



100869622

TO THE HONORABLE COMMISSIONER
thereof.

record the attached original documents or copy

NOV 16 1998

1. Name of conveying party(ies): (If multiple assignors, list numerically)

Standard Brands Paint Co.
Standard Brands Paint Company
Major Paint Company

10-19-98

- Individual
- Association
- General Partnership
- Limited Partnership
- Corporations - State: California, Delaware and California, respectively
- Other:

2. Name and address of receiving party(ies):

Name: Standard Brands Liquidating Creditor Trust
Internal Address: c/o Neal, Gerber & Eisenberg
Street Address: Two North LaSalle Street, Suite 2200
City: Chicago **State:** IL **ZIP:** 60602

- Individual(s) citizenship:
- Association:
- General Partnership:
- Limited Partnership:
- Corporation - State:
- Other: Creditor Trust

Additional name(s) of conveying party(ies) attached?
 Yes No

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

3. Nature of conveyance:

- Assignment
- Merger
- Security Agreement
- Change of Name
- Other: Order Confirming Revised Joint and Consolidated Plan of Liquidation of the Debtors and the Official Committee of Unsecured Creditors Dated July 23, 1997, as modified; and other related documents

4. Application number and registration numbers:

a. Trademark Application No.:
74/378,231

b. Trademark Registration Nos.:

SEE ATTACHED SCHEDULE 1.1

Additional numbers attached? Yes No

Execution Date: Court Order dated 11/26/97

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Darrell L. Olson
KNOBBE, MARTENS, OLSON & BEAR, LLP
Internal Address: Sixteenth Floor
Street Address: 620 Newport Center Drive
City: Newport Beach **State:** CA **ZIP:** 92660

7. Total fee (37 CFR 3.41): \$765.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: 11-1410

Please charge this account for any additional fees which may be required, or credit any overpayment to this account.

6. Total number of applications and registrations involved: 30

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct, and any attached copy is a true copy of the original document.

Darrell L. Olson
Name of Person Signing

Signature

10/15/98
Date

Total number of pages, including cover sheet, attachments and document: 47

Mail documents to be recorded with required cover sheet information to:

11/04/1998 SBURNS 00000095 74378231

Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

01 FC:481 40.00 DP
02 FC:482 725.00 DP

KNOBBE, MARTENS, OLSON & BEAR, LLP
620 NEWPORT CENTER DR 16TH FLOOR NEWPORT BEACH, CA 92660
(949) 760-0404 FAX (949) 760-9502

TRADEMARK
REEL: 1808 FRAME: 0712

Schedule 1.1 Trademarks

**Potentially Marketable Federal Trademark Registrations
of Standard Brands and Major Paint**

Trademark	Status	Regis. Date	Regis. No.	Expir. Date
A-1	Renewed 7/23/92	5/30/72	0934822	5/30/02
[Rainbow Brush Design]	Renewed 2/14/95	12/31/74	1000823	12/31/04
Super-Tone	Renewed 5/10/95	6/3/75	1011992	6/3/05
Style Faire	Registered	4/28/81	1152464	4/28/01
Hide-All	Registered	6/28/83	1243352	6/28/03
New Finish	Registered	10/18/83	1254871	10/18/03
Standard Brands	Registered	3/19/85	1325283	3/19/05
Magic	Registered	11/1/88	1510591	11/1/08
Major	Registered	7/4/89	1545962	7/4/09
Rust Defender	Registered	11/1/88	1510592	11/1/08
Advantage	Registered	8/29/89	1553392	8/29/09
[Human Paint Can Design]	<i>Cancelled</i>	9/10/91	1656883	9/10/01
Standard Brands	Registered	12/1/92	1735892	12/1/02
Standard Brands	Registered	8/24/93	1789106	8/24/03
M	Registered	11/16/93	1804011	11/16/03
[Radiant Brush Design]	Registered	5/10/94	1835075	5/10/04
Contractors Choice	Registered	9/27/94	1855455	9/27/04
Standard Brands Windsor 21	Registered	2/28/95	1881084	2/28/05
Cycle II	Registered	2/15/94	1820909	2/15/04
Wall of Another Color	Registered	6/6/95	1897922	6/6/05
Neat and Clean	Registered	3/7/95	1881743	3/7/05
Kiddo the Toughest Paint ...	Registered	3/14/95	1884174	3/14/05
Decade	Registered	4/23/96	1969104	4/23/06
Professional Pride	Registered	3/5/96	1960748	3/5/06
Kiddo	Registered	8/24/95	1929284	8/24/05
Contractor's Grade A	Registered	5/23/95	1895689	5/23/05
Contempo	Registered	4/18/95	1889545	4/18/05
[Design]	Registered	9/3/96	1998288	9/3/06
Cubremax	Registered	9/24/96	2002937	9/24/06
Durapaint	Registered	10/15/96	2008397	10/15/06
Gallerie	Pending; S/N 74/378,231; Filed 4/9/93			

9/12/2/97

ORIGINAL

1 JOSEPH A. EISENBERG P.C. (SBN 52346)
2 BARRY L. BURTEN (SBN 113379)
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FILED
NOV 26 1997
U.S. BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
By: [Signature]

Attorneys for Debtors

U.S. BANKRUPTCY COURT
ENTERED
NOV 26 1997
From E. Gordon, Clerk of Court
CENTRAL DISTRICT OF CALIFORNIA
By: [Signature]

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

10	In re	)	Case No. LA 95-43812-KM
11	STANDARD BRANDS PAINT CO., a	)	Chapter 11
12	California corporation,)	
13	Debtor.	)	[Substantively Consolidated with
14		)	Case Nos. LA 95-43813-KM and LA
15		)	95-43814-KM]
16	STANDARD BRANDS PAINT	)	Case No. LA 95-43813-KM
17	COMPANY, a Delaware	)	Chapter 11
18	corporation,)	
19	Debtor.)	
20	MAJOR PAINT COMPANY, a	)	Case No. LA 95-43814-KM
21	California corporation,	)	Chapter 11
22	Debtor.	)	ORDER CONFIRMING REVISED JOINT
23		)	AND CONSOLIDATED PLAN OF
24		)	LIQUIDATION OF THE DEBTORS AND
25		)	THE OFFICIAL COMMITTEE OF
26		)	UNSECURED CREDITORS DATED JULY
27		)	23, 1997, AS MODIFIED ¹
28		)	<u>Confirmation Hearing:</u>
		)	Date: October 21, 1997
		)	Time: 2:00 p.m.
		)	Place: Courtroom "1468"
		)	255 East Temple St.
		)	Los Angeles, CA 90012

¹ Capitalized terms not otherwise defined in this Confirmation Order have the meanings ascribed thereto in the Plan.

LOGGED

STANDARD BRANDS PAINT CO. DEBTOR
STANDARD BRANDS PAINT COMPANY DEBTOR

1420/Bm

1226

1 AT LOS ANGELES, CALIFORNIA, IN THIS DISTRICT, ON THE 26th DAY
2 OF NOVEMBER, 1997. *fr*

3
4 The Confirmation Hearing in respect of the Revised Joint and
5 Consolidated Plan of Liquidation of the Debtors and the Official
6 Committee of Unsecured Creditors Dated July 23, 1997 (the
7 "Plan"), filed by Debtors, STANDARD BRANDS PAINT CO., a
8 California corporation, STANDARD BRANDS PAINT COMPANY, a Delaware
9 corporation, and MAJOR PAINT COMPANY, a California corporation,
10 and the Official Committee of Creditors Holding Unsecured Claims
11 (the "Committee") was held on the 21st day of October, 1997, at
12 2:00 p.m., before the Honorable Kathleen P. March, United States
13 Bankruptcy Judge, in her Courtroom 1468, Roybal Federal Building,
14 255 East Temple Street, Los Angeles, California 90012.

15
16 Debtors appeared at the Confirmation Hearing by Joseph A.
17 Eisenberg P.C. and Barry L. Burten of Jeffer, Mangels, Butler &
18 Marmaro LLP; David F. Heroy of Neal, Gerber & Eisenberg appeared
19 for the Committee; Michael H. Steinberg and Daniel E. Sobelsohn
20 of Sullivan & Cromwell appeared for Corimon; Cynthia M. Cohen of
21 Morgan, Lewis & Bockius LLP appeared for Former Fidelity; Irving
22 Sulmeyer, Alan G. Tippie, Wesley H. Avery and Tanya Vince of
23 Sulmeyer, Kupetz, Baumann & Rothman, a Professional Corporation,
24 appeared on behalf of the Insurance Company Lenders and the
25 Liquidating Property Trust; Sophie S. Kim appeared on behalf of
26 the Office of the United States Trustee. Other appearances were
27 made as noted in the record.

28

1 In support of Confirmation, proponents of the Plan filed (1)
2 a Memorandum of Points and Authorities in Support of
3 Confirmation, (2) Declarations of Deborah Hicks Midanek and Barry
4 L. Burten, and (3) the Ballot Analysis which included the
5 supporting Declarations of Mike D. Neue and Martha Fritz Araki
6 (collectively, the "Supporting Documents").

