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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH**

In re:

CASTLE ARCH REAL ESTATE INVESTMENT COMPANY, LLC; CAOP MANAGERS, LLC; CASTLE ARCH KINGMAN, LLC; CASTLE ARCH SECURED DEVELOPMENT FUND, LLC; CASTLE ARCH SMYRNA, LLC; CASTLE ARCH STAR VALLEY, LLC; *and*

CASTLE ARCH OPPORTUNITY PARTNERS I, LLC; CASTLE ARCH OPPORTUNITY PARTNERS II, LLC,

Debtors.

Case Nos. 11-35082, 11-35237, 11-35243, 11-35242 and 11-35246
(Substantively Consolidated)

Case Nos. 11-35241 and 11-35240
(Jointly Administered)

(Chapter 11)
The Honorable Joel T. Marker

- Affects All Debtors
- Affects Only the Substantively Consolidated Debtors
- Affects only Castle Arch Opportunity Partners I, LLC
- Affects only Castle Arch Opportunity Partners II, LLC

STATUS REPORT REGARDING CONFIRMATION OF THE FIRST AMENDED CHAPTER 11 TRUSTEE'S PLAN OF LIQUIDATION DATED FEBRUARY 25, 2013 AND NOTICE OF NON-MATERIAL MODIFICATIONS TO PROPOSED PLAN

D. Ray Strong, the duly appointed Chapter 11 Trustee (the "Trustee") for Castle Arch Real Estate Investment Company, LLC, CAOP Managers, LLC, Castle Arch Kingman, LLC, Castle Arch Secured Development Fund, LLC, Castle Arch Smyrna, LLC and Castle Arch Star

Valley, LLC (the “Legacy Debtors”), and in that capacity as manager for Castle Arch Opportunity Partners I, LLC and Castle Arch Opportunity Partners II, LLC (together, the “CAOP Debtors” and collectively with the Legacy Debtors, the “Debtors”), by and through his counsel, hereby provides to the Court this *Status Report Regarding Confirmation of the First Amended Chapter 11 Trustee’s Plan of Liquidation Dated February 25, 2013 and Notice of Non-Material Modifications to Proposed Plan* (the “Proposed Plan”).¹

REPORT

1. On February 25, 2013, the Trustee filed his *First Amended Disclosure Statement for Chapter 11 Trustee’s Plan of Liquidation Dated February 25, 2013* (the “Disclosure Statement”),² as well as the *Chapter 11 Trustee’s Plan of Liquidation Dated February 25, 2013*.³

2. On October 11, 2012, the Trustee filed his *Motion for Entry of an Order (I) Approving Disclosure Statement for Chapter 11 Trustee’s Plan of Liquidation, (II) Approving Solicitation Procedures, Including Form of Ballot and Manner of Notice, and (III) Fixing the Confirmation Hearing and the Deadline for Filing Objections to the Confirmation of the Plan*, seeking in principal part, approval of the proposed Disclosure Statement, the Trustee’s proposed procedures for soliciting votes to accept the Trustee’s plan, and fixing of certain deadlines (the “Approval Motion”).⁴

¹ [Docket No. 656.](#)

² [Docket No. 621.](#)

³ [Docket No. 622.](#)

⁴ [Docket No. 368.](#)

3. On March 21, 2013, the Court held a hearing on the Approval Motion, at which time the Court granted the Approval Motion, including authorizing the adequacy of the proposed Disclosure Statement, subject to certain amendments.

4. On March 27, 2013, the Court entered its *Order Granting Chapter 11 Trustee's Motion for Entry of an Order (I) Approving Disclosure Statement for Chapter 11 Trustee's Plan of Liquidation, (II) Approving Solicitation Procedures, Including Form of Ballot and Manner of Notice, and (III) Fixing the Confirmation Hearing and the Deadline for Filing Objections to the Confirmation of the Plan* (the "Disclosure Statement Order"),⁵ approving, among other things: (a) the *First Amended Disclosure Statement for First Amended Chapter 11 Trustee's Plan of Liquidation Dated February 25, 2013* (the "Approved Disclosure Statement"),⁶ attached as Exhibit A to which is a copy of the Proposed Plan;⁷ (b) the form of the *Notice of Entry of Order (I) Approving the Chapter 11 Trustee's Disclosure Statement and Fixing Time for Filing Acceptances or Rejections to the Chapter 11 Trustee's Plan of Liquidation Dated February 25, 2013, and (II) Notice of Hearing on Confirmation of the Plan and for Filing Objections* (the "Confirmation Hearing Notice"); and (c) the Trustee's proposed "Solicitation Package."⁸

