bankruptcy Code, as set forth in the Sale Order and Purchase Agreement.

95. “Sale Documents” means, collectively, the Purchase Agreement and all agreements, documents and instruments related thereto, including the Sale Order.

96. “Sale Order” means the *Order (A) Authorizing Sale of All or Substantially All of Debtors’ Assets Free and Clear of Liens, Claims, Interests, and Encumbrances, (B) Authorizing Assumption and Assignment or Rejection of Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* [Docket No. 228], entered on October 27, 2021.

97. “Schedules” means, collectively, the schedules of assets and liabilities, schedule of Executory Contracts and Unexpired Leases and statement of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, the Bankruptcy Rules and the official bankruptcy forms, as the same may be amended, modified or supplemented from time to time.

98. “Secured Claim” means a Claim: (a) secured by a Lien on collateral, which Lien is valid, perfected and enforceable, to the extent of the value of such collateral, as determined in accordance with section 506(a) of the Bankruptcy Code or (b) subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

99. “Senior Prepetition Lender” has the meaning ascribed to it under the DIP Orders.

100. “Solicitation Procedures Order” means an order entered by the Bankruptcy Court [Docket No. 341] approving the Disclosure Statement and the solicitation of votes on the Plan.

101. “Statutory Fees” means any fees and charges assessed against the Estates under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911-1930.

102. “Subordinated Claims” means, subject to the terms of paragraph 3 of the 9019 Order, those Claims that the Subordinated Parties subordinated pursuant to the Committee Settlement, a schedule of which is attached hereto as Schedule 2.01. For the avoidance of doubt, to the extent it is determined by a Final Order of the Bankruptcy Court that Cole does not have the authority to bind any Claim listed on Schedule 2.01, such Claim shall not be a Subordinated Claim.

103. “Subordinated Party” has the meaning ascribed to it in the Committee Settlement.

104. “Unexpired Lease” means a lease to which any Debtor is a party and subject to assumption or rejection under section 365 of the Bankruptcy Code.

105. “Unimpaired” means, with respect to a Claim or Class of Claims, not “impaired” within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy Code.

106. “United States Trustee” means the United States Trustee for the Southern District of New York.

107. “Voting Deadline” means the “Voting Deadline,” as such term is defined in the Solicitation Procedures Order.

B. Rules of Interpretation

1. For purposes herein: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (b) unless otherwise specified, any reference herein to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) unless otherwise specified, any reference herein to an existing document or exhibit having been Filed or to be Filed shall mean that document or exhibit, as it may thereafter be amended, modified, or supplemented; (d) unless otherwise specified, all references herein to “Articles” are references to Articles of this Plan; (e) the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) the words “include” and “including” and variations thereof shall not be deemed to be terms of limitation and shall be deemed to be followed by the words “without limitation”; (g) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (j) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (k) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; and (l) any effectuating provisions may be interpreted by the Debtors or the Liquidating Trustee (as applicable) in such a manner that is consistent with the overall purpose and intent of the Plan without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall control.

2. All references in the Plan to monetary figures refer to currency of the United States of America, unless otherwise expressly provided.

C. Computation of Time

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

D. Controlling Document

In the event of an inconsistency between the Plan and the Disclosure Statement, the terms of the Plan shall control in all respects. In the event of an inconsistency between the Plan and any Plan Supplement document, the Plan shall control. In the event of an inconsistency between the Plan and the Confirmation Order, the Confirmation Order shall control.

**Article II.
LENDING CLAIMS, ADMINISTRATIVE CLAIMS, PRIORITY TAX CLAIMS,
AND UNITED STATES TRUSTEE STATUTORY FEES**

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

A. Administrative Expense Claims

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the Liquidating Trustee (as applicable), each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims and Claims for fees and expenses pursuant to section 1930 of chapter 123 of title 28 of the United States Code) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of such Allowed Administrative Claim in accordance with the following: (1) if an Administrative Claim is Allowed on or prior to the Effective Date, on the Effective Date (or, if not then due, when such Allowed Administrative Claim becomes due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than thirty (30) days after the date on which an order allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; or (3) at such time and upon such terms as set forth in an order of the Bankruptcy Court.

Except for Professional Fee Claims, and notwithstanding any prior Filing or Proof of Claim (other than 503(b)(9) Claims), requests for allowance and payment of Administrative Claims must be Filed and served by motion on the Debtors or the Liquidating Trustee (as applicable) and their counsel, no later than the Administrative Claims Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of the occurrence of the Effective Date. For the avoidance of doubt, Holders of Administrative Claims based on liabilities incurred by the Debtors in the ordinary course of their businesses after the Petition Date must File and serve a motion for allowance and payment of Administrative Claims by the Administrative Claims Bar Date.

Objections to such motions must be Filed and served on the requesting party by the later of (1) one hundred eighty (180) days after the Effective Date and (2) ninety (90) days after the Filing of the applicable motion for allowance and payment of the Administrative Claims. After notice and a hearing, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with, a Final Order.

Except as otherwise provided in Articles II.B or II.D of the Plan, Holders of Administrative Claims that do not File and serve a motion by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting Administrative Claims against the Debtors, the Estates, the Liquidating Trust, the Liquidating Trustee, or their assets and properties, and any Administrative Claims shall be deemed disallowed as of the Effective Date without the need for any notices, objection, or other action from the Debtors or Liquidating Trustee (as applicable) or any action or approval by the Bankruptcy Court. For the avoidance of doubt, a Proof of Claim asserting an Administrative Claim (other than 503(b)(9) Claims) does not constitute a request for allowance and payment of Administrative Claims, and a motion must be Filed as provided herein.

B. Professional Fee Claims

1. Final Fee Applications

All requests for payment of Professional Fee Claims by Retained Professionals (other than OCPs) for services rendered and reimbursement of expenses incurred prior to the Effective Date must be Filed no later than thirty (30) days after the Effective Date. Objections to Professional Fee Claims must be Filed and served no later than twenty-one (21) days after the Filing of the same. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims of Retained Professionals (other than OCPs) after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. Unless otherwise agreed to by the Debtors and the Retained Professional prior to the Effective Date, the Liquidating Trustee shall pay Professional Fee Claims that are Allowed by Final Order in Cash, and first to a Retained

Professional from the Professional Fee Escrow Account to the extent any funds remain escrowed therefor in such account.

2. Administrative Claims of OCPs

All requests for payment of Professional Fee Claims of OCPs shall be made pursuant to the OCP Order. The amount of Professional Fee Claims owing to the OCPs shall be paid in Cash to such OCPs by the Debtors or the Liquidating Trustee (as applicable) from the Professional Fee Escrow Account (and if amounts remain outstanding, from Cash on hand or Liquidating Trust Assets (as applicable)) as soon as reasonably practicable after such Professional Fee Claims are Allowed pursuant to the OCP Order.

3. Post-Effective Date Fees and Expenses

Except as otherwise specifically provided in the Plan, from and after the Effective Date, the Liquidating Trustee shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to the Chapter 11 Cases that are incurred after the Effective Date. Upon the Effective Date, any requirement that Retained Professionals comply with sections 327 through 331 of the Bankruptcy Code or the OCP Order in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors or Liquidating Trustee may employ and pay any Retained Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Code.

4. Professional Fee Reserve Amount

Unless otherwise agreed to by the Debtors and the Retained Professional prior to the Effective Date or by the Liquidating Trustee and the Retained Professional after the Effective Date, the Retained Professionals shall estimate their Accrued Professional Compensation Claims prior to and as of the Confirmation Date, along with an estimate of fees and expenses to be incurred through the Effective Date, and shall deliver such estimate to the Debtors, their counsel, and counsel to the Creditors' Committee no later than three (3) calendar days prior to the scheduled Confirmation Hearing; provided that such estimate shall not be considered an admission with respect to the fees and expenses of such Retained Professional. If a Retained Professional does not provide an estimate, the Debtors may estimate the unbilled fees and expenses of such Retained Professional. The total amount so estimated as of the Confirmation Date shall comprise the Professional Fee Reserve Amount. For the avoidance of doubt, the Professional Fee Reserve Amount shall not include any Claims for fees and expenses for services rendered by a Retained Professional prior to the Sale closing for which the Debtors have not already escrowed for the pre-Sale period.

5. Professional Fee Escrow Account

Subject to the mechanism set forth in the DIP Orders, and unless otherwise agreed to by the Debtors and the Retained Professional prior to the Effective Date or by the Liquidating Trustee and the Retained Professional after the Effective Date, the Debtors shall continue to fund the Professional Fee Escrow Account for the Professional Fee Claims of the Retained Professionals. On or before the Effective Date, the Debtors or the Liquidating Trustee (as applicable) shall, if and to the extent necessary, fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Reserve Amount.

For the avoidance of doubt, the Liquidating Trustee is charged with administering the Professional Fee Escrow Account after the Effective Date, making distributions from the Professional Fee Escrow Account to Retained Professionals, and maintaining the Professional Fee Escrow Account for the benefit of Retained Professionals as is currently being maintained by Debtors (i.e., in a separate bank account and

on a per-Retained Professional basis); provided, further, that the Liquidating Trustee is permitted to open a new bank account to transfer funds from the Debtors' Professional Fee Escrow Account, at which point such new account shall be deemed the Professional Fee Escrow Account and the funds therein shall be used pursuant to the terms of this Plan.

The Professional Fee Escrow Account and amounts funded therein for a Retained Professional are and shall continue to be maintained in trust solely for each Retained Professional separately on a per-Retained Professional basis. Such funds shall not be considered property of the Debtors, their Estates, or the Liquidating Trust; provided, however, the Liquidating Trust shall have a reversionary interest in any Cash remaining in the Professional Fee Escrow Account after payment in full of all Professional Fee Claims Allowed by the Bankruptcy Court at any time without any further notice, action or order of the Bankruptcy Court.

Unless otherwise agreed to (1) by the Debtors and the Retained Professional prior to the Effective Date or (2) by the Trustee and the Retained Professional after the Effective Date, the amount of Professional Fee Claims owing to such Retained Professional shall be paid in Cash by the Liquidating Trustee as soon as reasonably practicable after its Professional Fee Claims are Allowed by order of the Bankruptcy Court, first from the Professional Fee Escrow Account and second, if any Allowed Professional Fee Claim remains outstanding, from the Liquidating Trust Assets. For the avoidance of doubt, the amount escrowed for each Retained Professional on the Effective Date is not a cap on such Retained Professional's Professional Fee Claim.