7
8 A Limited Objection to Confirmation was filed by SunAmerica
9 Life Insurance Company and Anchor National Life Insurance Co.
10 ("Limited Objection"). An opposition to the Limited Objection
11 was filed by Corimon.

12
13 The Court determined that the Plan was served upon all
14 Creditors, holders of Interests, the Office of the United States
15 Trustee, and all other parties in interest required to be served
16 by the Code and the Bankruptcy Rules, and that timely and proper
17 notice thereof and of the Confirmation Hearing has been given.
18 The Court has read and considered the records and pleadings in
19 the Cases, the Plan, the Limited Objection, the Supporting
20 Documents, and the arguments and representations of counsel at
21 and in connection with the Confirmation Hearing.

22
23 Based upon the foregoing, consideration of the evidence
24 adduced and the clarifications of and modifications to the Plan
25 made on the record at the Confirmation Hearing pursuant to the
26 request of the Court, and in accordance with the Findings of Fact
27 and Conclusions of Law entered concurrently with this
28

1 Confirmation Order, and other good cause appearing therefor, it
2 is hereby

3
4 ORDERED, that the Limited Objection be and it is overruled;
5 and, it is further

6
7 ORDERED, that the Plan, a copy of which is attached hereto
8 as Exhibit "A," as clarified and modified on the record at the
9 Confirmation Hearing (including the clarification regarding the
10 proper exhibits to the Corimon Settlement) and as provided in
11 this Confirmation Order, be and it hereby is confirmed; and, it
12 is further

13
14 ORDERED, that the clarifications of and modifications to the
15 Plan hereinafter set forth are appropriate and, pursuant to
16 section 1127 of the Code and Bankruptcy Rule 3019, such
17 clarifications and modifications be and are hereby incorporated
18 into the Plan:

19 1) Paragraph D of Article IV, found at pages 20 and
20 21, of the Plan, is modified to provide: "Class 4 Secured
21 Claims. Class 4 Claims are impaired, and in full treatment
22 thereof, the Creditor Trust shall surrender to the holder of
23 an Allowed Class 4 Claim of such property of the Estates as
24 may be security and collateral therefor."

25 2) Paragraph E of Article V, found at page 24, of the
26 Plan is modified to provide: "Sole Equity Interest of
27 Debtors. Pursuant to section 1123(a)(5)(J) of the Bankruptcy
28 Code, SBD, SBC and MPC shall each cause to be issued to the

1 Creditor Trust one (1) share of their respective voting
2 common stock (the "Trust Shares") for the purpose of further
3 ensuring that the Creditor Trust is fully capable of
4 administering and distributing all property of the Estates
5 pursuant to the Plan, the Corimon Settlement and the
6 Creditor Trust Agreement. As of the Effective Date, the
7 Trust Shares shall be the sole issued and outstanding stock
8 interest in each of the respective Debtors, and the Articles
9 of Incorporation of each Debtor shall be amended
10 accordingly, including a provision to prohibit the issuance
11 of any non-voting equity securities. The Trust Shares shall
12 not make the Creditor Trust an Interest Holder for purposes
13 of distributions from the Creditor Trust."

14 3) Paragraph F.7 of Article V, found at page 30, of
15 the Plan is modified to provide: "Exemption From Certain
16 Transfer Taxes. Transfers contemplated by the Plan,
17 including those contemplated by the Insurance Company
18 Settlement, are exempt from transfer taxes to the extent
19 provided by section 1146(c) of the Code."

20 4) Paragraph G of Article V, found at page 31, of the
21 Plan is modified to provide: "Dissolution of Debtors.
22 Pursuant to this Plan, the Confirmation Order, section 1400
23 of the California Corporations Code and section 303 of the
24 Delaware General Corporations Law, as applicable, Debtors
25 shall cease to exist as corporate entities and shall be
26 deemed, as a matter of law, dissolved, as of the termination
27 of the Creditor Trust. The Creditor Trust shall take such
28

1 action as may be necessary or appropriate to implement the
2 provisions of this Paragraph."

3 5) Paragraph F of Article VIII, found at page 33, of
4 the Plan is modified to provide: "Adjudication of
5 Controversies. To adjudicate contested matters and adversary
6 proceedings.";

7 and, it is further
8

9 ORDERED, that, since, pursuant to the orders of this Court,
10 the Claims of Former Fidelity were paid in full as agreed during
11 the Cases the treatment of Former Fidelity's Class 2 Claims, as
12 set forth in Paragraph B of Article IV, found at pages 19 and 20,
13 of the Plan, is hereby deleted; and, it is further
14

15 ORDERED, that, notwithstanding Confirmation, pursuant to
16 section 1141(d)(3) of the Code, Debtors are not entitled to a
17 discharge, and the Plan be and it is hereby modified to provide
18 that Debtors shall not receive a discharge; and, it is further
19

20 ORDERED, that, except as otherwise stated on the record at
21 the Confirmation Hearing, Exhibit F-1 of the Disclosure
22 Statement, attached hereto as Exhibit "B" and incorporated by
23 such reference as though fully set forth herein, shall govern and
24 limit the Administrative Claims of Professionals; and, it is
25 further
26
27
28

1 ORDERED, that, pursuant to section 1123(b)(A) of the Code,
2 the Corimon Settlement, including Amendment No. 1 thereto, be and
3 hereby is approved, and all parties thereto, including the
4 Insurance Company Lenders and the Liquidating Property Trust, are
5 bound thereby and all of the releases provided therein are valid
6 and effective; and, it is further

7
8 ORDERED, that, pursuant to section 1123(b)(A) of the Code,
9 the Insurance Company Settlement be and it is hereby approved,
10 and all parties thereto, including the Insurance Company Lenders,
11 the Liquidating Property Trust and Corimon, are bound thereby and
12 all of the releases provided therein are valid and effective;
13 and, it is further

14
15 ORDERED, that this Court makes no determination as to the
16 effect of the Plan, Confirmation, or the cancellation of the
17 Interests in Debtors effected thereby on the rights and claims of
18 Fidelity and Former Fidelity, if any, against Corimon; and, it is
19 further

20
21 ORDERED, that, as required by Paragraph F of Article V of
22 the Plan, and the Creditor Trust Agreement, attached to the Plan
23 as Exhibit 3, the designees of Lord Dentsu and Partners, Union
24 Carbide Corporation and Transamerica are hereby appointed as the
25 Trustees of the Creditor Trust; and, it is further

26
27 ORDERED, that, except as otherwise provided in the Plan or
28 in this Order, all assets and property of the Debtors, and all

1 property of the Estates, including, each and every claim, demand,
2 or cause of action that Debtors had or had power to assert
3 immediately before Confirmation, pursuant to section
4 1123(b)(3)(b) of the Code, are hereby transferred to and vested
5 in the Creditor Trust free and clear of all liens, Claims, and
6 interests of Interest holders, and the Creditor Trust shall own
7 and manage such assets in accordance with the provisions of the
8 Plan; and, it is further

9
10 ORDERED, that, the transfers contemplated under the Plan
11 (i) are or will be on the Effective Date legal, valid and
12 effective transfers of property for fair and reasonable
13 consideration, (ii) do not and will not constitute fraudulent
14 conveyances or transfers or unlawful distributions under any
15 applicable law, and (iii) do not and will not, except as
16 expressly contemplated by the Creditor Trust Agreement, subject
17 the Creditor Trust, the Creditor Trustees, Debtors, Corimon, the
18 Committee or any of their officers, directors, employees, owners,
19 partners, beneficiaries, members, Professionals, agents or
20 representatives or any of the property transferred to any
21 liability by reason of such transfer under any applicable law,
22 including any laws relating to fiduciary duty or successor or
23 transferee liability; and it is further

24
25 ORDERED, that, in accordance with the order of this Court
26 entered on or about October 20, 1997, directing the substantive
27 consolidation of Debtors and their Estates (the "Substantive
28 Consolidation Order"), all property, rights and claims of the

1 consolidated Debtors and the Estates, and all Claims against the
2 consolidated Debtors and the Estates shall be deemed to be pooled
3 for the purposes of allowance, treatment and distributions under
4 the Plan on the terms set forth in the Substantive Consolidation
5 Order; and, it is further

6 ORDERED, that, to the extent any fees required to be paid
7 pursuant to section 1930 of title 28 of the United States Code
8 have or shall hereafter become payable, the Creditor Trust shall
9 make such payments as and when due; and, it is further

10
11 ORDERED, that Debtors and the Creditor Trust shall be, and
12 they hereby are, authorized and empowered to execute any and all
13 documents and take such other actions as may be necessary or
14 appropriate to implement the provisions of the Plan; provided,
15 further, that notwithstanding Confirmation, Deborah Hicks Midanek
16 is authorized to execute (i) the Uniform Hazardous Waste
17 Manifests and other documents related to the removal of chemicals
18 and soil from the Major Paint property in Torrance, California,
19 and (ii) such escrow instructions, deeds and other documents as
20 may be necessary or appropriate with respect to the disposition
21 of the keeper stores by Debtors or Standard Brands Realty Co.,
22 Inc.; and it is further