5. The Disclosure Statement Order set the following deadlines and dates:

- (a) April 12, 2013, as the Trustee's deadline to (i) serve the Solicitation Package on holders of Voting Claims and Interests, (ii) serve the

⁵ [Docket No. 652](#).

⁶ [Docket No. 655](#).

⁷ [Docket No. 656](#).

⁸ The Solicitation Package includes the applicable Solicitation Letter and Ballot, the Approved Disclosure Statement, attached to which as Exhibit A is the Proposed Plan, and the Confirmation Hearing Notice. The form of each of these documents was approved by the Court. See [Disclosure Statement Order](#).

Confirmation Hearing Notice on all parties in interest in the case, and (iii) file and serve a brief in support of confirmation;

- (b) April 29, 2013, as the deadline for filing motions pursuant to Federal Rule of Bankruptcy Procedure 3018(a) (“Rule 3018 Motions”);
- (c) May 13, 2013, as the “Voting Deadline” and the deadline to file objections to the Proposed Plan;
- (d) May 17, 2013, as the deadline for the Trustee to file his Voting Tabulation Report and any reply to objections to confirmation; and
- (e) May 30, 2013, at 2:00 p.m. (Mountain Time) for the Confirmation Hearing.⁹

6. In accordance with the Disclosure Statement Order, on or before April 12, 2013, the Trustee (a) served the Solicitation Package on holders of Voting Claims and Interests; and (b) served the Confirmation Hearing Notice on all parties in interest in the case.¹⁰

7. Also in accordance with the Disclosure Statement Order, the Trustee filed and served his *Memorandum of Law in Support of Confirmation of First Amended Chapter 11 Trustee’s Plan of Liquidation Dated February 25, 2013* (the “Confirmation Brief”) on April 12, 2013.¹¹

8. No Rule 3018 Motions were filed on or before April 29, 2013, the date established in the Disclosure Statement Order and the Confirmation Hearing Notice, and the Trustee has not been informed by any party in interest of any intent to file a Rule 3018 Motion.

⁹ [Disclosure Statement Order ¶¶ 4-9](#).

¹⁰ See [Docket No. 676](#) (Certificate of Service).

¹¹ [Docket No. 663](#).

9. No objections to confirmation of the Proposed Plan were filed on or before May 13, 2013, the objection deadline established in the Disclosure Statement Order and the Confirmation Hearing Notice, and the Trustee has not been informed by any party in interest of any intent to file an objection to confirmation of the Proposed Plan.

10. On May 16, 2013, in accordance with the Disclosure Statement Order, the Trustee filed a *Declaration of Ballot Tabulator Regarding Solicitation and Tabulation of Votes in Connection with First Amended Chapter 11 Trustee's Plan of Liquidation Dated February 25, 2013*, showing that all Voting Classes have voted in favor of the Proposed Plan.¹²

11. By no later than May 28, 2013, the Trustee will file a *Declaration of D. Ray Strong, Chapter 11 Trustee, in Support of Confirmation of First Amended Chapter 11 Trustee's Plan of Liquidation Dated February 25, 2013*, establishing that the Proposed Plan meets all requirements for confirmation under 11 U.S.C. § 1129.

NON-MATERIAL MODIFICATIONS TO PROPOSED PLAN

12. Section 1127(a) of the Bankruptcy Code states that the Trustee may modify his Proposed Plan “at any time prior to confirmation,” provided that the modifications comply with 11 U.S.C. §§1122, 1123 and 1125.¹³

13. Furthermore, Federal Rule of Bankruptcy Procedure 3019(a) states that “after a plan has been accepted and before its confirmation, the proponent may file a modification of the plan.” Provided that the proposed modification “does not adversely change the treatment of the claim of any creditor or the interest of any equity security holder who has not accepted in writing

¹² [Docket No. 690](#).