C. Priority Tax Claims

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees with the Debtors or the Liquidating Trustee (as applicable) to a different treatment, and only to the extent that any such Allowed Priority Tax Claim has not been paid in full prior to the Effective Date, in full and final satisfaction, settlement and release of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code. The Debtors and the Liquidating Trustee reserve the right to prepay any Allowed Priority Tax Claim at any time under this option. For the avoidance of doubt, Priority Tax Claims are entitled to payment in full prior to distributions to holders of the Liquidating Trust Primary Recovery Units and Liquidating Trust Secondary Recovery Units.

D. United States Trustee Statutory Fees

All fees payable pursuant to 28 U.S.C. § 1930 and any applicable interest thereon that are due and payable as of the Effective Date shall be paid in full in Cash by the Debtors or the Liquidating Trustee on the Effective Date. All such fees and any applicable interest thereon that become due and payable after the Effective Date shall be paid by the Liquidating Trustee from the Liquidating Trust Assets when such fees become due and payable. All such fees and any applicable interest thereon shall continue to become due and payable until the entry of a final decree closing the Chapter 11 Cases or conversion or dismissal of the Chapter 11 Cases, whichever is earlier. For the avoidance of doubt, no Governmental Unit is required to file a request for an Administrative Claim for Statutory Fees.

E. No Lending Claims

Notwithstanding anything to the contrary herein, there are no Claims of any kind, nature, or priority against the Debtors or the Estates on account of or relating to the DIP Facility, DIP Loan Documents, the Prepetition Loan, or the Prepetition Loan Documents (or the Participation Interest). Each of those Claims was satisfied, discharged and released in the Sale.

Article III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. Classification of Claims and Interests

Except for the Claims addressed in Article II of the Plan, all Claims and Interests are classified in the Classes set forth below in accordance with sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim is an Allowed Claim in that Class and has not been otherwise paid, released, or satisfied at any time.

The Plan is a single plan of distribution for the jointly administered Chapter 11 Cases, but does not constitute a substantive consolidation of the Debtors' Estates for voting or other purposes. Therefore, all Claims against and Interests in a particular Debtor are placed in the Classes set forth below with respect to such Debtor. Classes that are not applicable as to a particular Debtor shall be eliminated as set forth more fully in Article III.G below.

The classification of Claims against and Interests in the Debtors pursuant to the Plan is as follows:

Class	Claim or Interest	Status	Voting Rights
1	Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	General Unsecured Claims	Impaired	Entitled to Vote
4	Subordinated Claims	Impaired	Entitled to Vote
5	Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Accept)
6	Interests in the Debtors	Impaired	Not Entitled to Vote (Deemed to Reject)

B. Treatment of Claims and Interests

1. Class 1 – Secured Claims

- a. There are no Secured Claims against any Debtor as all Secured Claims (including those of the Senior Prepetition Lender or on account of the Participation Interest) were either credit bid by or assumed liabilities of the Buyer in the Sale. As such, there are no Claims in Class 1.
- b. To the extent, however, that a Claim Holder objects to Confirmation and asserts a Secured Claim that was not credit bid by or an assumed liability of the Buyer in the Sale, and the Debtors agree or the Court adjudicates such Secured Claim remains outstanding at the Confirmation Hearing, such Secured Claim shall be treated as follows:
 - i. *Classification:* Class 1 consists of all Secured Claims against (i) ABC Carpet, (ii) ABC Home and (iii) ABC OC.
 - ii. *Treatment:* Except to the extent that a Holder of an Allowed Secured Claim agrees to a less favorable treatment, in exchange for full and final satisfaction, settlement, and release of each Allowed Secured Claim, each Holder of an Allowed Secured Claim shall receive the following, at the option of the Debtors or Liquidating Trustee (as applicable): (i) payment in full in Cash on or as soon as is reasonably practicable after the later of (A) the Effective Date and (B) the date on which such Secured Claim is Allowed by a Final Order of the Bankruptcy Court; (ii) the collateral securing such Holder's Allowed Secured Claim; or (iii) such other treatment rendering such Allowed Secured Claim Unimpaired.
 - iii. *Voting:* Class 1 is Unimpaired, and Holders of Secured Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 1 Secured Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 – Other Priority Claims

- a. *Classification:* Class 2 consists of all Other Priority Claims against (i) ABC Carpet, (ii) ABC Home and (iii) ABC OC.
- b. *Treatment:* Except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, in exchange for full and final satisfaction, settlement, and release of each Allowed Other Priority Claim, each Holder of such Allowed Other Priority Claim shall receive the following at the option of the Debtors or Liquidating Trustee (as applicable): (i) payment in full in Cash on or as soon as is reasonably practicable after the later of (A) the Effective Date and (B) the date on which such Other Priority Claim is Allowed by a Final Order of the Bankruptcy Court; or (ii) such other treatment rendering such Allowed Other Priority Claim Unimpaired.

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

3. Class 3 – General Unsecured Claims

- a. *Classification:* Class 3 consists of all General Unsecured Claims against (i) ABC Carpet, (ii) ABC Home and (iii) ABC OC.
- b. *Treatment:* Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to a less favorable treatment, in exchange for full and final satisfaction, settlement, and release of each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive its pro rata share (calculated based on the proportion that such Holder's Allowed General Unsecured Claim bears to the aggregate amount of Allowed General Unsecured Claims) of the Liquidating Trust Primary Recovery Units.
- c. *Voting:* Class 3 is Impaired, and Holders of General Unsecured Claims are entitled to vote to accept or reject the Plan.

4. Class 4 – Subordinated Claims

- a. *Classification:* Class 4 consists of all Subordinated Claims against (i) ABC Carpet, (ii) ABC Home and (iii) ABC OC.
- b. *Allowance:* Subject to the terms of paragraph 3 of the 9019 Order, all Claims of the Subordinated Parties, a schedule of which is attached hereto as Schedule 2.01, are Allowed to the extent subordinated pursuant to the 9019 Order.
- c. *Treatment:* Except to the extent that a Holder of an Allowed Subordinated Claim agrees to a less favorable treatment, in exchange for full and final satisfaction, settlement, and release of each Allowed Subordinated Claim, each Holder of an Allowed Subordinated Claim shall receive its *pro rata* share (calculated based on the proportion that such Holder's Allowed Subordinated Claim bears to the aggregate amount of Allowed Subordinated Claims) of the Liquidating Trust Secondary Recovery Units.
- d. *Voting:* Class 4 is Impaired, and Holders of Subordinated Claims are entitled to vote to accept or reject the Plan. The Holders of Class 4 Claims have reviewed and consented to the terms of the Plan (including any and all releases) and have agreed to accept the Plan. As such, they are deemed to accept the Plan and shall not be solicited to vote on the Plan.

5. Class 5 – Intercompany Claims

- a. *Classification:* Class 5 consists of all Intercompany Claims against (i) ABC Carpet, (ii) ABC Home and (iii) ABC OC.

- b. *Treatment:* On the Effective Date all Intercompany Claims will be deemed compromised, and Holders of Intercompany Claims shall receive no distribution on account of such Intercompany Claims.
- c. *Voting:* Notwithstanding the treatment of Intercompany Claims, the Holders of Intercompany Claims, as proponents of the Plan, are deemed to accept the Plan. Therefore, Holders of Intercompany Claims are not entitled to vote to accept or reject the Plan.

6. Class 6 – Interests in the Debtors

- d. *Classification:* Class 6 consists of all Interests in (i) ABC Carpet, (ii) ABC Home and (iii) ABC OC.
- e. *Treatment:* No Holder of an Interest shall be entitled to a distribution under the Plan on account of such Interest. On the Effective Date, all Interests shall be retired, cancelled, and/or extinguished.
- f. *Voting:* Class 6 is Impaired, and the Holders of Interests are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, the Holders of Interests are not entitled to vote to accept or reject the Plan.

C. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' or the Liquidating Trustee's rights with respect to any Claims, including all legal and equitable defenses to or setoffs or recoupments against any Claims.

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

If a Class contains Claims eligible to vote, and no Holders of Claims eligible to vote in such Class vote to accept or reject the Plan, the Holders of Claims in such Class shall be deemed to have accepted the Plan.

E. Controversy Concerning Impairment

If a controversy arises as to whether any Claim or any Class of Claims is Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

F. Subordination of Claims

The allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan shall take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, contract, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors or the Liquidating Trustee (as applicable) reserve the right to re-classify any Allowed Claim or Allowed Interest in accordance with any contractual, legal, or equitable subordination relating thereto, provided, however, that the foregoing shall not be construed to permit the re-classification of the Subordinated Claims, which are Allowed to the extent subordinated pursuant to the 9019 Order.

G. Elimination of Vacant Classes

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

H. Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code

The Debtors hereby request confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Class that is deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code. The Debtors reserve the right to request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any voting Class that votes to reject the Plan.

**Article IV.
MEANS FOR IMPLEMENTATION OF PLAN**

A. Sources of Consideration for Plan Distributions

Subject to the provisions of the Plan concerning the Professional Fee Escrow Account, the Debtors and the Liquidating Trustee shall fund distributions under the Plan with Cash on hand on the Effective Date and all other Liquidating Trust Assets.

B. Vesting of Assets

On the Effective Date, pursuant to sections 1141(b) and 1141(c) of the Bankruptcy Code, the Liquidating Trust Assets shall vest in the Liquidating Trust free and clear of all Claims, Liens, encumbrances, charges, and other interests except as otherwise expressly provided in this Plan.

C. Preservation of Causes of Action

Except as otherwise provided in this Plan or in any contract, instrument, release, or agreement entered into in connection with the Plan, the Sale or in the 9019 Order, in accordance with section 1123(b) of the Bankruptcy Code, all claims and Causes of Action that the Debtors or Estates may have against any Person or Entity are preserved and transferred to the Liquidating Trust on the Effective Date, including, without limitation, any and all Causes of Action the Debtors, Estates, or other appropriate party in interest may assert under the Bankruptcy Code and nonbankruptcy law.

D. Corporate Action

1. Transfer of Assets and Assumption of Liabilities

On the Effective Date, (i) the Debtors shall, in accordance with this Plan, cause the Liquidating Trust Assets to be transferred to the Liquidating Trust and (ii) the Liquidating Trust shall assume all obligations of the Debtors under this Plan.