23 ORDERED, that, the Creditor Trust shall comply with the
24 provisions of Local Bankruptcy Rule 142(3), and in connection
25 therewith, within 120 days of the entry of this Confirmation
26 Order, the Creditor Trust shall file and serve a status report
27 setting forth the status of consummation of the Plan, with
28

1 further status reports to be filed and served every 120 days
2 thereafter, unless otherwise ordered by the Court; and, it is
3 further

4
5 ORDERED, that, as and when the Plan is fully administered,
6 the Creditor Trust shall move the Court, pursuant to section 350
7 of the Code and Bankruptcy Rule 3022, for a Final Decree and
8 order closing the substantively consolidated Cases; and it is
9 further

10
11 ORDERED, that Bankruptcy Rule 7062 and the stay provided by
12 Rule 62(a) of the Federal Rules of Civil Procedure be and they
13 are hereby determined not to be applicable to this Confirmation
14 Order; and it is further

15
16 ORDERED, that the Plan shall be deemed to be substantially
17 consummated within the meaning of section 1101(2) of the Code
18 upon occurrence of the following conditions required to occur on
19 the Effective Date: 1) the irrevocable assignment, transfer and
20 conveyance of all property of the Estates to the Creditor Trust;
21 2) the assumption by the Creditor Trust of the management of said
22 property; and 3) payment in full of all Allowed Administrative
23 Claims, Allowed Tax Claims and Allowed Priority Claims. The
24 Creditor Trust shall file written notice of the Effective Date
25 with the Court.

26
27 Dated: November 26, 1997



28
THE HONORABLE KATHLEEN P. MARCH,
UNITED STATES BANKRUPTCY JUDGE

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Approved as to form:

JEFFER, MANGELS, BUTLER
& MARMARO LLP

By: Joseph A. Eisenberg
JOSEPH A. EISENBERG P.C.
Attorneys for Debtors

NEAL, GERBER & EISENBERG

By: _____
DAVID F. HEROY
Attorneys for the Committee

SULLIVAN & CROMWELL

By: _____
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Attorneys for Corimon
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CYNTHIA M. COHEN
Attorneys for Former
Fidelity

SULMEYER, KUPETZ, BAUMANN
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Corporation

By: _____
IRVING SULMEYER
Attorneys for Insurance Company
Lenders and the Liquidating
Property Trust

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Approved as to form:

JEFFER, MANGELS, BUTLER
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By: _____
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IRVING SULMEYER
Attorneys for Insurance Company
Lenders and the Liquidating
Property Trust

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Approved as to form:

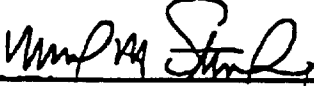
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By: _____
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Lenders and the Liquidating
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Approved as to form:

JEFFER, MANGELS, BUTLER
& MARMARO LLP

By: _____
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NEAL, GERBER & EISENBERG

By: _____
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Attorneys for the Committee

SULLIVAN & CROMWELL

By: _____
MICHAEL H. STEINBERG
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S.A.C.A.

MORGAN, LEWIS & BOCKIUS LLP

By: *Cynthia M. Cohen*
CYNTHIA M. COHEN
Attorneys for Former
Fidelity

SULMEYER, KUPETZ, BAUMANN
& ROTEMAN, a Professional
Corporation

By: _____
IRVING SULMEYER
Attorneys for Insurance Company
Lenders and the Liquidating
Property Trust

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1 JOSEPH A. RISENBERG P.C. (Bar No. 523466)

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3 MIKE D. NEUE (Bar No. 179303)

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5 Counsel for the Debtors and Debtors
in Possession

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10 - and -

11 LAWRENCE BASS (S.B. No. 60527)

12 MURPHY, WEIR & BUTLER
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(310) 788-3700

13 Attorneys for the Official Unsecured
Creditors' Committee

14 UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

15 Case No. LA 95-43812-KM
Chapter 11
(Jointly Administered, but not
Substantively Consolidated, with
Case Nos. LA 95-43813-KM and
LA 95-43814-KM)

16 Case No. LA 95-43813-KM
Chapter 11

17 Case No. LA 95-43814-KM
Chapter 11

18 REVISED JOINT AND CONSOLIDATED
PLAN OF LIQUIDATION OF THE
DEBTORS AND THE OFFICIAL
COMMITTEE OF UNSECURED
CREDITORS DATED JULY 23, 1997

19 In re)
STANDARD BRANDS PAINT CO., a)
California corporation,)
Debtor.)

20 STANDARD BRANDS PAINT COMPANY, a)
Delaware corporation,)
Debtor.)

21 MAJOR PAINT COMPANY, a California)
corporation,)
Debtor.)

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Pursuant to section 1121(a) of the Code, THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS (the "Committee"), STANDARD BRANDS PAINT COMPANY, a Delaware corporation ("SPD"), STANDARD BRANDS PAINT CO., a California corporation ("SPC"), and MAJOR PAINT COMPANY, a California corporation ("MPC", and collectively with SPD and SPC, the "Debtors"), hereby propose this "Revised JOINT and Consolidated Plan of Liquidation of the Debtors and the Official Committee of Unsecured Creditors Dated July 23, 1997":

ARTICLE I.

DEFINITIONS AND RULES OF CONSTRUCTION

A. Specific Definitions. In addition to such other terms as are defined in other sections hereof, the following terms shall have the following meanings:

1. "Administrative Claim" means a Claim for payment of an administrative expense of a kind specified in section 503(b) of the Code and referred to in section 507(a)(1) of the Code, including compensation of and reimbursement of costs to Professionals, and all fees and charges assessed against the Debtors and the Estates under 28 U.S.C. § 1930.
2. "Allowed Administrative Claim" means all or that portion of an Administrative Claim which is an Allowed Claim.
3. "Allowed Claim" means that portion of a Claim which: (a) was scheduled by any of the Debtors pursuant to section 521 of the Code, other than a Claim scheduled as disputed, contingent or unliquidated; (b) proof of which was timely filed with the Court, and as to which no objection has been filed; or (c) has otherwise been allowed by a Final Order.

4. "Allowed Priority Claim" means all or that portion of a Priority Claim which is an Allowed Claim.

5. "Allowed Secured Claim" means an Allowed Claim secured by a lien on any property of any of the Estates, but only to the extent of the value of the interest of the holder of such Allowed Claim in the interest of the Estate in such property, the calculation of which shall not include any demand for default interest, penalty interest or other similar demands.

6. "Bankruptcy Rules" means collectively, the Federal Rules of Bankruptcy Procedure promulgated by the United States Supreme Court pursuant to Section 2075 of Title 28, United States Code, and, where appropriate, the Local Bankruptcy Rules promulgated by the United States Bankruptcy Court for the Central District of California, to the extent applicable to the Case.

7. "Business Day" means any day except Saturday, Sunday or any day on which commercial banks in Los Angeles, California are authorized by law to close.

8. "Cases" means, collectively, the chapter 11 cases under the Code, commenced by Debtors on the Petition Date.

9. "Cash" means lawful currency of the United States and equivalents thereof, including, but not limited to bank deposits, wire transfers, checks, and other similar items.

10. "Claim" means (a) any right to payment against any of the Debtors, including claims for administrative expenses, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; and (b) any right to an equitable remedy for breach of performance if such breach gives rise to a

1 right to payment against a Debtor, whether or not such right to an
2 equitable remedy is reduced to judgment, fixed, contingent, matured,
3 unmatured, disputed, undisputed, secured or unsecured, in either
4 case, however, only to the extent such right arose prior to the
5 Confirmation Date.

6 11. "Class" means a group of Claims or Interests
7 classified together in a class designated in Article III of the
8 Plan.

9 12. "Code" means the Bankruptcy Code, as codified in
10 title 11 of the United States Code, 11 U.S.C. §§ 101 et seq.,
11 including all amendments thereto to the extent such amendments are
12 applicable to the Cases.

13 13. "Committee" means the Official Committee of Unsecured
14 Creditors appointed by the Office of the United States Trustee in
15 the Cases, as it may be constituted from time to time.

16 14. "Confirmation Date" means the date of entry of the
17 Confirmation Order.

18 15. "Confirmation Hearing" means the hearing before the
19 Court to be held in accordance with section 1128(a) of the Code.

20 16. "Confirmation Order" means an Order of the Court
21 confirming the Plan pursuant to section 1129 of the Code, which
22 Order provides (i) for substantive consolidation of the Debtors;
23 (ii) approval of the Corimon Settlement; and (iii) is in form and
24 substance acceptable to the Committee.

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17. "Corimon" means Corimon, C.A., a Venezuelan
corporation, together with any and all of its affiliates other than
Debtors.

18. "Corimon Settlement" means the resolution of the
various disputes between Corimon, Debtors, the Insurance Company
Lenders, the Liquidating Property Trust, and the Committee, as set
forth in that Settlement Agreement and Release Dated January 17,
1997, as amended, which is attached hereto as Exhibit "1," and which
agreement is incorporated and made a part of this Plan by reference.