¹³ 11 U.S.C. § 1127(a) & (c).

the modification, it shall be deemed accepted by all creditors and equity security holders who have previously accepted the plan.”¹⁴

14. As part of his preparation for the confirmation hearing, the Trustee has determined that there are limited, non-material modifications required to the Proposed Plan as follows and as set forth in the applicable redlined pages of the Proposed Plan attached hereto as

Exhibit A:

- a. Case Caption: Changed the title of the document from “First Amended Chapter 11 Trustee’s Plan of Liquidation Dated February 25, 2013” to “Second Amended Chapter 11 Trustee’s Plan of Liquidation Dated February 25, 2013.”
- b. Table of Contents: Changed the page numbers as a result of making the below modifications.
- c. Section 1.1: Added a definition for the term “DIP Management Fees.” This definition is the same as that given to this term in the Proposed Plan, and has been added to the definitional section of the Proposed Plan for convenience.
- d. Section 1.1: Added a definition for the term “Individual Claims.” This definition is the same as that given to this term in the Proposed Plan, and has been added to the definitional section of the Proposed Plan for convenience.
- e. Section 1.1: Added a definition for the term “Pre-Petition Management Fees.” This definition is the same as that given to this term in the Proposed Plan, and has been added to the definitional section of the Proposed Plan for convenience.

¹⁴ Fed. R. Bankr. P. 3019(a).

- f. Section 1.1: Added a definition for the term “Trustee Period Management Fees.”
This definition is the same as that given to this term in the Proposed Plan, and has been added to the definitional section of the Proposed Plan for convenience.
- g. Section 1.1: Added a definition for the term “True-Up Claims.” This definition is the same as that given to this term in the Proposed Plan, and has been added to the definitional section of the Proposed Plan for convenience.
- h. Section 1.1: The definition of “Legacy Trust Assets” has been modified to remove the language “but including Assigned Litigation Claims.” This phrase was a carry-over from an earlier version of the Plan, but has no meaning in the version that the Trustee solicited.
- i. Section 4.2: Added language incorporating terms of a settlement agreement between the Trustee and Prince Yeates & Geldzahler, which agreement was approved by the Court.¹⁵
- j. Section 7.4.3: Removed the term “Victim” in line three of the section.

15. None of the proposed modifications to the Proposed Plan are material in any way and are thus allowed under applicable law. Moreover, further solicitation of the Proposed Plan, as modified, is not required because the modifications do not adversely affect the rights of any party in interest, and are primarily made to aid in the clarification of the relevant documents, to correct words used in the Plan, and to incorporate the terms of the settlement with Prince Yeates & Geldzahler, which has been authorized by the Court after notice to all parties in interest.

¹⁵ [Docket No. 631](#).

EXHIBIT A

CERTIFICATE OF SERVICE – BY NOTICE OF ELECTRONIC FILING (CM/ECF)

I hereby certify that on May 24, 2013, I electronically filed the foregoing **CHAPTER 11 TRUSTEE'S STATUS REPORT REGARDING CONFIRMATION OF FIRST AMENDED CHAPTER 11 TRUSTEE'S PLAN OF LIQUIDATION DATED FEBRUARY 25, 2013 AND NOTICE OF NON-MATERIAL MODIFICATIONS TO PROPOSED PLAN** with the United States Bankruptcy Court for the District of Utah by using the CM/ECF system. I further certify that the parties of record in this case, as identified below, are registered CM/ECF users and will be served through the CM/ECF system.

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**~~FIRST~~SECOND AMENDED CHAPTER 11 TRUSTEE'S PLAN OF LIQUIDATION
DATED FEBRUARY 25, 2013**

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Castle Arch Real Estate Investment Company, LLC entered by the Bankruptcy Court in the Bankruptcy Cases on February 8, 2013 as Docket No. 590.