2. Dissolution of the Debtors; Removal of Directors and Officers; Termination of Employees; Case Closures

On the Effective Date, without the necessity for any other or further action to be taken by or on behalf of the Debtors, and upon the transfer of the Liquidating Trust Assets to the Liquidating Trust, each

Debtor shall be deemed dissolved for all purposes unless the Liquidating Trustee determines that dissolution can have any adverse impact on the Liquidating Trust Assets; provided, however, that neither the Debtors nor any party released pursuant to Article IX.B of the Plan shall be responsible for any liabilities that may arise as a result of non-dissolution of the Debtors; provided further, however, that nothing herein shall be construed as relieving the Debtors or Liquidating Trustee (as applicable) of their duties to pay Statutory Fees to the United States Trustee as required by the Bankruptcy Code and applicable law until such time as a Final Decree is entered in each Debtor's case or an undissolved Debtor's case is dismissed or converted to a case under chapter 7 of the Bankruptcy Code. The Liquidating Trustee shall submit with the appropriate governmental agencies a copy of the Confirmation Order, which Confirmation Order shall suffice for purposes of obtaining a Certificate of Dissolution from each applicable Secretary of State.

Without limiting the foregoing, on the Effective Date and upon the Debtors causing the Liquidating Trust Assets to be transferred to the Liquidating Trust, the Debtors shall have no further duties or responsibilities in connection with implementation of this Plan, and the directors and officers of each of the Debtors shall be deemed to have resigned and the employees of each Debtor terminated. From and after the Effective Date, the Liquidating Trustee shall be authorized to act on behalf of the Debtors in the same manner as the Debtors' directors and officers were authorized prior to the Effective Date, provided that the Liquidating Trustee shall have no duties other than as expressly set forth in this Plan.

Following the occurrence of the Effective Date, the Liquidating Trustee shall, by notice of presentment, request the Bankruptcy Court enter final decrees and orders closing the Chapter 11 Cases of ABC Home and ABC OC. Following closure of the foregoing Debtors' Chapter 11 Cases, any and all recourse for any Claims, Interests, or equitable relief with respect to the two Debtors shall proceed exclusively in the Chapter 11 Case of ABC Carpet, in accordance with the Plan and any Final Orders entered in the Chapter 11 Cases.

E. Cancellation of Existing Securities and Agreements

On the Effective Date, all agreements and other documents evidencing (i) any Claim or rights of any Holder of a Claim against the Debtors, including any notes evidencing such Claims or (ii) any Interest in the Debtors, including any options or warrants to purchase Interests, shall be cancelled. The Holders of, or parties to, such cancelled agreements and documents shall have no rights arising from or relating to such agreements and documents or the cancellation thereof, except as to the allowance and distribution on pre-Confirmation Claims in respect thereof as provided pursuant to this Plan.

F. Plan Transactions

On the Effective Date or as soon thereafter as is reasonably practicable, the Debtors and the Liquidating Trustee may take any and all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate this Plan, including, but not limited to, (i) the execution and delivery of appropriate agreements or other documents of consolidation, conversion, disposition, transfer, or dissolution containing terms that are consistent with the terms of this Plan and that satisfy the requirements of applicable law, (ii) the execution and delivery of any appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, duty, or obligation on terms consistent with this Plan, (iii) the filing of appropriate documents with the appropriate governmental authorities pursuant to applicable law, and (iv) any and all other actions that the Debtors or Liquidating Trustee determine are necessary or appropriate to effect the Plan.

G. Effectuating Documents and Further Transactions

Upon entry of the Confirmation Order, the Debtors and the Liquidating Trustee shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, consents, certificates, resolutions, programs, and other agreements or documents, and take such acts and actions as may be reasonable, necessary, or appropriate to effectuate, implement, consummate, and/or further evidence the terms and conditions of this Plan and any transactions described in or contemplated by this Plan. The Debtors or Liquidating Trustee (as applicable), all Holders of Claims receiving distributions pursuant to this Plan, and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents, and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan.

H. Section 1146 Exemption from Certain Taxes and Fees

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation all such instruments or other documents governing or evidencing such transfers without the payment of any such tax, recordation fee, or governmental assessment. Such exemption specifically applies, without limitation, to the transfer of the Liquidating Trust Assets to the Liquidating Trust and issuance of the Liquidating Trust Primary Recovery Units and Liquidating Trust Secondary Recovery Units.

I. Incorporation of Committee Settlement

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, the Plan incorporates a compromise and settlement of various potential claims and Causes of Action, including those embodied in the 9019 Order. The settlement of those potential claims and Causes of Action is a cornerstone of the Plan and necessary to achieve a beneficial and efficient resolution of the Chapter 11 Cases for all parties in interest. The Plan shall be deemed to constitute a motion pursuant to Bankruptcy Rule 9019, seeking approval of a settlement, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such motion, and the Bankruptcy Court's findings shall constitute its determination that such compromises and settlements encompassed in the Plan are fair and equitable, within the range of reasonableness, and in the best interests of the Debtors, their Estates, their creditors, and other parties in interest.

J. 9019 Order; Sale Order

Notwithstanding anything to the contrary herein, nothing in this Plan shall affect, impair or supersede the 9019 Order, Committee Settlement, the Sale Order or Sale Documents, each of which remains in full force and effect and governs in the event of inconsistency with the Plan.

K. Authority to Act

Prior to, on, or after the Effective Date (as appropriate), all matters expressly provided for under this Plan that would otherwise require approval of the stockholders, security holders, officers, directors, partners, members, or other owners of one or more of the Debtors shall be deemed to have occurred and shall be in effect prior to, on, or after the Effective Date (as applicable) pursuant to the applicable law of the state in which the Debtors are formed, without any further vote, consent, approval, authorization, or

other action by such stockholders, security holders, officers, directors, partners, members, or other owners of one or more of the Debtors or notice to, order of, or hearing before, the Bankruptcy Court.

L. Liquidating Trust

1. Establishment of Liquidating Trust

On the Effective Date, the Liquidating Trust will be established pursuant to the Liquidating Trust Agreement, which will be Filed with the Bankruptcy Court as part of the Plan Supplement. Upon establishment of the Liquidating Trust, all Liquidating Trust Assets shall be deemed transferred to the Liquidating Trust without any further action of any of the Debtors or any managers, employees, officers, directors, members, partners, shareholders, agents, advisors, or representatives of the Debtors.

2. Transfer of Liquidating Trust Assets

Pursuant to section 1141 of the Bankruptcy Code, all property transferred to the Liquidating Trust shall be made free and clear of all Claims, Liens, encumbrances, charges, and other interests, except as may be otherwise provided in this Plan. Upon completion of the transfer of the Liquidating Trust Assets to the Liquidating Trust, the Debtors will have no further interest in, or with respect to, the Liquidating Trust Assets, or the Liquidating Trust. For all federal income tax purposes, all parties (including, without limitation, the Debtors, the Liquidating Trustee, and the Liquidating Trust Beneficiaries) will treat the transfer of assets to the Liquidating Trust in accordance with the terms of this Plan as a transfer to the Liquidating Trust Beneficiaries, followed by a transfer by such Liquidating Trust Beneficiaries to the Liquidating Trust, and the Liquidating Trust Beneficiaries will be treated as the grantors and owners thereof.

3. Purpose of Liquidating Trust

The Liquidating Trust shall be established for the purpose of liquidating the Liquidating Trust Assets, maximizing recoveries for the benefit of the Liquidating Trust Beneficiaries, and making distributions in accordance with this Plan to the Liquidating Trust Beneficiaries, with no objective to continue or engage in the conduct of a trade or business in accordance with Treas. Reg. § 301.7701-4(d). The Liquidating Trust is intended to qualify as a “grantor trust” for federal income tax purposes and, to the extent permitted by applicable law, for state and local income tax purposes, with the Liquidating Trust Beneficiaries treated as grantors and owners of the Liquidating Trust.

4. Liquidating Trustee

(i) *Liquidating Trustee as Representative of the Estates.* From and after the Effective Date, the Liquidating Trustee shall act as the representative of the Estates for all purposes, including specifically, pursuant to section 1123(b)(3) of the Bankruptcy Code, for the purpose of retaining and enforcing any claims or interests of the Estates, including rights under the Committee Settlement and the Sale Documents, and any Causes of Action in accordance with the best interests of and for the benefit of the Liquidating Trust Beneficiaries. Any successor Liquidating Trustee appointed pursuant to the Liquidating Trust Agreement shall be bound by and comply with the terms of this Plan, the Confirmation Order and the Liquidating Trust Agreement.

(ii) *Responsibilities and Authority of the Liquidating Trustee.* The responsibilities and authority of the Liquidating Trustee shall be as set forth in the Liquidating Trust Agreement, and shall include the following: (a) preserving and liquidating the Liquidating Trust Assets and making distributions to the Liquidating Trust Beneficiaries in accordance with the provisions of this Plan; (b) administering and paying taxes, including, among other things, (i) filing tax returns (to the extent not

the obligation of Buyer), and (ii) representing the interest and account of the Liquidating Trust before any taxing authority in all matters including, without limitation, any action, suit, proceeding, or audit; (c) retaining and paying professionals in connection with the Liquidating Trustee's performance of its duties under this Plan and the Liquidating Trust Agreement; (d) distributing information statements as required for federal income tax and other applicable tax purposes; (e) Filing an application for entry by the Bankruptcy Court of a final decree closing each of the Chapter 11 Cases; (f) making distributions to Retained Professionals for Allowed Professional Fee Claims, including from the Professional Fee Escrow Account; (g) making distributions to Holders of Allowed Claims in accordance with the Plan and Liquidating Trust Agreement; and (h) such other responsibilities as may be vested in the Liquidating Trustee pursuant to this Plan or an order of the Bankruptcy Court (including, without limitation, the Confirmation Order), or as may be necessary and proper to carry out the provisions of this Plan. In addition, after the Effective Date, the Liquidating Trustee shall file with the Bankruptcy Court and submit to the United States Trustee regular post-confirmation quarterly disbursement reports, on or before the twentieth (20th) day of each of January, April, July, and October, as appropriate, until the Chapter 11 Cases are closed, converted, or dismissed, whichever happens earlier.