19. "Court" means the United States Bankruptcy Court for
the Central District of California or such other court as may have
jurisdiction over the Cases.

20. "Creditor" means the holder of a Claim.

21. "Creditor Trust" means that trust established in
accordance with Paragraph V.F. hereof, and which, after the
Effective Date, will hold title to and control all property of
Debtors and the Estates to be distributed to Creditors and others in
accordance with the terms hereof, the Confirmation Order, the
Corimon Settlement and the Creditor Trust Agreement, and will have
such powers, duties and obligations as are set forth therein, in
other Final Orders, and by applicable law.

22. "Creditor Trust Agreement" means that certain
"Standard Brands Liquidation Trust Agreement," a true and correct
copy of which is annexed hereto as Exhibit "2."

23. "Creditor Trust Disbursing Agent" means that Person
selected by the Creditor Trust Trustees for the purpose of making
interim and final distributions from the Creditor Trust after the
Effective Date to the holders of Allowed Claims, as provided herein.

1 the Confirmation Order, the Corimon Settlement, the Creditor Trust
2 Agreement and other Final Orders of the Court.

3 24. "Creditor Trust Disbursing Agent Agreement" means
4 that certain agreement, a true and correct copy of which is annexed
5 hereto as Exhibit "3."

6 25. "Creditor Trust Trustees" shall mean the Trustees of
7 the Creditor Trust consisting of two (2) members of the Committee to
8 be designated by the Committee on or before the Effective Date, and
9 a person to be designated by Transamerica Realty Services, Inc.

10 26. "Debtors" means, collectively, SBD, SBC, and MPC,
11 whether as debtors or as debtors in possession.

12 27. "Disclosure Statement" means the "Disclosure
13 Statement Describing Revised Joint and Consolidated Plan of
14 Liquidation of the Debtors and the Official Committee of Unsecured
15 Creditors Dated July 23, 1997" (and all annexes attached thereto or
16 referenced therein) that relates to this Plan and is approved
17 pursuant to section 1125 of the Code in an Order entered by the
18 Court, as such Disclosure Statement may be amended, modified or
19 supplemented.

20 28. "Disputed Claim" means any Claim which is not an
21 Allowed Claim.

22 29. "Effective Date" means the eleventh (11th) day after
23 the Confirmation Date (or the first Business Day thereafter).

24 30. "Estate" means, with respect to any Debtor, the
25 estate created by section 541(a) of the Code upon the Petition Date.

26 31. "Final Order" means an order or judgment of the
27 Court, the operation or effect of which has not been stayed, and as
28 to which the time to appeal or to seek reargument or rehearing has

1 expired and as to which no appeal, reargument, or petition for
2 rehearing or certiorari has been taken or is pending.

3 32. "Former Fidelity" means The Galileo Fund, L.P. and
4 The Copernicus Fund, L.P., as successor in interest to the rights
5 and Claims of Fidelity Capital & Income Fund and Kodak Retirement
6 Income Fund.

7 33. "Initial Distribution Date" means the first Business
8 Day on which a distribution is made under the Plan to holders of
9 Allowed Claims.

10 34. "Insurance Company Lenders" collectively means Sun
11 America Life Insurance Company, Anchor National Life Insurance Co.,
12 Transamerica Occidental Life Insurance Company, and Transamerica
13 Life Insurance and Annuity Company, as lenders under that certain
14 Third Amended Loan Agreement, dated May 15, 1995.

15 35. "Insurance Company Settlement" means that certain
16 agreement among the Debtors, the Insurance Company Lenders, the
17 Liquidating Property Trust, Corimon and the Committee, executed as
18 of July ____, 1997 resolving various disputes, allowing claims,
19 providing for the sale of collateral and turnover of proceeds to the
20 Insurance Company Lenders, and containing other provisions, a copy
21 of which is attached hereto as Exhibit "5," and which agreement is
22 incorporated and made part of this Plan by reference.

23 36. "Interest" means (a) the common or preferred stock or
24 any ownership rights in the common or preferred stock of any of the
25 Debtors, and (b) any right, warrant or option, however arising, to
26 acquire the common stock or any other equity interest, or any rights
27 therein, of any of the Debtors.

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37. "Liquidating Property Trust" means that certain liquidating trust, established and operating pursuant to that certain Amended and Restated Liquidating Property Trust Agreement, dated as of May 16, 1995, and entered into by and among SBC, Standard Brands Realty Co., Inc., SBD, Corimon, SBP Liquidating Property Co., the Insurance Company Lenders, Transamerica Realty Services, Inc., as Disposition Agent, and Bankers Trust Company of California, N.A., as Trustee.

38. "MEC" means MAJOR PAINT COMPANY, a California corporation.

39. "Petition Date" means December 27, 1995.

40. "Plan" means this Revised Joint and Consolidated Plan of Liquidation of the Debtors and the Official Committee of Unsecured Creditors Dated July 23, 1997 (including all exhibits hereto), as modified or amended from time to time.

41. "Priority Claim" means a Claim other than an Administrative Claim or a Tax Claim which, if allowed, would be entitled to priority under section 507(a) of the Code.

42. "Professionals" means those persons or entities (a) employed in the Cases under sections 327 or 1103 of the Code, and (b) entitled, under sections 330, 503(b), 506(b), 507(a)(1) of the Code, to seek compensation for legal, accounting or other professional services and the costs and expenses related to such services from the Debtors or the Estates.

43. "Proponents" means collectively the Debtors and Committee as proponents of the Plan.

44. "Pro Rata" means proportionately so that the ratio of the amount of consideration distributed on account of a particular

Allowed Claim or Allowed Interest to the amount of the Allowed Claim or Allowed Interest is the same as the ratio of the amount of consideration distributed on account of all Allowed Claims and Allowed Interests of the Class in which the particular Allowed Claim or Allowed Interest is included to the amount of all Allowed Claims and Allowed Interests of that Class.

45. "Realty" means Standard Brands Realty, Inc., a California corporation.

46. "Recovery Rights" means any and all manner of causes of action, claims, obligations, suits, debts, judgments and demands whatsoever, whether in law or in equity, including but not limited to all claims scheduled by Debtors and all avoidance power causes of action set forth in sections 544 through 550, inclusive, of the Code.

47. "SBC" means STANDARD BRANDS PAINT CO., a California corporation.

48. "SBD" means STANDARD BRANDS PAINT COMPANY, a Delaware corporation.

49. "Secured Claim" means a Claim secured by a lien on any property of any of the Estates.

50. "Tax Claim" means a Claim entitled to priority under section 507(a)(8) of the Code.

51. "Third Amended Loan Agreement" means that certain Third Amended and Restated Existing Loan Agreement, dated as of May 16, 1995, and entered into by and among SBD, SBC, Standard Brands Realty Co., Inc., and the Insurance Company Lenders.

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52. "Transamerica" means Transamerica Occidental Life Insurance Company for itself and as Servicing Agent under the Third Amended Loan Agreement.

53. "Unclaimed Property" means any funds or other property to be distributed to Creditors pursuant to the Plan, the Creditor Trust Agreement, the Confirmation Order or other Final Order (together with any interest earned thereon, if appropriate and permissible under the Corimon Settlement, and any dividends previously paid or payable on account thereof) which are unclaimed at the end of the second (2nd) year following the Effective Date, or such earlier date as may be fixed by the Court. Unclaimed Property shall include checks and any other property which have been returned as undeliverable without a proper forwarding address, or which were not mailed or delivered because of the absence of a proper address to which to mail or deliver such property.

B. Interpretation, Rules of Construction, and Computation of Time.

1. Any term used in this Plan that is not defined herein, whether in this Article I or elsewhere, or in the Exhibits hereto, but that is used in the Code or the Bankruptcy Rules has the meaning ascribed to that term in (and shall be construed in accordance with the rules of construction under) the Code or the Bankruptcy Rules.

2. Any capitalized term used in this Plan that is not defined herein, or in the Corimon Settlement or other Exhibits hereto, but that is defined and used in the Disclosure Statement has the meaning ascribed to that term in the Disclosure Statement.

3. The words "herein," "hereof," "hereto," "hereunto," "hereunder" and others of similar import refer to this Plan as a whole and not to any particular article, section, subsection or clause contained in this Plan.

4. Unless specified otherwise in a particular reference, a reference in this Plan to an article or a section is a reference to that article or section of this Plan.

5. Any reference in this Plan to a document being in a particular form or on particular terms and conditions means that the document shall be substantially in such form or substantially on such terms and conditions.

6. Any reference in this Plan to an existing document means such document, as it may have been amended, modified or supplemented from time to time as of the Effective Date.

7. Whenever from the context it is appropriate, each term stated in either the singular or the plural shall include both the singular and the plural.

8. The rules of construction set forth in section 102 of the Code shall apply to this Plan.

9. In computing any period of time prescribed or allowed by this Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

10. All Exhibits to this Plan are incorporated into this Plan, and shall be deemed to be included in this Plan, regardless of when filed with the Court.