“Contingent or Unliquidated Claim” shall mean any Claim for which a proof of Claim has been filed with the Bankruptcy Court but which was not filed in a sum certain, or which has not occurred and is dependent upon a future event that has not occurred or may never occur, and which has not been Allowed.

“Contract Rejection Claim Bar Date” shall have the meaning attributed to it in Article VIII, Section 8.2 of the Plan.

“Debtor” shall mean CAK, CAOP I, CAOP II, CAOP Managers, CAREIC, CAS CASDF, or CASV.

“Debtor Affiliate” shall mean a Debtor, other than CAREIC.

“Debtors” shall mean collectively CAK, CAOP I, CAOP II, CAOP Managers, CAREIC, CAS, CASDF and CASV.

“DIP Management Fees” shall have the meaning attributed to it in Article VI, Section 6.5.2 of the Plan.

“Disallowed . . . Claim” shall mean a Claim against a Debtor:

- (a) that is listed in the Schedules in such Debtor’s Bankruptcy Case as unliquidated, disputed or contingent for which no proof of Claim has been filed prior to a Bar Date;
- (b) that is for interest after the Petition Date;
- (c) that is disallowed under Section 502(d) of the Bankruptcy Code;
- (d) that is asserted in an amount greater than an amount fixed pursuant to a Final Order or pursuant to a settlement agreement that is authorized to be entered into in this Plan; or
- (e) that is disallowed as provided for in any Final Order.

“Disallowed . . . Interest” shall mean an Equity Interest in a Debtor:

- (a) that is not listed on the List of Equity Security Holders filed in such Debtor’s Bankruptcy Case, or that is designated in such List of Equity Security Holders as an Equity Interest that is disputed or contingent for which no proof of Interest has been filed prior to the Equity Security Bar Date;

Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not cause such order not to be a Final Order.

“General Unsecured Claim” shall mean a Claim that is not (a) a Secured Tax Claim, (b) a Secured Claim, or (c) a Claim entitled to priority of payment under Section 507 of the Bankruptcy Code, including an Administrative Expense Claim, Priority Tax Claim and a Priority Unsecured Claim.

“Governmental Unit” shall have the meaning attributed to it in Section 101(27) of the Bankruptcy Code.

“Individual Claims” shall have the meaning attributed to it in Article VI, Section 6.4 of the Plan.

“Insider” shall have the meaning attributed to it in Section 101(31) of the Bankruptcy Code and all applicable law interpreting the same, including but not limited to officers and directors of any Debtor, and any Person who managed or controlled any Debtor, whether before or after the Petition Date prior to the appointment of the Trustee.

“Investor” shall mean a Person who has obtained Equity Securities in a Debtor or CAREIC Affiliate.

“Investor Interest” shall mean the interest of an Equity Security Holder against a Debtor, limited to the amount of the Equity Security Holder’s unpaid Principal Investment with that Debtor, less any Cash received by such Holder.

“Legacy Common Interest” shall mean an Equity Interest that is issued as common stock or units in any one of the Consolidated Legacy Debtors.

“Legacy Consolidated Estate” shall mean the Estate of the Consolidated Legacy Debtors as a result of the Consolidation Order.

“Legacy Preferred Interest” shall mean an Equity Interest that is based on a Preferred Unit in any one of the Consolidated Legacy Debtors.

“Legacy Trust” shall mean the Trust established pursuant to the Plan and that certain Legacy Trust Agreement.

“Legacy Trust Agreement” shall mean the Legacy Liquidating Trust Agreement included in the Plan Documents Supplement establishing the Legacy Trust.

“Legacy Trust Assets” shall mean all assets of the Consolidated Legacy Debtors, other than the Retained Funds, ~~but including Assigned Litigation Claims,~~ transferred to the Legacy Trust on the Effective Date and administered by the Legacy Trust. The Legacy Trust Assets expressly includes the Individual Claims defined in Section 6.4 of Article VI of this Plan.

Legacy Consolidated Estate or the Estate of either CAOP Debtor as required under Article VI, Sections 6.6.1 and 6.6.2 of the Plan, including fees and costs incurred by the Trustee or professionals employed by the Trustee after the Effective Date. For the sake of clarity, these Post-Effective Date Estate Administration Costs are not the fees and costs associated with any of the Liquidating Trusts.