(iii) Powers of the Liquidating Trustee. The powers of the Liquidating Trustee shall be as set forth in the Liquidating Trust Agreement, and shall include the following: (a) the power to invest funds of the Liquidating Trust, and withdraw, make distributions, and pay taxes and other obligations owed by the Liquidating Trust from such funds in accordance with this Plan and the Liquidating Trust Agreement; (b) the power to engage and compensate, without prior Bankruptcy Court order or approval, employees and professionals to assist the Liquidating Trustee with respect to its responsibilities; (c) the power to pursue, prosecute, resolve, compromise and settle any Causes of Action against any other Person or Entity without notice to or approval from the Bankruptcy Court, including any and all derivative actions pending or otherwise existing against the Debtors as of the Effective Date; (d) the power to object to Claims, including, without limitation, the power to seek subordination or recharacterization of Claims by objection, motion, or adversary proceeding, as applicable; (e) the power to enforce the Committee Settlement and the Sale Documents; and (f) such other powers as may be vested in or assumed by the Liquidating Trustee pursuant to this Plan or by Bankruptcy Court order, or as may be necessary and proper to carry out the provisions of this Plan.

(iv) Compensation of Liquidating Trustee. The Liquidating Trustee shall be compensated as set forth in the Liquidating Trust Agreement. The Liquidating Trustee shall fully comply with the terms, conditions and rights set forth in this Plan, the Confirmation Order, and the Liquidating Trust Agreement. The Liquidating Trustee shall not be required to File a fee application to receive compensation.

(v) Retention and Payment of Professionals. The Liquidating Trustee, in consultation with the Liquidating Trust Oversight Committee (if appointed), shall have the right to retain the services of attorneys, accountants, and other professionals and agents, to assist and advise the Liquidating Trustee in the performance of his, her, or its duties, and to compensate and reimburse expenses of such professionals in accordance with the Liquidating Trust Agreement.

(vi) Limitation on Liability and Indemnification of the Liquidating Trustee. The Liquidating Trustee and his, her, or its consultants or professionals shall be entitled to indemnification and advancement from the Liquidating Trust against any losses, liabilities, expenses (including reasonable attorneys' fees and disbursements), damages, taxes, suits, or claims that the Liquidating Trustee or its consultants or professionals may incur or sustain by reason of being or having been a Liquidating Trustee or consultants or professionals of the Liquidating Trustee for performing any functions incidental to such service; provided, however, the foregoing shall not relieve the Liquidating

Trustee or his, her, or its consultants or professionals from liability for gross negligence or willful misconduct.

5. Plan Expenses

All Plan Expenses shall be paid from the Liquidating Trust, and the Liquidating Trustee may, in the ordinary course of business and without the necessity for any application to, or approval of, the Bankruptcy Court, subject to the provisions of the Liquidating Trust Agreement, pay any accrued but unpaid Plan Expenses from the Liquidating Trust on ten (10) days' prior notice to the Liquidating Trust Oversight Committee (if appointed).

6. Termination of Liquidating Trust

The Liquidating Trust shall be dissolved upon the earlier of (i) the distribution of all of its assets to the Liquidating Trust Beneficiaries and (ii) the third anniversary of the creation of the Liquidating Trust; provided that, if warranted by the facts and circumstances involved in resolving or monetizing any Liquidating Trust Assets, upon application to, and if approved by, the Bankruptcy Court upon a finding that such extension is necessary or appropriate for purposes of resolving or monetizing such Liquidating Trust Assets and distributing the proceeds to Liquidating Trust Beneficiaries, the term of the Liquidating Trust may be extended by the Liquidating Trustee for a specified term. Notwithstanding the foregoing, unless otherwise ordered by the Bankruptcy Court, the Liquidating Trust shall be automatically terminated in the event that a final decree is entered closing each of the Chapter 11 Cases or if all of the Chapter 11 Cases are converted or dismissed.

7. Exculpation Relating to the Liquidating Trust

No Holder of a Claim or Interest or any other party in interest will have, or otherwise pursue, any claim or Cause of Action against the Liquidating Trustee, the Liquidating Trust, the consultants or professionals thereof, or the Liquidating Trust Oversight Committee (if appointed) (for each of the foregoing, solely in the performance of their duties) for making payments and distributions in accordance with the Plan and the Liquidating Trust Agreement or for fulfilling any functions incidental to implementing the provisions of the Plan or the Liquidating Trust, except for any acts or omissions to act that are the result of gross negligence or willful misconduct, as set forth more fully in the Liquidating Trust Agreement.

8. The Liquidating Trust Oversight Committee

The Liquidating Trust Oversight Committee, if appointed, shall have the responsibility to review and advise the Liquidating Trustee with respect to the liquidation and distribution of the Estates' assets in accordance with the Liquidating Trust Agreement and this Plan. Subject to the Liquidating Trust Agreement, vacancies on the Liquidating Trust Oversight Committee shall be filled by a Person designated by the remaining member or members of the Liquidating Trust Oversight Committee from among the holders of Allowed General Unsecured Claims, and the Liquidating Trust Oversight Committee shall use reasonable efforts to maintain such composition of the members of the Liquidating Trust Oversight Committee as existed prior to the resignation of such member.

The Liquidating Trustee shall have the authority to seek an order from the Bankruptcy Court removing or replacing members of the Liquidating Trust Oversight Committee for cause. Any successor appointed pursuant to this Article IV.L.8 and the Liquidating Trust Agreement shall become fully vested with all of the rights, powers, duties and obligations of his, her, or its predecessor. For the avoidance of doubt, no member of the Liquidating Trust Oversight Committee shall be compensated for serving as a member of the Liquidating Trust Oversight Committee, provided, however, that such members may be

reimbursed from the Liquidating Trust for reasonable out-of-pocket expenses in connection with their service on the Liquidating Trust Oversight Committee.

M. Dissolution of Creditors' Committee

On the Effective Date, the Creditors' Committee shall be deemed to be dissolved and the members of the Creditors' Committee shall be released and discharged from all further authority, duties, responsibilities, and obligations arising from or related to the Chapter 11 Cases and Retained Professionals shall be released and discharged from all further authority, duties, responsibilities, and obligations relating to the Debtors and the Chapter 11 Cases; provided, however, (a) that the foregoing shall not apply to any matters concerning any Professional Fee Claims held or asserted by any Retained Professional or reimbursement of any reasonable and documented expenses of the Creditors' Committee's members incurred in their capacity as such, and (b) the Liquidating Trustee shall be deemed the successor to, and entitled to enforce, any rights of, the Creditors' Committee in connection with any dispute concerning the Committee Settlement.

Article V.
TREATMENT OF EXECUTORY CONTRACTS
AND UNEXPIRED LEASES; EMPLOYEE BENEFITS; AND INSURANCE POLICIES

A. General Treatment

On the Effective Date, except as otherwise provided herein (which exclusion includes the Insurance Policies), all Executory Contracts or Unexpired Leases not previously assumed, assumed and assigned, or rejected pursuant to an order of the Bankruptcy Court, will be **deemed rejected**, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code other than those Executory Contracts or Unexpired Leases that are the subject of a motion to assume that is pending on the Confirmation Date.

Assumption of any Executory Contract or Unexpired Lease pursuant to this Plan or otherwise shall, upon satisfaction of the applicable requirements of section 365 of the Bankruptcy Code, result in the full, final, and complete release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults or provisions restricting the change in control of ownership interest composition or other bankruptcy-related defaults, arising under any assumed executory contract or unexpired lease at any time prior to the effective date of assumption.

B. Rejection Damages Claims

If the rejection of an Executory Contract or Unexpired Lease pursuant to the Plan and Confirmation Order results in a Claim, **then, unless otherwise ordered by the Court, such Claim shall be forever barred and shall not be enforceable against the Debtors, the Estates, the Liquidating Trustee, Liquidating Trust, or any of their respective assets and properties** unless a Proof of Claim is Filed with the Notice and Claims Agent and served upon counsel to the Liquidating Trustee within thirty (30) days of the Effective Date. The foregoing applies only to Claims arising from the rejection of an Executory Contract or Unexpired Lease under the Plan; any other Claims held by a party to a rejected Executory Contract or Unexpired Lease shall have been evidenced by a Proof of Claim Filed by the applicable Bar Date or shall be barred and unenforceable. Claims arising from the rejection of Executory Contracts or Unexpired Leases under the Plan and Confirmation Order shall be classified as General Unsecured Claims and shall, if Allowed, be treated in accordance with Article III.B.3.

Any Claims arising from the rejection of an Executory Contract or Unexpired Lease pursuant to the Confirmation Order and Plan that are not timely Filed within thirty (30) days of the Effective Date will be automatically disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, the Estates, the Liquidating Trustee, Liquidating Trust, or any of their respective assets and properties, without the need for any objection by the Liquidating Trustee or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any such Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully released and waived, notwithstanding anything in the Schedules or a Proof of Claim to the contrary.

C. Reservation of Rights

The inclusion of any contract or lease in the Schedules or in any Plan Supplement shall not constitute an admission by the Debtors that such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Liquidating Trustee (as applicable) may elect within thirty (30) calendar days following entry of a Final Order resolving such dispute to alter the treatment of such contract or lease under the Plan by filing a notice of such election on the docket of the Chapter 11 Cases.

D. Preexisting Obligations to Debtors under Executory Contracts and Unexpired Leases

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or Liquidating Trustee (as applicable) under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Debtors and the Liquidating Trustee (as applicable) expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties, indemnity or continued maintenance obligations.

E. Insurance Preservation

Nothing in the Plan, the Confirmation Order, or the Liquidating Trust Agreement, alters the rights and obligations of the Debtors (and their Estates) and the Debtors' insurers (and third-party claims administrators) under the Insurance Policies or modifies the coverage or benefits provided thereunder or the terms and conditions thereof or diminishes or impairs the enforceability of the Insurance Policies. All of the Debtors' rights and their Estates' rights under any Insurance Policy to which the Debtors and/or the Debtors' Estates may be beneficiaries shall vest with the Liquidating Trust for the benefit of the Liquidating Trust Beneficiaries and all of the beneficiaries of such policies. For the avoidance of doubt, the Debtors shall be deemed to have assumed only the D&O Policies, and any Insurance Policy other than a D&O Policy shall be deemed terminated on the Effective Date.

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

Modifications, amendments, supplements, and restatements to a prepetition Executory Contract and/or Unexpired Lease that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease.