11. The provisions of the Plan shall control over the contents of the Disclosure Statement. The provisions of the Confirmation Order shall control over the contents of the Plan.

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12. Whenever a distribution of property is required to be made on a particular date, the distribution shall be made on such date, or as soon as practicable thereafter.

ARTICLE II.

PAYMENT OF ADMINISTRATIVE EXPENSES
AND TREATMENT OF CERTAIN UNCLASSIFIED CLAIMS

A. Administrative Claims. Subject to the bar date provisions of Paragraph B of this Article II, on the Effective Date, the Creditor Trust Disbursing Agent will pay to each Creditor holding an Allowed Administrative Claim, unless that Creditor agrees to different treatment, Cash equal to the unpaid portion of such Allowed Administrative Claim. Administrative Claims of any Debtor against any other Debtor shall be eliminated for all purposes.

B. Bar Date For Administrative Claims. All applications for compensation of professionals retained pursuant to sections 327 or 1103 of the Bankruptcy Code for services rendered and for reimbursement of expenses incurred on or before the Effective Date shall be filed no later than sixty (60) days after the Effective Date. Any other request for compensation by any person or entity for making a substantial contribution in the Cases, and all other requests for payment of an Administrative Claim incurred before September 8, 1997 under sections 507(a)(1) or 503(b) of the Code (except only for Claims under 28 U.S.C. § 1930), shall have been filed on or before September 8, 1997. Any such Claim not filed within these deadlines shall be forever barred, and the Debtors and the Creditor Trust shall be discharged of any obligation on such Claim; and any person or entity who is required to file a request

for payment of such Claim and who does not file such request by the applicable bar date shall be forever barred from asserting such Claim against the Estates or the Creditor Trust, or any of their respective property.

C. Treatment of Corimon Administrative Claims. Notwithstanding the foregoing and the provisions of section 1129(a)(9)(A) of the Code, the Claim of Corimon shall be paid solely in accordance with the treatment provided in the Corimon Settlement.

D. Professionals. The Allowed Administrative Claims of Professionals shall be paid in accordance with section 1129(a)(9)(A) of the Code.

E. Tax Claims. On the Effective Date, the Creditor Trust Disbursing Agent will pay each holder of an Allowed Tax Claim, in Cash, in full. Holders of Tax Claims shall not be entitled to receive any payment on account of post-Petition Date interest on, or penalties with respect to or arising in connection with, such Tax Claims, except as allowed by the Court, and all Claims or demands by holders of Tax Claims for post-Petition Date interest or penalties thereon, shall be disallowed and discharged by the Plan, the Confirmation Order and section 1141(d) of the Code, and the holders of Tax Claims shall not assess or attempt to collect interest or penalties from the Estates, the Creditor Trust or any of their

respective properties.

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ARTICLE III.

CLASSIFICATION OF CLAIMS AND INTERESTS

A. Manner of Classification of Claims and Interests. Except for Claims of a kind specified in sections 507(a)(1) or 507(a)(7) of the Code, all Claims against, and Interests in, the Debtors and with respect to all property of the Debtors and the Estates, are defined and hereinafter designated in respective Classes. The Plan, including the Corimon Settlement and the Insurance Company

Settlement, which are hereby adopted, approved and incorporated by reference as if a part hereof, is intended to deal with all Claims against and Interests in the Debtors, of whatever character, whether known or unknown, whether or not with recourse, whether or not contingent or unliquidated, and whether or not previously allowed by the Court pursuant to section 502 of the Code. However, only holders of Allowed Claims will receive any distribution under the Plan.

B. Substantive Consolidation and Single Recovery. The Estates shall be substantively consolidated for bankruptcy purposes only. Each Creditor shall have only one claim against the consolidated Estates for a single debt regardless of whether more than one of the Estates is liable for any such Claim. All of the property of each of the Debtors' Estates shall be combined in the consolidated Estate for all purposes of this Plan, including without limitation liquidation and distribution, and all claims among the Debtors (and between the Debtors and Standard Brands Realty, Inc., an affiliate of the Debtors) shall be eliminated. Substantive consolidation shall not cause a merger of the Debtors, and the corporate identities of each of the Debtors shall remain distinct

and unaffected by substantive consolidation. Substantive consolidation also shall not prejudice or otherwise affect the rights of any party in interest, including without limitation the Debtors, the Creditor Trust or any creditor, based in whole or in part on the corporate identity of any of the Debtors, including without limitation rights of setoff, recoupment and similar rights. Substantive consolidation shall not be deemed a transfer of any property of any Debtor's Estate for any purpose, including without limitation state, federal and local taxes of any kind.

C. Classification. Allowed Claims and Interests are divided into the following Classes:

1. Class 1 Claims (Priority Claims). Class 1 consists of all Priority Claims.
2. Class 2 Claims (Former Fidelity Secured Claims). Class 2 consists of the Allowed Secured Claims of Former Fidelity.
3. Class 3 Claims (Transamerica Secured Claims). Class 3 consists of the Allowed Secured Claims of Transamerica.
4. Class 4 Claims (All Other Secured Claims). Class 4 consists of all Secured Claims against any Debtor, other than the Class 2 and 3 Claims. Each holder of an Allowed Secured Claim shall be deemed to be a separate sub-class of Class 4.
5. Class 5 Claims (General Unsecured). Class 5 consists of all Claims, including all Claims arising from the rejection of executory contracts, other than (a) Administrative Claims; (b) Tax Claims; and (c) Claims included within any other Class designated in the Plan.
6. Class 6 Claims (Corimon Claims). Class 6 consists of all Claims of Corimon.

7. Class 7 Claims (Inter-Company Claims). Class 7 consists of all Claims of any Debtor or Realty against any other Debtor or Realty.
8. Class 8 Interests. Class 8 consists of the Interests in SBD.
9. Class 9 Interests. Class 9 consists of the Interests in SBC.
10. Class 10 Interests. Class 10 consists of the Interests in MPC.

ARTICLE IV.

TREATMENT OF CLAIMS AND INTERESTS

The chart set forth below summarizes the amounts the Proponents estimate may be distributed to the holders of Allowed Administrative Claims, Allowed Priority Claims and Allowed Claims.

TABLE 1

Summary Of Payments To Creditors					
Class/ Subclass	Description of Class	Impaired	Treatment of Claims	Proponents' Estimate of Amount of Allowed Claims	Estimated Distribution Under Plan
N/A	Administrative Expenses (11 U.S.C. § 503(b), 507(a) (1))	No	Paid in full in cash on Effective Date	\$5,359,486	\$2,957,916 (after deducting for \$2,400,570 which has already been paid pursuant to interim fee orders)

Summary Of Payments To Creditors					
Class/ Subclass	Description of Class	Impaired	Treatment of Claims	Proponents' Estimate of Amount of Allowed Claims	Estimated Distribution Under Plan
N/A	Priority Tax Claims (11 U.S.C. § 507(a) (8))	No	Paid in full in cash on Effective Date	\$952,633	\$952,633
Class 1	Non-Tax Priority (Certain wages, employee benefits, deposits under 11 U.S.C. § 507(a) (3), (4) or (b))	No	Paid in full in cash on Effective Date.	\$650,000	\$650,000
Secured Claims					
Class 2	Claims of Former Fidelity	Yes	Paid in full from cash previously reserved	Not greater than \$115,000	-0-
Class 3	Secured Claims of Transamerica (Unsecured Claims are included in Class 5 pursuant to Insurance Company Settlement)	Yes	Collateral sold and proceeds distributed in cash on Effective Date or collateral surrendered	\$9,000,000	Combination of collateral and cash totaling \$9,000,000; Cash payments include first \$25,000 distributed by Creditor Trust

Summary of Payments to Creditors					
Class/ Subclass	Description of Class	Impaired	Treatment of Claims	Proponents' Estimate of Amount of Allowed Claims	Estimated Distribution Under Plan
Class 4	All other secured claims	Yes	Debt cured and reinstated, collateral surrendered or paid in full in cash on Effective Date	-0-	-0-
Unsecured Claims					
Class 5	General Unsecured Allowed Claims	Yes	Paid pro rata according to the terms of the Corimon Settlement	\$15 million (includes total \$2.15 million Allowed Claims of Insurance Company Lenders and Liquidating Property Trust)	\$1.5 - 2.5 million. First partial Distributions to begin within 180 days after the Effective Date.
Class 6	All Claims of Corimon	Yes	Paid according to the terms of the Corimon Settlement	\$9,907,211 (Pursuant to Corimon Settlement)	\$275,000

Summary of Payments to Creditors					
Class/ Subclass	Description of Class	Impaired	Treatment of Claims	Proponents' Estimate of Amount of Allowed Claims	Estimated Distribution Under Plan
Class 7	All Inter-Company Claims of any Debtor or Realty against any other Debtor or Realty	Yes	-0-	-0-	-0-
Interests					
Class 8	All interests in SBD	Yes	No distribution likely - Deemed to vote no.	All interests in SBD	-0-
Class 9	All interests in SPC	Yes	Retain and receive no money or property. Deemed to vote no.	All interests in SPC	-0-
Class 10	All interests in MPC	Yes	Retain and receive no money or property. Deemed to vote no.	All interests in MPC	-0-

A. Class 1 Priority Claims. Class 1 is not impaired. On the Effective Date, except to the extent that the holder of such Claim agrees to a different treatment, the Creditor Trust Disbursing Agent shall pay to each holder of an Allowed Class 1 Claim Cash in the amount of such Allowed Class 1 Claim.