“Pre-Petition Management Fees” shall have the meaning attributed to it in Article VI, Section 6.5.1 of the Plan.

“Preferred Unit” shall mean a preferred unit provided as an Equity Security by any one of the Debtors to an Equity Security Holder.

“Principal Investment” shall mean the total Cash remitted by an Equity Security Holder to a Debtor prior to the Petition Date to obtain an Equity Security in the Debtor.

“Priority Tax Claims” shall mean any Claim of a Governmental Unit entitled to priority under Section 507(a)(8) of the Bankruptcy Code.

“Pro Rata” shall mean with reference to any Distribution on account of any Allowed Claim or an Allowed Equity Interest in any Class, a Distribution equal in amount to the ratio (expressed as a percentage) that the amount of such Allowed Claim or Allowed Equity Interest bears to the aggregate amount of all Allowed Claims or Allowed Equity Interests in the applicable Class.

“Priority Unsecured Claims” shall mean any Claim that is entitled to priority under Section 507(a) of the Bankruptcy Code, other than Priority Tax Claims and Administrative Expense Claims.

“Professional Administrative Expense Claim Bar Date” shall have the meaning attributed to this phrase in Article IV, Section 4.2(e) of the Plan.

“Professionals” shall mean (a) the Trustee, or (b) those Persons employed pursuant to an order of the Bankruptcy Court in accordance with Sections 327 and 1103 of the Bankruptcy Code and to be compensated for services pursuant to Sections 327, 328, 329, 330, 331 and 503 of the Bankruptcy Code, including but not limited to Committee Professionals, Professionals employed by the Debtors, and Professionals employed by the Trustee.

“Reserved Funds” shall mean Cash of a Debtor existing on the Effective Date or assets or proceeds of any asset of a Debtor expressly excluded as a Liquidating Trust Asset.

“Retained Claims and Actions” shall have the meaning set forth in Article VI, Section 6.9 of the Plan.

“Schedules” shall mean the schedules of assets and liabilities filed by a Debtor under Section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, as such schedules may have been or may be supplemented or amended from time to time.

“Secured Claim” shall mean any Claim, other than a Secured Tax Claim, that is secured by a Lien on Collateral to the extent of the value of such Collateral, as determined in accordance with Section 506(a) of the Bankruptcy Code, or, in the event that such Claim is a claim of setoff under Section 553 of the Bankruptcy Code, to the extent of such setoff.

“Secured Tax Claim” shall mean a Claim of a Government Unit against a Debtor to the extent of the value of any interest in Collateral securing such Claim, as determined by the Bankruptcy Court pursuant to Section 506(a) of the Bankruptcy Code.

“Trustee” shall mean D. Ray Strong in his capacity as Chapter 11 Trustee of CAREIC or the Consolidated Legacy Debtors, and as manager of the CAREIC Affiliates, and as estate representative of the Debtors after the Confirmation Date.

[“Trustee Period Management Fees” shall have the meaning attributed to it in Article VI, Section 6.5.3 of the Plan.](#)

[“True-Up Claims” shall have the meaning attributed to it in Article VI, Section 6.5.3 of the Plan.](#)

1.2. Rules of Construction.

The rules of construction contained in Section 102 of the Bankruptcy Code shall apply to the terms of this Plan. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. The words “herein,” “hereof,” “hereto,” “hereunder” and other words of similar import refer to the Plan as a whole and not to any particular Section, sub-Section or clause contained in the Plan.

1.3. Plan Documents Supplement.

The forms of the following documents are or will be contained in a separate Plan Documents Supplement that will be filed with the Bankruptcy Court as provided herein and incorporated in this Plan by reference:

1.3.1. The Legacy Trust Agreement.

The Legacy Trust Agreement will be filed with the Bankruptcy Court by the Trustee and served on counsel for the Debtors, the Committee and the United States Trustee, at least twenty (20) days prior to the commencement of the Confirmation Hearing.