Article VI.
PROVISIONS GOVERNING DISTRIBUTIONS

A. Limited Consolidation of the Estates

To promote efficient administration and effectuation of the Plan, including for purposes of distributions to be made under the Plan, the Debtors seek authority under section 105 of the Bankruptcy Code and Bankruptcy Rule 9019 to consolidate the Debtors' Estates solely for distribution purposes. As a result of such consolidation, (i) the Debtors and their Estates shall be deemed to be a single Entity and Estate for purposes of distributions and (ii) each Claim that is Allowed against more than one Debtor shall be deemed to be a single Allowed Claim against the consolidated Debtors. For the avoidance of doubt, for all purposes associated with distributions under the Plan, all guarantees by any Debtor of the obligations of any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be deemed eliminated so that any obligation that could otherwise be asserted against more than one Debtor shall result in a single distribution under the Plan. This limited consolidation, however, shall not effectuate a substantive consolidation of the Debtors or their Estates or affect: (A) the legal and corporate structures of the Debtors; (B) distributions from any Insurance Policies or proceeds of such policies; or (C) the vesting of assets in the Liquidating Trust.

This Plan shall serve as a motion seeking entry of an order consolidating the Debtors, as described and to the limited extent set forth above. Unless an objection to such consolidation is made in writing by any creditor affected by the Plan and Filed with the Bankruptcy Court and served in accordance with Solicitation Procedures Order, the Confirmation Order may be entered by the Bankruptcy Court. In the event any such objections are timely Filed, a hearing with respect thereto shall occur at or before the Confirmation Hearing.

B. Distribution Record Date

As of the close of business on the Distribution Record Date, the various transfer registers for each of the Classes of Claims or Interests as maintained by the Debtors, or their respective agents, shall be deemed closed, and there shall be no further changes in the record holders of any of the Claims or Interests. The Debtors and the Liquidating Trustee (as applicable) shall have no obligation to recognize any ownership transfer of the Claims or Interests occurring on or after the Distribution Record Date. The Debtors, the Liquidating Trustee, and any party responsible for making distributions shall be entitled to recognize and deal for all purposes hereunder only with those record holders stated on the transfer ledgers as of the close of business on the Distribution Record Date, to the extent applicable.

Except as otherwise provided herein, the Disbursing Agent shall make distributions to Holders of Allowed Claims as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' records as of the date of any such distribution; provided, however, that the manner of such distributions shall be determined at the discretion of the Liquidating Trustee; provided further, however, that the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in any Proof of Claim Filed by that Holder.

C. Date of Distributions

Distributions made after the Effective Date to Holders of Allowed Claims shall be deemed to have been made on the Effective Date and no interest shall accrue or be payable with respect to Claims or any distribution related thereto. In the event that any payment or act under this Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of

such act may be completed on or as soon as reasonably practicable after the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

D. Disbursing Agent

Except as otherwise provided herein, all distributions under the Plan shall be made by the Disbursing Agent on or after the Effective Date. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties. Additionally, if the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Liquidating Trust.

E. Powers of Disbursing Agent

The Disbursing Agent may (i) effect all actions and execute all agreements, instruments, and other documents necessary to carry out the provisions of this Plan, (ii) make all distributions contemplated hereby, and (iii) perform such other duties as may be required of the Disbursing Agent pursuant to this Plan.

F. Surrender of Instruments

As a condition precedent to receiving any distribution under this Plan, each holder of a certificated instrument or note must surrender such instrument or note held by it to the Disbursing Agent or its designee. Any holder of such instrument or note that fails to (i) surrender the instrument or note or (ii) execute and deliver an affidavit of loss or indemnity reasonably satisfactory to the Disbursing Agent and furnish a bond in form, substance, and amount reasonably satisfactory to the Disbursing Agent within six months of being entitled to such distribution shall be deemed to have forfeited all rights and claims and may not participate in any distribution hereunder.

G. IRS Forms

In connection with the Plan, to the extent applicable and not an obligation of Buyer under the Sale Documents, the Debtors and the Liquidating Trustee (as applicable) shall comply with all tax withholding and reporting requirements imposed on them/it by any Governmental Unit, and all distributions made pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Debtors and the Liquidating Trustee (as applicable) shall be authorized to take all actions necessary to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Debtors and the Liquidating Trustee (as applicable) reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

As a condition precedent to receiving any distribution under this Plan, each Holder of an Allowed Claim that is entitled to a distribution under the Plan must provide the Liquidating Trustee an executed IRS Form. An Allowed Claim of a Holder that fails to provide an executed IRS Form within sixty (60) days after service (by first class mail) of a formal request for the same by the Liquidating Trustee shall be deemed disallowed and expunged for purposes of distributions under the Plan.

H. Delivery of Distributions

Subject to applicable Bankruptcy Rules, all distributions to Holders of Allowed Claims shall be made to the Disbursing Agent, who shall transmit such distributions to the applicable Holders of Allowed Claims or their designees.

If any distribution to a Holder of an Allowed Claim (i) is returned as undeliverable for lack of a current address or otherwise, or (ii) is not cashed or otherwise presented for collection by the Holder of the Allowed Claim within ninety (90) calendar days after the mailing of such distribution, the Liquidating Trustee shall file with the Bankruptcy Court the name and last known address of the Holder of undeliverable distribution or uncashed distribution, as applicable. If, after the passage of thirty (30) calendar days after such Filing, the payment or distribution on the Allowed Claim still cannot be made, then (i) the Holder of such Claim shall cease to be entitled to the undeliverable distribution or uncashed distribution, which will revert to the Liquidating Trust, and (ii) the Allowed Claim of such Holder shall be deemed disallowed and expunged for purposes of further distributions under the Plan.

I. Manner of Payment

Any distributions to be made by or on behalf of the Debtors or the Liquidating Trustee (as applicable) pursuant to this Plan shall be made by checks drawn on accounts maintained by the Liquidating Trustee or by wire transfer if circumstances justify, at the option of the Liquidating Trustee.

J. Foreign Currency Exchange Rate

As of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in *The Wall Street Journal*, on the Petition Date.

K. Setoffs and Recoupments

The Debtors and the Liquidating Trustee, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable bankruptcy and/or nonbankruptcy law, without the approval of the Bankruptcy Court and upon no less than fourteen (14) calendar days' notice to the applicable Holder of a Claim, or as may be agreed to by the Holder of a Claim, may, but shall not be required to, set off against or recoup against any Allowed Claim and the distributions to be made pursuant to this Plan on account of such Allowed Claim (before any distribution is to be made on account of such Allowed Claim), any claims of any nature whatsoever that the Debtors or their Estates may have against the Holder of such Allowed Claim; provided, however, that neither the failure to effect such a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or the Liquidating Trustee of any such claim the Debtors or their Estates may have against the Holder of such Claim.

L. Minimum Distributions

No payment of Cash in an amount of less than one hundred U.S. dollars (\$100.00) shall be required to be made on account of any Allowed Claim. Such undistributed amount may instead be used in accordance with the Plan and the Liquidating Trust Agreement.

If the Cash available for the final distribution is less than the cost to distribute such funds, the Liquidating Trustee may donate such funds to the unaffiliated charity of its choice.

M. Allocation of Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under this Plan includes both principal and accrued but unpaid prepetition interest, such distribution shall be allocated to the principal amount (as determined for federal income tax purposes) of the Claim first, and then to accrued but unpaid prepetition interest.

N. Distributions Free and Clear

Except as otherwise provided in this Plan, any distribution or transfer made under this Plan, including distributions to any Holder of an Allowed Claim, shall be free and clear of any Liens, Claims, encumbrances, charges, and other interests, and no other entity shall have any interest, whether legal, beneficial, or otherwise, in property distributed or transferred pursuant to this Plan.

O. Claims Paid or Payable by Third Parties

1. Claims Paid by Third Parties

If a Holder of a Claim receives a payment or other satisfaction of its Claim other than through the Debtors and/or the Liquidating Trustee on account of such Claim, such Claim shall be reduced by the amount of such payment or satisfaction without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, and if the Claim was paid or satisfied in full other than through the Debtors and/or the Liquidating Trustee, then such Claim shall be disallowed and any recovery in excess of a single recovery in full shall be paid over to the Liquidating Trustee without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment or satisfaction from a party that is not the Debtors and/or the Liquidating Trustee on account of such Claim, such Holder shall, within fourteen (14) days of receipt thereof, repay or return the distribution to the Debtors or Liquidating Trustee (as applicable), to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan.

2. Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' Insurance Policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such Insurance Policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

Article VII.
**PROCEDURES FOR RESOLVING UNLIQUIDATED
AND DISPUTED CLAIMS OR INTERESTS**

A. Allowance of Claims

After the Effective Date, the Liquidating Trustee shall have and retain any and all rights and defenses that any Debtor had with respect to any Claim or Interest immediately prior to the Effective Date.

B. Claims Administration Responsibilities

Except as otherwise specifically provided in the Plan, after the Effective Date, the Liquidating Trustee shall have the sole authority to: (1) File, withdraw, or litigate to judgment, objections to Claims or Interests; (2) settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

C. Estimation of Claims

Before or after the Effective Date, the Debtors or the Liquidating Trustee (as applicable) may (but are not required to) at any time request that the Bankruptcy Court estimate any Disputed Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection.

Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged or disallowed from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars (\$0.00) unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the Debtors or the Liquidating Trustee (as applicable) may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim.

D. Adjustment to Claims Without Objection

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

E. Time to File Objections to Claims

Except as otherwise provided herein, any objections to Claims shall be Filed on or before the Claims Objection Bar Date (as such date may be extended upon presentment of an order to the Bankruptcy Court by the Liquidating Trustee).

F. Disallowance of Claims

Except as provided herein or otherwise agreed to by the Debtors or the Liquidating Trustee (as applicable), any Holder of any and all Proofs of Claim Filed after the Bar Date shall not receive any distributions on account of such Claims, unless on or before the Confirmation Hearing such late Claim has been deemed timely Filed by a Final Order.

G. Disallowed Claims

All Claims held by Persons or Entities against whom or which any Debtor has commenced a proceeding asserting a Cause of Action under sections 542, 543, 544, 545, 547, 548, 549, or 550 of the Bankruptcy Code or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 548, 549 or 724(a) of the Bankruptcy Code shall be deemed disallowed Claims pursuant to section 502(d) of the Bankruptcy Code and Holders of such Claims shall not be entitled to vote to accept or reject this Plan. A Claim deemed disallowed pursuant to this Article VII.G shall continue to be disallowed for all purposes until the relevant proceeding against the Holder of such Claim has been settled or resolved by a Final Order and any sums due to the Debtors or the Liquidating Trustee from such Holder have been paid.