B. Class 2 Claims of Former Fidelity. Class 2 Claims are deemed allowed under this Plan in the principal amount thereof.

(a) an amount equal to the Allowed Class 5 Claim, or (b) a Pro Rata share of the available sum of the monies held and otherwise realized by the Creditor Trust. A schedule of potential holders of Class 5 Claims is attached hereto as Exhibit "5".

F. Class 6 Claims of Corimon. Class 6 is impaired. In full and complete settlement and satisfaction of all Claims of Corimon, including any and all Administrative Claims, Secured Claims, Class 6 Claims, and otherwise as specified in full in the Corimon Settlement, such Class 6 Claims shall receive the treatment provided in the Corimon Settlement.

G. Class 7 (Inter-Debtor Claim). Class 7 is impaired. As of the Effective Date, any and all Claims of any Debtor or Realty against any other Debtor or Realty shall be deemed canceled and discharged without payment of any monies or other consideration to be paid pursuant to the Plan or otherwise on account thereof.

H. Class 8 Interests. Class 8 is impaired. On the Effective Date, the Class 8 Interests in SBD shall be deemed canceled and discharged. Holders of Class 8 Interests shall receive distributions from the Creditor Trust in accordance with the Corimon Settlement and the Creditor Trust Agreement.

I. Class 9 Interests. Class 9 is impaired. On the Effective Date, the Class 9 Interests in SBC shall be deemed canceled and discharged without payment of any monies or other consideration to be paid pursuant to the Plan or otherwise on account thereof.

J. Class 10 Interests. Class 10 is impaired. On the Effective Date, the Class 10 Interests in MPC shall be deemed canceled and discharged without payment of any monies or other

consideration to be paid pursuant to the Plan or otherwise on account thereof.

ARTICLE V.

IMPLEMENTATION OF THE PLAN AND EXECUTION OF ITS TERMS

A. Implementation of Plan. The Committee will implement and consummate the Plan through the means contemplated by sections 1123(a) (5) (B) and (D), 1123(b) (3) (A) and (B), and 1123(b) (4) of the Code.

B. The Corimon Settlement. Confirmation of this Plan shall include approval of the Corimon Settlement as of the Effective Date, including all of its terms and provisions, which are incorporated into this Plan, and control the distributions to Corimon and the unsecured creditors from the Creditor Trust. A copy of the Corimon Settlement is attached hereto as Exhibit "1." Pursuant to Paragraph 10 of the Corimon Settlement, a vote by a Creditor in favor of the Plan shall constitute such Creditor's acceptance and endorsement of the Corimon Settlement, including a waiver of such Creditor's Claims against the Corimon Parties (as defined in Paragraph 3(b) of the Corimon Settlement), except as described therein.

C. The Insurance Company Settlement. Confirmation of this Plan shall include approval of the Insurance Company Settlement, including all of its terms and provisions, which are incorporated into this Plan and control the amount of the Insurance Company Lenders' and the Standard Brands Liquidating Property Trust's Allowed Class 5 Claims and the distributions thereon under this

1 Plan. A copy of the Insurance Company Settlement is attached hereto
2 as Exhibit "5."

3 D. Liquidation of Assets. Following the Effective Date, the
4 Creditor Trust shall liquidate all of the property of the Estates,
5 by sale or other disposition, including the return and surrender
6 thereof to the holder of any Allowed Secured Claim, and the
7 distribution of the proceeds thereof to the Creditor entitled
8 thereto pursuant to the Plan, the Creditor Trust Agreement, the
9 Corimon Settlement and the Insurance Company Settlement. Except as
10 otherwise provided in the Corimon Settlement and for the holders of
11 Claims in Classes 6 and 7, who have elected to receive less
12 favorable treatment, the holders of Allowed Claims under the Plan
13 shall receive distributions on account of their claims in accordance
14 with the same priorities afforded in liquidation cases under
15 Chapter 7 of the Code.

16 E. Sole Equity Interest of Debtors. Pursuant to section
17 1123(a)(5) (J) of the Bankruptcy Code, SBD shall cause to be issued
18 to the Creditor Trust one (1) share of SBD common stock (the "Trust
19 Share") for the purpose of further ensuring that the Creditor Trust
20 is fully capable of administering and distributing all property of
21 the Estates pursuant to the Plan, the Corimon Settlement and the
22 Creditor Trust Agreement. As of the Effective Date, the Trust Share
23 shall be the sole issued and outstanding stock interest in the
24 Debtors. The Trust Share shall not make the Creditor Trust an
25 Interest Holder for purposes of distributions from the Creditor
26 Trust.

F. The Creditor Trust.

1 1. Transfer of Property. On the Effective Date, or as
2 soon thereafter as practicable, all property of the Debtors and the
3 Estates and the proceeds thereof, including any and all Recovery
4 Rights, will be irrevocably assigned, transferred and conveyed to
5 the Creditor Trust in accordance with the provisions of this Plan,
6 the Corimon Settlement and the Insurance Company Settlement.

7 2. Management and Powers of Creditor Trust. After the
8 Effective Date, the affairs of the Creditor Trust and of all assets
9 held or controlled by the Creditor Trust shall be managed under the
10 direction of the Trustees of the Creditor Trust in accordance with
11 the Creditor Trust Agreement. Two (2) Trustees of the Creditor
12 Trust shall be selected by the Committee as provided in the Creditor
13 Trust Agreement and Transamerica Realty Services, Inc. shall select
14 the third Trustee. The Creditor Trust shall be the representative
15 of the Estates pursuant to section 1123 of the Code and shall have
16 the rights, powers and standing of a debtor in possession under
17 section 1107 of the Code, and such other rights, powers and duties
18 incident to causing performance of the Debtors' obligations under
19 the Plan or otherwise as may be reasonably necessary. The powers of
20 the Creditor Trust shall include, but not be limited to: (a) the
21 ability and authority to object to Claims, and the ability to
22 prosecute or settle such objections and defend claims and
23 counterclaims asserted in connection therewith (including by way of
24 asserting the Debtors' rights of recoupment, setoff or otherwise);
25 (b) the prosecution in every capacity, including as representative
26 of the Estates under section 1123(b)(3)(B) of the Code, of the
27 Recovery Rights; (c) the compromise and settlement, subject to
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1 approval of the Court, of any such Recovery Rights; (d) the sale,
2 lease, license, abandonment or other disposition, subject to
3 approval of the Court, of any or all of the property of the Creditor
4 Trust; (e) effecting distributions under the Plan to the holders of
5 Allowed Claims in accordance with the Plan, the Confirmation Order,
6 any other Final Order, the Corimon Settlement, the Insurance Company
7 Settlement and the Creditor Trust Agreement; (f) participation in
8 any post-Confirmation motions to amend or modify the Plan, or
9 appeals from the Confirmation Order; and (g) participation in
10 actions to enforce or interpret the Plan.

11 3. Disbursing Agent. The Creditor Trust or its nominee
12 shall serve as the Creditor Trust Disbursing Agent under this Plan
13 and shall make all disbursements provided for under this Plan as
14 soon as practicable after all Claims of a Class and of any and all
15 Senior Classes are Allowed. Pursuant to the terms of the Creditor
16 Liquidating Trust Agreement, the Creditor Trust Disbursing Agent
17 shall maintain a reserve in trust for the payment of any
18 administrative expenses of the Creditor Trust (the "Trust
19 Administrative Fund") and any Disputed Claims (the "Disputed Claims
20 Reserve"). No distributions shall be made on account of any
21 Disputed Claims unless and until such Claims become Allowed Claims,
22 as provided in the Creditor Liquidating Trust Agreement.

23 4. Employment of Professionals. The Creditors' Trust is
24 authorized, without further order of the Court, to employ such
25 persons, including professionals, as it may deem necessary to enable
26 it to perform its functions hereunder, and the costs of such
27 employment and other expenditures shall be paid from the Creditor
28 Trust except as otherwise specified in the Corimon Settlement and

1 the Creditor Trust Agreement. Such persons shall be compensated and
2 reimbursed for their reasonable and necessary fees and out-of-pocket
3 expenses on a monthly basis from the Creditor Trust without further
4 notice, hearing or approval of the Bankruptcy Court except as set
5 forth in the Creditor Trust Agreement.