Holders of Allowed Legacy Common Interests in the Consolidated Legacy Debtors, holders of Allowed CAOP I Common Interests, and holders of Allowed CAOP II Common Interests in Classes A6, B6 and C6 are not entitled to receive or retain any property under the Plan and, therefore, under Section 1126(g) of the Bankruptcy Code, holders of Allowed Equity Interests in these Classes are deemed to have rejected the Plan. Accordingly, the Trustee will not solicit votes on the Plan from the holders of Allowed Equity Interests in these Classes.

3.3. Voting Rights of Holders of Disputed Claims.

Pursuant to Bankruptcy Rule 3018(a), a Disputed Claim or Disputed Equity Interest will not be counted for purposes of voting on the Plan to the extent it is Disputed, unless the Court enters an order temporarily allowing the Disputed Claim for voting purposes under Bankruptcy Rule 3018(a). Such disallowance for voting purposes is without prejudice to the holder's right to seek to have its Disputed Claim or Disputed Equity Interest be determined to be an Allowed Claim or Allowed Equity Interest for purposes of Distribution under the Plan and a Liquidating Trust.

3.4. Nonconsensual Confirmation.

If any impaired Class entitled to vote shall not accept the Plan pertinent to the Consolidated Legacy Debtors, CAOP I or CAOP II by the requisite statutory majorities provided in Section 1126(c) or (d) of the Bankruptcy Code, as applicable, or if any impaired Class is deemed to have rejected the Plan, the Trustee reserves the right (a) to confirm the Plan under Section 1129(b) of the Bankruptcy Code as to the Consolidated Legacy Debtors, CAOP I or CAOP II, as applicable, (b) to amend the Plan in accordance with Article XI, Section 11.7 of this Plan, to the extent necessary to obtain entry of a Confirmation Order as to the Consolidated Legacy Debtors, CAOP I or CAOP II, as applicable, and/or (c) to convert the applicable Bankruptcy Case to a case under Chapter 7 of the Bankruptcy Code.

ARTICLE IV

TREATMENT OF UNCLASSIFIED CLAIMS –ALLOWED ADMINISTRATIVE EXPENSE CLAIMS AND ALLOWED PRIORITY TAX CLAIMS

4.1. Unclassified Claims.

As discussed in Article II, Section 2.1, under Section 1123(a)(1) of the Bankruptcy Code, Allowed Administrative Expense Claims and Allowed Priority Tax Claims are not classified for the purposes of voting on, or receiving distributions under, the Plan. The holders of all such Claims do not vote on the Plan and are instead treated separately in accordance with applicable law as set forth in this Article IV.

4.2. Administrative Expense Claims.

(a) General. Except as otherwise agreed to by the holder of an Allowed Administrative Expense Claim and except as specifically provided for in this paragraph and in subsections (c) and (d) below, each such holder of an Allowed Administrative Expense Claim against a Debtor shall be paid in full in Cash on the later of: (i) the Effective Date, or (ii) within fifteen (15) Business Days of the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim. Notwithstanding the above, and pursuant to the Bankruptcy Court's Order entered on March 8, 2013 [CAREIC Bankruptcy Case Docket No. 631], the law firm of Prince Yeates & Geldzahler ("PYG"), which served as counsel to CAREIC as debtor-in-possession, will be paid its Allowed Administrative Expense Claim as follows: (i) PYG will be paid \$100,000.00 on account of its Allowed Administrative Expense Claim from the proceeds of the first sale of real property assets belonging to the Legacy Debtors or the Legacy Trust, as the case may be, less costs of sale; and (ii) PYG will be paid the remainder of its Allowed Administrative Expense Claim at the same time that all other Chapter 11 Administrative Expense Claims are paid under the Plan.