H. Amendments to Claims

Except as provided herein, on or after the Effective Date, without the prior authorization of the Bankruptcy Court or the Liquidating Trustee, a Claim may not be Filed or amended and any such new or amended Claim Filed shall be deemed disallowed in full and expunged without any further notice to or action, order or approval of the Bankruptcy Court.

I. No Distributions Pending Allowance

If an objection to a Claim, Proof of Claim, or portion thereof is Filed, no payment or distribution provided under the Plan shall be made on account of such Claim, Proof of Claim, or portion thereof unless and until the Disputed Claim becomes an Allowed Claim.

J. Distributions After Allowance

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Disbursing Agent shall provide to the Holder of such Claim the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest, dividends, or accruals to be paid on account of such Claim. For the avoidance of doubt, no interest shall accrue or be paid on any Claim with respect to the period from the Effective Date to the date a final distribution is made on account of such Claim.

**Article VIII.
CONDITIONS PRECEDENT TO THE EFFECTIVE DATE**

A. Conditions Precedent

The occurrence of the Effective Date of this Plan is subject to the following conditions precedent:

1. The Bankruptcy Court shall have approved the Disclosure Statement as containing adequate information with respect to the Plan within the meaning of section 1125 of the Bankruptcy Code.

2. The Confirmation Order shall have been entered and shall be in full force and effect.

3. There shall have been no modification or stay of the Confirmation Order or entry of any other order prohibiting the transactions contemplated by this Plan from being consummated.

4. The Professional Fee Escrow Account shall have been fully funded pursuant to the terms of this Plan.

5. All actions, documents and agreements necessary to implement the Plan shall have been effected, executed and/or tendered for delivery. All conditions precedent to the effectiveness of such documents and agreements shall have been satisfied or waived pursuant to the terms thereof (or will be satisfied and waived substantially concurrently with the occurrence of the Effective Date).

6. The Debtors shall have received all authorizations, consents, regulatory approvals, rulings, letters, no-action letters, opinions, or documents necessary to implement this Plan and any Plan Transactions and that are required by law, regulation, or order.

B. Waiver of Conditions

Unless otherwise specifically provided in this Plan, the conditions set forth in Article VIII.A may be waived in whole or in part by the Debtors, in consultation with the Creditors' Committee, without notice to any other parties in interest or the Bankruptcy Court and without a hearing.

Article IX. RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Compromise and Settlement of Claims, Interests, and Controversies

Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the distributions and other benefits provided pursuant to this Plan, the provisions of this Plan shall constitute a good faith compromise of all Claims, Interests, and controversies relating to the relative legal, equitable, and contractual rights of the Holders of Claims and Interests with respect to distributions from the Debtors' Estates. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of all compromises and settlements embodied in the Plan, as well as a finding by the Bankruptcy Court that such compromises and settlements are in the best interests of the Debtors, their Estates, and Holders of Claims and Interests, and are fair, equitable, and reasonable.

B. Releases by the Debtors

As of the Effective Date, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, each Released Party (other than the Debtors) is deemed released and discharged by the Debtors and the Estates from any and all claims and Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Debtors, that the Debtors or the Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in, any Debtor or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof, or otherwise), any securities issued by the Debtors and the ownership thereof, the Debtors' in- or out-of-court restructuring efforts, any Avoidance Actions, intercompany transactions, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or Filing of the Disclosure Statement, the DIP

Facility, the DIP Loan Documents, the Sale, the Sale Documents, the Plan, the Plan Supplement, or any restructuring transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the DIP Facility, the DIP Loan Documents, the Sale, the Sale Documents, the Plan, the Plan Supplement, the Chapter 11 Cases, the Filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of the DIP Facility, the pursuit of the Sale, the pursuit of consummation, the administration and implementation of the Plan, including the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence or omission taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (a) any post-Effective Date obligations of any party or entity under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (b) any Entity from any claim, Claim, or Causes of Action related to an act or omission that is determined in a Final Order by a court of competent jurisdiction to have constituted actual intentional fraud, willful misconduct, or gross negligence of such Released Party, (c) any obligations under or in respect of the Sale Documents, (d) any obligations under or in respect of the 9019 Order or the Preserved D&O Claims, or (e) claims determined in a Final Order by a court of competent jurisdiction to have constituted legal malpractice, release of which is prohibited by Rule 1.8(h) of the New York Rules of Professional Conduct (22 N.Y.C.R.R. § 1200).

Each Person and Entity deemed to grant the Debtor Releases shall be deemed to have granted such releases notwithstanding that such Person or Entity may hereafter discover facts in addition to, or different from, those which such Person or Entity now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and such Person or Entity expressly waives any and all rights that such Person or Entity may have under any statute or common law principle, including, without limitation, section 1542 of the California Civil Code, to the extent such section is applicable, which would limit the effect of such releases to those claims or causes of action actually known or suspected to exist on the Effective Date. Section 1542 of the California Civil Code generally provides as follows: “A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

The Plan shall be deemed a motion to approve the settlements contained herein pursuant to Bankruptcy Rule 9019 with respect to the Debtor Releases provided in Article IX.B of the Plan, and entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval, pursuant to Bankruptcy Rule 9019, of the Debtor Releases, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court’s finding that the Debtor Releases are: (a) in exchange for the good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties’ contributions to facilitating the restructuring and implementing the Plan; (b) a good faith settlement and compromise of the claims released by the Debtor Releases; (c) in the best interests of the Debtors and all Holders of Claims and Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to the Debtors, the Estates, and the Liquidating Trustee asserting any claim or Cause of Action released pursuant to the Debtor Releases.

C. Releases by Holders of Claims and Interests

As of the Effective Date, each Releasing Party (other than the Debtors) is deemed to have released and discharged each Released Party from any and all claims, Claims and Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Debtors (or

their Estates), that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership or operation thereof, or otherwise), any securities issued by the Debtors and the ownership thereof, the Debtors' in- or out-of-court restructuring efforts, any Avoidance Actions, intercompany transactions, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or Filing of the Disclosure Statement, the DIP Facility, the DIP Loan Documents, the Sale, the Sale Documents, the Plan, the Plan Supplement, or any restructuring transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the DIP Facility, the DIP Loan Documents, the Sale, the Sale Documents, the Plan, the Plan Supplement, the Chapter 11 Cases, the Filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of the DIP Facility, the pursuit of the Sale, the pursuit of consummation, the administration and implementation of the Plan, including distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence or omission taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (a) any post-Effective Date obligations of any party or entity under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (b) any Entity from any claim, Claim, or Causes of Action related to an act or omission that is determined in a Final Order by a court of competent jurisdiction to have constituted actual intentional fraud, willful misconduct, or gross negligence of such Released Party, (c) any obligations under or in respect of the Sale Documents, (d) any obligations under or in respect of the 9019 Order or the Preserved D&O Claims, or (e) claims determined in a Final Order by a court of competent jurisdiction to have constituted legal malpractice, release of which is prohibited by Rule 1.8(h) of the New York Rules of Professional Conduct (22 N.Y.C.R.R. § 1200).

Each Person and Entity deemed to grant the releases described in this Article IX.C shall be deemed to have granted such releases notwithstanding that such Person or Entity may hereafter discover facts in addition to, or different from, those which such Person or Entity now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and such Person or Entity expressly waives any and all rights that such Person or Entity may have under any statute or common law principle, including, without limitation, section 1542 of the California Civil Code, to the extent such section is applicable, which would limit the effect of such releases to those claims or causes of action actually known or suspected to exist on the Effective Date. Section 1542 of the California Civil Code generally provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the releases described in Article IX.C of the Plan, which includes by reference each of the related provisions and definitions contained in this Plan, and, further, shall constitute the Bankruptcy Court's finding that each release described in Article IX.C of the Plan is: (a) consensual; (b) essential to the Confirmation of the Plan; (c) given in exchange for the good and valuable consideration provided by the Released Parties; (d) in the best interests of the Debtors and their Estates; (e) fair, equitable, and reasonable; (f) given and made after due notice and opportunity for hearing; and (g) a bar to any of the Releasing Parties asserting any claim, Claim or Cause of Action released pursuant to Article IX.C of the Plan.

D. Exculpation

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur liability for, and each Exculpated Party is released and exculpated from any Cause of Action for any claim or Claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or Filing of the Debtor's in- or out-of-court restructuring efforts, the DIP Facility, the DIP Loan Documents, the Sale, the Sale Documents, the Plan, the Plan Supplement, or any restructuring transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the DIP Facility, the DIP Loan Documents, the Sale, the Sale Documents, the Plan, the Plan Supplement, the Chapter 11 Cases, the Filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of the DIP Facility, the pursuit of the Sale, the pursuit of consummation, the administration and implementation of the Plan, including the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence or omission taking place on or before the Effective Date, except for claims related to any act or omission that is determined in a Final Order by a court of competent jurisdiction to have constituted actual intentional fraud, willful misconduct, or gross negligence of such Person, but in all respects such Entities shall be entitled to reasonably rely upon the written advice of counsel with respect to their duties and responsibilities pursuant to the Plan. For the avoidance of doubt, as set forth in Article IV.J of the Plan, notwithstanding anything to the contrary in the Plan, nothing in the Plan shall affect, impair or supersede the 9019 Order, Committee Settlement, the Sale Order or Sale Documents, each of which remains in full force and effect and governs in the event of inconsistency with the Plan.