6 5. Prosecution of Recovery Rights. Pursuant to the
7 Confirmation Order, on the Effective Date, the Debtors will
8 irrevocably assign, transfer and convey to the Creditor Trust, all
9 property of the Debtors' Estates, including but not limited to, all
10 Recovery Rights. The Creditor Trust shall have the full power and
11 authority to prosecute, compromise or otherwise resolve any and all
12 such claims, and distribute the proceeds in accordance with the
13 Creditor Trust Agreement, the Corimon Settlement and the Insurance
14 Company Settlement. Subject to the limitation provided by the
15 Corimon Settlement, any and all fees, costs and expenses incurred in
16 respect of the prosecution of such claims shall be payable and paid
17 solely by the Creditor Trust. To the extent that applicable law
18 prohibits assignment of any particular Recovery Right, such Recovery
19 Right shall be retained by the Debtors. The Creditor Trust shall be
20 authorized to prosecute such Recovery Right in the name of one or
21 more Debtors as applicable, but at the expense of and for the
22 benefit of the Creditor Trust.

23 6. Objections to Claims. All objections to Claims shall
24 be filed with the Court and served upon the holders of such Claims
25 by the later of (a) 180 days after the Effective Date, or (b) 180
26 days after the particular proof of claim has been filed, except as
27 extended by an agreement between the claimant and the Creditor
28 Trust, or by order of the Court upon a motion filed by the Creditor

1 Trust, with notice of such motion to be served upon the Office of
2 the United States Trustee and those holders of Disputed Claims to
3 whom the objection is made. If an objection has not been filed to a
4 proof of claim that relates to a Disputed Claim by the objection bar
5 dates established in this section V.F.6., the Claim to which the
6 proof of claim relates shall be treated as an Allowed Claim for
7 purposes of distribution under the Plan. Each Claim that is an
8 Allowed Claim as of ten (10) Business Days before the Confirmation
9 Hearing shall be permitted to be voted by the holder of such Allowed
10 Claim with respect to the Plan.

11 7. Distributions. Distributions shall be made in
12 accordance with the Plan, the Confirmation Order, the Creditor Trust
13 Agreement, the Corimon Settlement and the Insurance Company
14 Settlement.

15 a. Reserve for Unpaid Claims. For purposes of
16 calculating Pro Rata or any other distributions to be made under the
17 Plan to holders of Allowed Claims, the calculation of the total
18 Allowed Claims in any Class shall be computed as if all Disputed
19 Claims then pending were allowed in the full amount thereof.

20 b. Initial Distribution Date. On or as soon as
21 practicable after the Effective Date, the Creditor Trust Disbursing
22 Agent shall distribute the property to be distributed under the Plan
23 (and in accordance with the Corimon Settlement, the Insurance
24 Company Settlement and the Creditor Trust Agreement) to the holders
25 of Claims that, as of the Effective Date, are Allowed Claims. An
26 initial distribution shall be made within six (6) months after the
27 Effective Date.
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1 c. Allowance of Claims. Distributions shall be
2 made with respect to any Disputed Claim which becomes an Allowed
3 Claim after the Effective Date on or as soon as practicable after
4 the date on which each such Disputed Claim becomes an Allowed Claim.
5 The amount of such distribution shall be calculated on a Pro Rata
6 basis, so that the subject Claim receives an initial distribution
7 equal to the total percentage distributions made prior to the date
8 of such allowance on other Allowed Claims.

9 d. Subsequent Distribution Dates. After the
10 Initial Distribution Date, unless otherwise directed in a Final
11 Order, the Creditor Trust Disbursing Agent shall make additional
12 distributions periodically to the holders of Allowed Claims as and
13 when the Creditor Trust, in its sole and absolute discretion, deems
14 appropriate; provided that such payments are made in accordance with
15 the Corimon Settlement.

16 e. Unclaimed Property. Until the expiration of two
17 (2) years following the Effective Date, Unclaimed Property shall be
18 delivered upon presentation of proper proof by a holder of its
19 entitlement thereto, after which time any holder of an Allowed Claim
20 entitled to Unclaimed Property shall cease to be entitled thereto.
21 Thereafter, all right, title and interest therein shall vest in the
22 Creditor Trust for re-distribution among Creditors entitled thereto
23 and in the order and priority established in the Plan, the Corimon
24 Settlement and the Creditor Trust Agreement.

25 f. Surrender. Notwithstanding any other provision
26 of this Plan, no holder of an Allowed Claim shall receive any
27 distribution under the Plan in respect of such Allowed Claim until
28 such holder has surrendered to the Creditor Trust any certificated

1 security or promissory note evidencing such Allowed Claim, or until
2 evidence of loss and indemnity satisfactory to the Creditor Trust
3 Trustees, in their sole and absolute discretion, shall have been
4 delivered to the Creditor Trust in the case of any certificated
5 security or note alleged to be lost, stolen or destroyed.

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g. Final Distribution. Upon resolution of all
outstanding objections to Disputed Claims, and all actions or other
proceedings relating to any Recovery Rights, the Creditor Trust
shall cause the distribution of all remaining available assets of
the Creditor Trust to the holders of Allowed Claims as provided
herein in accordance with the Corimon Settlement and the Creditor
Trust Agreement, and the Creditor Trust shall file a final report
and account of all receipts and disbursements with the Court.

h. Exemption From Certain Transfer Taxes. Pursuant
to section 1146(c) of the Code, the transfers contemplated by the
Plan including those contemplated by the Insurance Company
Settlement, whether from the Debtors or Standard Brands Realty Co.,
shall not be subject to any stamp tax, transfer tax or similar tax.

i. Estimation of Unliquidated Disputed Claims. As
to any unliquidated Disputed Claim, including Claims based upon
rejection of executory contracts or leases, or other Disputed
Claims, the Court, upon motion by the Creditor Trust, may estimate
the amount of the Disputed Claim and may determine an amount
sufficient to reserve for any such Claim. Any Person whose Disputed
Claim is so estimated shall have recourse only against the Creditor
Trust, and against no other assets or person (including the Creditor
Trust Trustees), and in any case only in an amount not to exceed the
estimated amount of such Person's Claim, even if such Person's

Claim, as finally allowed, exceeds the maximum estimated amount
thereof.

G. Dissolution of Debtors. Pursuant to this Plan, the
Confirmation Order, section 1400 of the California Corporations Code
and section 303 of the Delaware General Corporations Law, as
applicable, Debtors shall cease to exist as corporate entities and
shall be deemed, as a matter of law, dissolved, as of the
termination of the Creditor Trust.

ARTICLE VI.

EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Executory Contracts to be Assumed. All executory
contracts and unexpired leases of the Debtors set forth in an
Exhibit "4" hereto shall be assumed pursuant to the provisions of
sections 365 and 1123 of the Code. Such assumed executory contracts
and unexpired leases shall, as of the Effective Date, vest in the
Creditor Trust.

B. Cure Amounts. Amounts due under section 365(b)(1)(A) of
the Code with respect to any executory contract or unexpired lease
assumed pursuant to Paragraph VI.A. hereof shall be paid by the
Creditor Trust Disbursing Agent in full, in Cash, not more than
90 days after the Effective Date; provided, however, that as to any
disputed portion of such cure amounts, payment shall be made on or
as soon as practicable after such disputed portion is resolved by
Final Order.

C. Rejection of All Other Executory Contracts. All executory
contracts and unexpired leases of the Debtors other than those
described in Paragraph VI.A. hereof are rejected pursuant to the

1 Plan and the Confirmation Order. In the event that any claim of any
2 director of any of the Debtors arises under an executory contract,
3 such executory contract will be deemed rejected pursuant to the
4 Plan.

5 D. Proofs of Claim With Respect to Rejection Damages.
6 Pursuant to the terms of the Confirmation Order and Bankruptcy
7 Rule 3002(c)(4), and except as otherwise ordered by the Court,
8 proofs of claim for Claims arising from the rejection of an
9 executory contract or unexpired lease shall be filed with the Court
10 no later than thirty (30) days after the later of (i) the date of
11 the entry of a Final Order approving such rejection and (ii) the
12 Confirmation Date, or such Claim shall be forever barred.

13 ARTICLE VII.

14 CONDITION TO CONFIRMATION

15 Entry of an Order by the Bankruptcy Court authorizing
16 substantive consolidation and approval of the Corimon Settlement and
17 the Insurance Company Settlement as set forth herein, is a condition
18 to confirmation of the Plan.