(b) Legacy Consolidated Estate Administrative Claims—Beneficial Interest in Legacy Trust. Subsection (a) above applies to holders of Allowed Administrative Expense Claims against the Legacy Consolidated Estate. But, absent objection hereto, to the extent that the holder of an Allowed Administrative Expense Claim does not receive a Distribution on the later of the Effective Date or within fifteen (15) Business Days of the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim, such holder of the Allowed Administrative Expense Claim agrees to and shall receive a beneficial interest in the Legacy Trust on account of such Claim and will receive a Distribution in accordance with this Plan and the Legacy Trust Agreement, including the payment provisions for PYG as set forth in subsection (a) above. No Distributions shall be made to holders of Allowed Claims or Allowed Interests in Classes A4-A6, until holders of Allowed Administrative Expense Claims holding a beneficial interest in the Legacy Trust have been paid in full.

(c) U.S. Trustee's Fees. The United States Trustee's quarterly fees shall be paid in full without prior approval pursuant to 28 U.S.C. § 1930 on or before the Effective Date from the Reserved Funds of the Legacy Consolidated Estate and the CAOP Debtors' respective Estates. Any dispute related to the amount of the fees shall be resolved by the Court at the Confirmation Hearing. Any post-Confirmation fees arising after the Effective Date shall be paid by the Legacy Trustee or a CAOP Trustee, as applicable, as a cost of administration of the relevant Liquidating Trust.

(d) Administrative Expense Bar Date and Procedures. Other than applications for allowance of Administrative Expense Claims made by Professionals and Committee Members, any and all applications for the allowance of Administrative Expense Claims shall be filed with the Bankruptcy Court and served on the Trustee, counsel for the Debtors, counsel for the Committee and the United States Trustee no later than thirty (30) days after the Effective Date, which shall be the "Administrative Expense Claim Bar Date." *Any holder of an Administrative Expense Claim to which the Administrative Expense Claim Bar Date applies who fails to file a request seeking to have its Claim allowed on or before said Administrative Expense*

Trust Beneficiary or a CAOP II Trust Beneficiary are governed by the applicable Liquidating Trust Agreement.

7.4.2. Distribution Upon Allowance of Disputed Claim.

Within fifteen (15) Business Days of a Disputed Claim becoming an Allowed Claim against a Debtor, the holder of such Claim shall be paid in accordance with the Plan from the Disputed Claims Reserve for that Debtor's Estate. The amount of Cash released from the Disputed Claims Reserve to make such a Distribution shall be calculated so that the holder of the newly Allowed Claim receives a Distribution equal to the total percentage Distributions made prior to the date that its Claim was Allowed to the holders of other Allowed Claims in the same Class. No holder of a Disputed Claim shall have any right to interest on such Disputed Claim or fees and costs related to such Disputed Claims unless required under the Plan.

7.4.3. Release of Cash from Disputed Claims Reserves.

If a Disputed Claim, or any portion thereof, is a Disallowed Claim, the Cash in the applicable Disputed Claims Reserve allocated for such Disputed Claim shall be released from the Disputed Claims Reserve. If a Disputed ~~Vietim~~ Claim, or any portion thereof becomes an Allowed Claim in an amount that is less than the Cash held in the applicable Disputed Claims Reserve for such Claim, the excess Cash related to such Claim shall be released from the Disputed Claims Reserve. If any Cash exists in a Disputed Claims Reserve after all Disputed Claims have been determined, the Cash shall be used by the Trustee as Reserved Funds for the applicable Debtor, or if Reserved Funds are no longer necessary to implement the Plan, transferred to the applicable Liquidating Trust as a Liquidating Trust Asset.

7.5. Method of Distribution Under the Plan.

7.5.1. General.

Distributions under the Plan shall be made by the Trustee. For the sake of clarity, this Section 7.5 does not apply to Distributions under a Liquidating Trust. The method of Distribution for a Liquidating Trust is governed by the applicable Liquidating Trust Agreement.

7.5.2. Mailing.

All Distributions under the Plan shall be mailed by first class mail, postage prepaid, to the respective addresses of holders of Allowed Claims as listed on the Distribution Record Date (i) on the respective proofs of Claim filed by such holders, including amendments thereto, (ii) on any written notices of address changes delivered to the Trustee after the date of the filing of any applicable proof of Claim, or (iii) at the addresses reflected on the Schedules if no proof of Claim is filed and the Trustee has not received a written notice of change of address.

7.5.3. Form of Distributions.

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Moved to	0
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Format changed	0
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