The Exculpated Parties have, and upon Confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

E. Injunction

Except as otherwise provided in the Plan or the Confirmation Order, all Entities who have held, hold, or may hold Claims, Interests, Causes of Action, or liabilities that: (a) are subject to compromise and settlement pursuant to the terms of the Plan; (b) have been released pursuant to Article IX.B of this Plan; (c) have been released pursuant to Article IX.C of this Plan, (d) were purchased and released by Buyer in connection with the Sale, (e) are subject to exculpation pursuant to Article IX.D of this Plan, or (f) are otherwise discharged, satisfied, stayed, released, or terminated pursuant to the terms of the Plan, are permanently enjoined and precluded, from and after the Effective Date, from commencing or continuing in any manner, any action or other proceeding, including on account of any Claims, claims, Interests, Causes of Action, or liabilities that have been compromised or settled against the Debtors or any Entity so released or exculpated (or the property or estate of any Entity, directly or indirectly, so released or exculpated) on account of, or in connection with or with respect to, any discharged, released, settled, compromised, or exculpated Claims, claims, Interests, Causes of Action, or liabilities, including being permanently enjoined and precluded, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Liquidating Trustee, or the Liquidating Trust Assets, the Released Parties, or Exculpated Parties (as applicable): (i) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims, Claims or Interests; (ii) enforcing, attaching, collecting, or recovering by any manner or

means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims, Claims or Interests; (iii) creating, perfecting, or enforcing any Lien or encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such claims, Claims or Interests; (iv) asserting any right of setoff or subrogation of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims, Claims or Interests unless such Entity has timely asserted such setoff right in a document Filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a Claim or Interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (v) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims, Claims or Interests released or settled pursuant to the Plan.

Upon the Bankruptcy Court's entry of the Confirmation Order, all Holders of Claims and Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, or principals, shall be enjoined from taking any actions to interfere with the implementation or consummation of this Plan by the Debtors, the Liquidating Trustee, and their respective affiliates, employees, advisors, officers and directors, or agents.

F. No Discharge

Because the Debtors are liquidating, they are not entitled to a discharge of obligations pursuant to section 1141 of the Bankruptcy Code with regard to any Holders of Claims or Interest.

G. Release of Liens

Except as otherwise provided herein or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Debtors and their successors and assigns.

Any Holder of a Secured Claim or any agent for such Holder that has filed or recorded publicly any Liens and/or security interests to secure such Holder's Secured Claim shall, as soon as practicable on or after the Effective Date, take any and all steps requested by the Liquidating Trustee that are necessary or desirable to record or effectuate the cancellation and/or extinguishment of such Liens and/or security interests, including the making of any applicable filings or recordings, and the Liquidating Trustee shall be entitled to make any such filings or recordings on such Holder's behalf.

**Article X.
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases, the Sale, the Sale Documents, the Committee Settlement, the Preserved D&O Claims, the 9019 Order, the Confirmation Order, and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

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

payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims or Interests.

2. Resolve any cases, controversies, suits, or disputes that may arise in connection with Claims, including Claim objections, allowance, disallowance, subordination, estimation and distribution.

3. Decide and resolve all matters related to the granting and denying, in whole or in part of, any applications for allowance of compensation or reimbursement of expenses to Retained Professionals authorized pursuant to the Bankruptcy Code or the Plan.

4. Resolve any matters related to: (a) the assumption or assumption and assignment of any Executory Contract or Unexpired Lease to which any Debtor is party or with respect to which any Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Cure arising therefrom, including the Cure amount pursuant to section 365 of the Bankruptcy Code; and/or (b) any dispute regarding whether a contract or lease is or was executory or expired.

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

6. Adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code.

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

8. Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan.

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

10. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions.

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

12. Determine any other matters that may arise in connection with or related to the Sale Documents, the Disclosure Statement, the Plan, the Confirmation Order, the 9019 Order, and the Committee Settlement.

13. Ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan.

14. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by any Holder for amounts not timely repaid.
15. Adjudicate any and all disputes arising from or relating to distributions under the Plan.
16. Consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order.
17. Hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order.
18. Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code.
19. To recover all assets of the Debtors and property of the Debtors' Estates, wherever located.
20. To consider requests for extensions of the term of the Liquidating Trust as provided herein.
21. To hear and determine any Causes of Action that may be brought by the Liquidating Trustee.
22. To hear and determine any other rights, claims, or Causes of Action held by or accruing to the Debtors or the Liquidating Trust pursuant to the Bankruptcy Code or any applicable state or federal statute or legal theory.
23. Enter an order or final decree concluding or closing the Chapter 11 Cases.
24. Enforce all orders previously entered by the Bankruptcy Court.
25. Hear any other matter not inconsistent with the Bankruptcy Code.

Article XI.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF PLAN

A. Modification of Plan

Subject to the limitations contained in the Plan, the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules (1) to amend or modify the Plan prior to the entry of the Confirmation Order, in consultation with the Creditors' Committee, including amendments or modifications to satisfy section 1129 of the Bankruptcy Code, and (2) after the entry of the Confirmation Order, the Debtors or the Liquidating Trustee (as applicable) may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

B. Other Amendments

The Debtors may make appropriate non-material, technical adjustments and modifications to this Plan or the Plan Supplement prior to the Effective Date without further order or approval of the Bankruptcy Court.

C. Effect of Confirmation on Modifications

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

D. Revocation of Plan; Effect of Non-Occurrence of Conditions to the Effective Date

Subject to the conditions to the Effective Date, the Debtors, in consultation with the Creditors' Committee, reserve the right to revoke or withdraw the Plan prior to the entry of the Confirmation Order and to File subsequent plans of reorganization or liquidation. If the Debtors revoke or withdraw the Plan, or if entry of the Confirmation Order or the Effective Date does not occur, then (1) the Plan shall be null and void in all respects, (2) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant hereto shall be deemed null and void, and (3) nothing contained in the Plan, the Confirmation Order, or the Disclosure Statement shall (a) constitute a waiver or release of any Claims, Interests, or Causes of Action, (b) prejudice in any manner the rights of the Debtors or any other Entity, or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity.

**Article XII.
MISCELLANEOUS PROVISIONS**

A. Debtors' Operation from Confirmation Date through Effective Date

During the period from the Confirmation Date through and until the Effective Date, the Debtors shall continue to operate as debtors in possession, subject to the oversight of the Bankruptcy Court as provided in the Bankruptcy Code, the Bankruptcy Rules, and all orders of the Bankruptcy Court that are then in full force and effect.

B. Immediate Binding Effect

Notwithstanding Bankruptcy Rules 3020(e), 6004(g), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the documents and instruments contained in the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Liquidating Trustee, all Holders of Claims against and Interests in any Debtor (regardless of whether any such Holder has voted or failed to vote to accept or reject this Plan and regardless of whether any such Holder is entitled to receive any distribution under this Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring property under the Plan, any and all non-Debtor parties to Executory Contracts and Unexpired Leases, and all parties in interest.

C. Additional Documents

On or before the Effective Date, the Debtor may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and

conditions of the Plan. The Debtors or the Liquidating Trustee (as applicable) and all Holders of Claims or Interests receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan or the Confirmation Order.

D. Substantial Consummation

On the Effective Date, this Plan shall be deemed to be substantially consummated (within the meaning set forth in section 1101 of the Bankruptcy Code) pursuant to section 1127(b) of the Bankruptcy Code.

E. Reservation of Rights

The Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by the Debtors with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of the Debtors with respect to the Holders of Claims or Interests prior to the Effective Date.

F. Successors and Assigns

The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, beneficiaries or guardian, if any, of each Entity.

G. Determination of Tax Liabilities

As of the Effective Date, the Liquidating Trustee will be responsible for preparing and filing any tax forms or returns on behalf of the Debtors' Estates and Liquidating Trust (to the extent not the responsibility of Buyer); provided, however, that the Liquidating Trustee shall not be responsible for preparing or filing any tax forms for Holders of Interests in the Debtors (which Interests shall be cancelled pursuant to this Plan), but shall provide such Holders with any information reasonably required to prepare such forms. The Debtors and the Liquidating Trustee shall have the right to request an expedited determination of any tax liability pursuant to section 505 of the Bankruptcy Code, including on any unpaid liability of the Debtors' Estates and the Liquidating Trust for any tax incurred during the administration of the Chapter 11 Cases.

H. Notices

In order for all notices, requests, and demands to or upon the Debtors and the Liquidating Trustee, as the case may be, to be effective such notices, requests and demands shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by email, when received and telephonically confirmed, and served on or delivered to following parties:

Debtors	Counsel to the Debtors
<p>A.B.C. Carpet Co., Inc. A.B.C. Home Furnishings, Inc. A.B.C. Oriental Carpets, Inc. Attn: Aaron R. Rose aaronrose@gmail.com (along with a copy to counsel to the Debtors)</p>	<p>GREENBERG TRAUIG, LLP One Vanderbilt Avenue New York, New York 10017 Telephone: (212) 801-9200 Facsimile: (212) 801-6400 Attn: Oscar N. Pinkas (PinkasO@gtlaw.com) Leo Muchnik (MuchnikL@gtlaw.com) Sara A. Hoffman (HoffmanS@gtlaw.com) and GREENBERG TRAUIG, PA 333 S.E. 2nd Avenue, Suite 4400 Miami, Florida 33131 Telephone: (305) 579-0500 Facsimile: (305) 579-0717 Attn: Ari Newman (NewmanAr@gtlaw.com)</p>
United States Trustee	Counsel to the Creditors' Committee
<p>Office of the United States Trustee for the Southern District of New York 201 Varick Street, Suite 1006 New York, New York 10014 Attn.: Shannon Scott Shannon.Scott2@usdoj.gov</p>	<p>SEWARD & KISSEL LLP One Battery Park Plaza New York, New York 10004 Telephone: (212) 574-1200 Attn: John R. Ashmead (ashmead@sewkis.com) Robert J. Gayda (gayda@sewkis.com) Catherine V. LoTempio (lotempio@sewkis.com)</p>
Liquidating Trustee	Counsel to Liquidating Trustee
<p>Joseph Pack 51 Northeast 24th Street, Suite 108 Miami, Florida 33137 joe@packlaw.com</p>	<p>Pack Law 51 Northeast 24th Street, Suite 108 Miami, Florida 33137</p>

After the Effective Date, Entities that wish to continue to receive documents pursuant to Bankruptcy Rule 2002 must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Liquidating Trustee is authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities that Filed such renewed requests.

I. Term of Injunctions or Stays

Except as otherwise provided in this Plan, to the maximum extent permitted by applicable law and subject to the Bankruptcy Court's post-confirmation jurisdiction to modify the injunctions and stays under this Plan, (a) all injunctions with respect to or stays against an action against property of the Debtors or the Debtors' Estates arising under or entered during the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code, and in existence on the Confirmation Date, shall remain in full force and effect until such property is no longer property of the Debtors or the Debtors' Estates, and (b) all other injunctions and stays

arising under or entered during the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code shall remain in full force and effect until the earliest of (i) the date that the Chapter 11 Cases are closed pursuant to a Final Order of the Bankruptcy Court or (ii) the date that the Chapter 11 Cases are dismissed pursuant to a Final Order of the Bankruptcy Court. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect indefinitely.

J. Entire Agreement

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

K. Plan Supplement Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. Copies of such exhibits and documents shall be made available upon written request to Debtors' counsel or Liquidating Trustee's counsel (as applicable) at the address above or by downloading such exhibits and documents free of charge from <https://cases.stretto.com/abchomeandcarpet>.

Unless otherwise ordered by the Bankruptcy Court, to the extent any exhibit or document in the Plan Supplement is inconsistent with the terms of any part of the Plan that does not constitute the Plan Supplement, such part of the Plan that does not constitute the Plan Supplement shall control. The documents in the Plan Supplement are considered an integral part of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order.

L. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control), and corporate governance matters.

M. Nonseverability of Plan Provisions upon Confirmation

If any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation.

The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is the following: (a) valid and enforceable pursuant to its terms; (b) integral to the Plan and may not be deleted or modified without the consent of the Debtors or Liquidating Trustee (as applicable); and (c) nonseverable and mutually dependent.

Schedule 2.01

Allowed Subordinated Claims of Subordinated Parties

A.B.C. Carpet Co., Inc., Case No. 21-11591 (DSJ)	
Claimant	Allowed Claim
Paulette Cole (direct Claims)	\$10,204,853.00
Paulette Cole (Claims by assignment from The Northern Trust Company)	\$5,735,354.69
Amma421, LLC	\$2,139,496.00
Jerome Weinrib	\$5,476,538.00

A.B.C. Home Furnishings, Inc., Case No. 21-11592 (DSJ)	
Claimant	Allowed Claim
Paulette Cole (direct Claims)	\$20,263,946.00
Paulette Cole (Claims by assignment from The Northern Trust Company)	\$9,952,126.53
Hudruf Realty L.L.C.	\$3,280,251.07
Amma421, LLC	\$1,692,861.00
Jerome Weinrib	\$5,330,047.00

A.B.C. Oriental Carpets, Inc., Case No. 21-11593 (DSJ)	
Claimant	Allowed Claim
None	None

Exhibit B

Notice of Effective Date

Oscar N. Pinkas
Leo Muchnik
Sara A. Hoffman
GREENBERG TRAUIG, LLP
One Vanderbilt Avenue
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Facsimile: (212) 801-6400

Ari Newman (admitted *pro hac vice*)
GREENBERG TRAUIG, PA
333 S.E. 2nd Avenue, Suite 4400
Miami, Florida 33131
Telephone: (305) 579-0500
Facsimile: (305) 579-0717

Counsel for the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

A.B.C. CARPET CO., INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 21-11591 (DSJ)

(Jointly Administered)

**NOTICE OF: (I) ENTRY OF ORDER CONFIRMING AMENDED DEBTORS' JOINT
CHAPTER 11 PLAN OF LIQUIDATION FOR A.B.C. CARPET CO., INC., *ET AL.*
(AS FURTHER MODIFIED); (II) OCCURRENCE OF EFFECTIVE DATE; AND
(III) BAR DATE NOTICE FOR CERTAIN ADMINISTRATIVE CLAIMS,
REJECTION DAMAGES CLAIMS, AND PROFESSIONAL FEE CLAIMS**

PLEASE TAKE NOTICE THAT on March [●], 2022, the Honorable David R. Jones of
the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy
Court") entered an order [Dkt. No. ●] (the "Confirmation Order") approving and confirming the
Amended Debtors' Joint Chapter 11 Plan of Liquidation for A.B.C. Carpet Co., Inc., et al. (as

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are A.B.C. Carpet Co., Inc. (6537), A.B.C. Home Furnishings, Inc. (6915), and A.B.C. Oriental Carpets, Inc. (3679).

Further Modified), which is annexed to the Confirmation Order as Exhibit A (as may be amended, restated, supplemented, altered, or modified from time to time, the “Plan”).²

A. Occurrence of Effective Date

PLEASE TAKE FURTHER NOTICE THAT the Plan became effective on March [●], 2022 (the “Effective Date”). Each of the conditions precedent to the Effective Date set forth in Article VIII of the Plan has been satisfied or waived in accordance with the Plan and the Confirmation Order.

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Confirmation Order, the settlement, release, exculpation, and injunction provisions in Article IX of the Plan are now in full force and effect.

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Confirmation Order and Plan, the Plan is deemed to be substantially consummated (within the meaning set forth in section 1101 of the Bankruptcy Code) pursuant to section 1127(b) of the Bankruptcy Code.

B. Administrative Claims Bar Date

PLEASE TAKE FURTHER NOTICE THAT except as otherwise provided in the Plan and Confirmation Order, Holders of Administrative Claims (other than 503(b)(9) Claims) must file with the Bankruptcy Court and serve by motion requests for allowance and payment of Administrative Claims (“Administrative Claim Requests”) so as to be actually received on or before **June [●], 2022** (the “Administrative Claims Bar Date”) by (i) counsel to the Debtors, Greenberg Traurig LLP at (a) One Vanderbilt Avenue, New York, New York 10017 (Attn: Oscar Pinkas (pinkaso@gtlaw.com), Leo Muchnik (muchnikl@gtlaw.com) and Sara A. Hoffman (hoffmans@gtlaw.com)) and (b) 333 S.E. 2nd Avenue, Suite 4400, Miami, Florida 33131 (Attn:

² Capitalized terms used but not defined herein shall have the meanings given to them in the Plan.

Ari Newman (newmana@gtlaw.com); (ii) counsel to the Liquidating Trustee, at (a) Pack Law, 51 NE 24th St #108, Miami, FL 33137 (Attn: Joseph Pack), and (b) Seward & Kissel LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Robert J. Gayda (gayda@sewkis.com) and Catherine V. LoTempio (lotempio@sewkis.com)).

PLEASE TAKE FURTHER NOTICE THAT an Administrative Claim Request must include, at a minimum: (i) the name of the applicable Debtor that is purported to be liable for the Administrative Claim and, if the Administrative Claim is asserted against more than one Debtor, the exact amount asserted to be owed by each such Debtor; (ii) the name of the Holder of the Administrative Claim; (iii) the asserted amount of the Administrative Claim; (iv) the basis of the Administrative Claim; and (v) supporting documentation for the Administrative Claim.

PLEASE TAKE FURTHER NOTICE THAT Holders of Administrative Claims that are required to File and serve by motion a request for allowance and payment of such Administrative Claims, but do not File and serve such a request by the Administrative Claim Bar Date, **shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Estates, the Liquidating Trust, the Liquidating Trustee, or any their respective assets and properties, and any such Administrative Claims shall be deemed disallowed as of the Effective Date without the need for any notices, objection, or other action from the Debtors or the Liquidating Trustee (as applicable) or any action or approval by the Bankruptcy Court.** A Proof of Claim asserting an Administrative Claim (other than 503(b)(9) Claims) does not constitute a request for allowance and payment of an Administrative Claim, and a motion must be Filed as provided in the Plan.

C. Rejection Damages Claims Bar Date

PLEASE TAKE FURTHER NOTICE THAT except as otherwise provided in the Plan and Confirmation Order, Holders of Claims resulting from the rejection of an Executory Contract

or Unexpired Lease pursuant to the Plan and Confirmation Order (“Rejection Damages Claims”) must File with the Notice and Claims Agent and serve a Proof of Claim so as to be actually received on or before **April [●], 2022** (the “Rejection Damages Claim Bar Date”) by counsel to the Liquidating Trustee, at (a) Pack Law, 51 NE 24th St #108, Miami, FL 33137 (Attn: Joseph Pack), and (b) Seward & Kissel LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Robert J. Gayda (gayda@sewkis.com) and Catherine V. LoTempio (lotempio@sewkis.com)).

PLEASE TAKE FURTHER NOTICE THAT Holders of Rejection Damages Claims that are required to File and serve a Proof of Claim with respect to such Rejection Damages Claims, but do not File and serve such a Proof of Claim by the Rejection Damages Claim Bar Date, **shall be forever barred, estopped, and enjoined from asserting such Rejection Damages Claims against the Debtors, the Estates, the Liquidating Trustee, the Liquidating Trust, or any of their respective assets and properties, and such Rejection Damages Claims shall be deemed fully released and waived as of the Effective Date, without the need for any notices, objections, or other action from the Debtors or the Liquidating Trustee, or any action, order, or approval of the Bankruptcy Court or any other entity,** and notwithstanding anything in the Schedules or a Proof of Claim to the contrary.

D. Professional Fee Claims Bar Date

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Plan and Confirmation Order, all requests for payment of Professional Fee Claims by Retained Professionals (other than OCPs) for services rendered and reimbursement of expenses incurred prior to the Effective Date (“Professional Fee Claims”) must be Filed with the Bankruptcy Court and served so as to be actually received on or before **April [●], 2022** (the “Professional Fee Claims Bar Date”) by: (i) counsel to the Debtors, Greenberg Traurig LLP at (a) One Vanderbilt Avenue, New York, New York 10017 (Attn: Oscar Pinkas (pinkaso@gtlaw.com), Leo Muchnik (muchnikl@gtlaw.com) and

Sara A. Hoffman (hoffmans@gtlaw.com) and (b) 333 S.E. 2nd Avenue, Suite 4400, Miami, Florida 33131 (Attn: Ari Newman (newmana@gtlaw.com)); (ii) counsel to the Liquidating Trustee, at (a) Pack Law, 51 NE 24th St #108, Miami, FL 33137 (Attn: Joseph Pack), and (b) Seward & Kissel LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Robert J. Gayda (gayda@sewkis.com) and Catherine V. LoTempio (lotempio@sewkis.com)); and (iii) the United States Trustee, 201 Varick Street, Suite 1006, New York, NY 10014 (Attn: Shannon Scott).

PLEASE TAKE FURTHER NOTICE THAT objections to Professional Fee Claims must be Filed and served on or before **April/May [●], 2022**.

PLEASE TAKE FURTHER NOTICE THAT the Professional Fee Claims of Retained Professionals, including the amounts thereof, will be subject to Allowance by Final Order of the Bankruptcy Court after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and the Bankruptcy Court.

[Remainder of this page intentionally left blank]

Dated: March [●], 2022
New York, New York

Respectfully submitted,

/s/ [DRAFT]

Oscar N. Pinkas

Leo Muchnik

Sara A. Hoffman

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Possession*