19 ARTICLE VIII.

20 RETENTION OF JURISDICTION

21 Notwithstanding Confirmation or the Effective Date having
22 occurred, the Court shall retain jurisdiction for the following
23 purposes:

1 A. Allowance of Claims. To hear and determine the allowance
2 of all Claims and Interests upon objections to any such Claims or
3 Interests;

4 B. Executory Contract Proceedings. To act with respect to
5 proceedings regarding the assumption, assignment or rejection of any
6 executory contract or unexpired lease of a Debtor pursuant to
7 sections 365 and 1123 of the Code and Article VI of this Plan, and
8 to determine the allowance and proper classification of any Claims
9 arising from the resolution of any such proceedings;

10 C. Plan Interpretation. To resolve controversies and
11 disputes regarding the interpretation of this Plan;

12 D. Plan Implementation. To implement and enforce the
13 provisions of this Plan and the Confirmation Order, and otherwise to
14 enter orders in aid of confirmation and implementation of this Plan
15 including, without limitation, appropriate orders to protect the
16 Creditor Trust from any action or other proceeding that may be
17 initiated by any Creditor or Interest holder;

18 E. Plan Modification. To modify this Plan pursuant to
19 section 1127 of the Code and the applicable Bankruptcy Rules;

20 F. Adjudication of Controversies. To adjudicate such
21 contested matters and adversary proceedings as may be pending or
22 subsequently initiated in the Court including, but not limited to,
23 actions relating to any Recovery Rights brought by the Creditor
24 Trust;

25 G. Injunctive Relief. To issue any injunction or other
26 relief appropriate to implement the intent of this Plan, and to
27 enter such further orders enforcing any injunctions or other relief
28 issued under this Plan or pursuant to the Confirmation Order;

1 H. Correct Minor Defects. To correct any defect, cure any
2 omission or reconcile any inconsistency or ambiguity in this Plan,
3 the Confirmation Order or any document executed or to be executed in
4 connection therewith as may be necessary to carry out the purposes
5 and intent of the Plan, provided that the rights of any holder of an
6 Allowed Claim are not materially and adversely affected thereby;

7 I. Post-Confirmation Orders Regarding Confirmation. To enter
8 and implement such orders as may be appropriate in the event the
9 Confirmation Order is, for any reason, stayed, reversed, revoked,
10 modified or vacated; and

11 J. Final Decree. To enter a final decree closing any or all
12 of the Cases.

13 ARTICLE IX.

14 MODIFICATION - MISCELLANEOUS

15 A. Modification. The Committee reserves the right to amend
16 or modify the Plan prior to its confirmation, at all times
17 consistent with and in accordance with section 1127 of the Code and
18 with the Corimon Settlement and the Insurance Company Settlement.

19 B. Provisions Savarable. Should any provision in the Plan be
20 determined to be unenforceable, such determination shall in no way
21 limit or affect the enforceability and operative effect of any or
22 all other provisions of the Plan or the enforceability or operating
23 effect of the Corimon Settlement or the Insurance Company
24 Settlement.

25 C. Headings Do Not Control. In interpreting this Plan, the
26 headings of individual sections are provided for convenience only,
27 and are not intended to control over the text of any section.
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1 D. Taking Action. After the Effective Date, to the extent
2 this Plan requires an action by a Debtor, the action may be taken
3 only by the Creditor Trust, acting through the Creditor Trust
4 Trustees, as representative and on behalf of such Debtor.

5 E. Terms of Corimon Settlement and Insurance Company
6 Settlement Control. In the event of any inconsistency or conflict
7 between the terms, conditions, definitions and provisions of the
8 Plan and the terms, conditions and provisions of the Corimon
9 Settlement and the Insurance Company Settlement, the terms,
10 conditions, definitions and provisions of the Corimon Settlement and
11 the Insurance Company Settlement shall control.

12 F. Termination of Committee. Except for matters involving
13 the allowance of Claims of Professionals, the Committee shall be
14 dissolved as of the Effective Date, and the members of the Committee
15 shall be relieved of all of their responsibilities and duties in the
16 chapter 11 cases, and the Committee shall have no further
17 participation on the chapter 11 cases.

18 G. Limitation of Liability. Neither the Debtors, the
19 Committee, the Creditor Trust nor any of their respective officers,
20 directors, employees, trustees, members, or agents, nor any
21 Professionals employed by one or more of them, shall have or incur
22 any liability to any person for any act taken or omission made in
23 good faith in connection with or related to the administration of
24 the Cases after the Petition Date, including, but not limited to,
25 the formulation, implementation, confirmation or consummation of the
26 Plan, the Disclosure Statement, or any security contract,
27 instrument, release, or other agreement or document created in
28 connection with the Plan, or regarding any distributions made

1 pursuant to the Plan, other a claim based, in whole or in part, upon
2 a breach of an oral or written contract.

3 **ARTICLE X.**

4 **CONFIRMATION REQUEST**

5 The Committee and the Debtors request Confirmation of this Plan
6 pursuant to section 1129 of the Code.

7 Dated: July 23, 1997

8 **OFFICIAL COMMITTEE OF UNSECURED
9 CREDITORS**

10 By: Ann Garresaud,
11 Chair

12 Dated: July 23, 1997

13 **STANDARD BRANDS PAINT COMPANY,**
14 a Delaware corporation

15 By: Deborah Hicks Midanek,
16 President

17 Dated: July 23, 1997

18 **STANDARD BRANDS PAINT CO.,**
19 a California corporation

20 By: Deborah Hicks Midanek,
21 President

22 Dated: July 23, 1997

23 **MAJOR PAINT COMPANY,**
24 a California corporation

25 By: Deborah Hicks Midanek,
26 President

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1 PRESENTED BY:

2 NEAL, GERBER & EISENBERG
3 and
4 MURPHY, WEIR & BUTLER,
5 a Professional Corporation

6 /s/

7 David F. Heroy
8 Thomas C. Wolford
9 Attorneys for the Official
10 Unsecured Creditors' Committee

11 - AND -

12 JEFFER, MANGELS, BUTLER & MARMARO LLP

13 /s/

14 JOSEPH A. EISENBERG P.C.
15 BARRY L. BURTEN
16 SIMON ARON
17 Attorneys for Debtors

STANDARD BRANDS LIQUIDATING CREDITOR TRUST AGREEMENT

THIS LIQUIDATING CREDITOR TRUST AGREEMENT ("Agreement") is dated as of July 16, 1997, by and among STANDARD BRANDS PAINT COMPANY, a Delaware corporation; STANDARD BRANDS PAINT CO., a California corporation; MAJOR PAINT COMPANY, a California corporation (collectively, "Debtors"); and LORD DENITSU AND PARTNERS, a Delaware corporation; and UNION CARBIDE CORPORATION, a Delaware corporation; and _____, a not in their respective individual or corporate capacities, but solely as trustees hereunder (collectively, "Trustees").

RECITALS:

- A. WHEREAS, voluntary petitions were filed by the Debtors on December 27, 1995 in the United States Bankruptcy Court for the Central District of California (the "Court") under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") and Case Nos. LA 95-43812-KM, LA 95-43813-KM and LA 95-43814-KM (the "Cases"), which Cases are being jointly administered under Case No. LA 95-43812-KM;
- B. WHEREAS, Debtors and the Official Unsecured Creditors' Committee filed their Second Amended Joint and Consolidated Plan of Reorganization of the Debtors and the Official Committee of Unsecured Creditors Dated July 16, 1997 (the "Plan");
- C. WHEREAS, the Plan contemplates that a liquidating trust be created for the benefit of the holders of Allowed Claims as set forth in Section V.F. of the Plan (the "Creditor Trust");
- D. WHEREAS, the Plan was confirmed by the Court pursuant to that certain Order dated October 1, 1997 and entered on October 1, 1997 (the "Order");
- E. WHEREAS, the Debtors and the Holders (as hereinafter defined) desire to create and fund the Creditor Trust, as contemplated by the Plan, pursuant to this Agreement; and
- F. WHEREAS, the Holders desire to exchange their Allowed Claims under the Plan for Beneficial Interests in the Creditor Trust;

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EXHIBIT 2

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AGREEMENTS:

NOW THEREFORE, for and in consideration of the premises, and the mutual promises and agreements contained herein and in the Plan, the receipt and sufficiency of which are hereby expressly acknowledged, the Debtors and the Trustees hereby agree as follows:

1. Definitions:

- 1.1 Terms Defined Above: As used in this Agreement, each of the terms "Debtors," "Agreement," "Court," "Plan," "Order," and "Trustees" shall have the meanings hereinabove set forth.
- 1.2 Additional Defined Terms: As used herein, the following terms shall have the meanings set forth below, unless the context otherwise requires:
 - (a) "Beneficial Interest" shall mean the rights and interests of each of the Holders in and to the Trust Estate.
 - (b) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.
 - (c) "Environmental Claims" shall mean any and all claims for cost and expenses, or claims for contribution, indemnification, or reimbursement for costs and expenses relating to environmental cleanup or remediation, including, without limitation, claims made pursuant to 42 U.S.C. §§ 9601 et seq. or pursuant to the California Health and Safety Code or any other state or federal environmental law.
 - (d) "Holder" shall mean a holder of an Allowed Claim under the Plan as determined from time to time.
 - (e) "Interest Holder" shall mean a holder of an allowed equity interest in Standard Brands Paint Company, a Delaware corporation, under the Plan.
 - (f) "Creditor Trust" shall have the meaning specified in Section 2.1 hereof.
 - (g) "Creditor Trust Disbursing Agent" shall mean (Bankruptcy Claims Administration, a California sole proprietorship.)
 - (h) "Creditor Trust Disbursing Agent Agreement" shall mean that certain agreement dated as of July 16, 1997, and entered into by and among the Trustees and Bankruptcy Claims Administration.

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EXHIBIT 2

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3. Beneficial Interests.

3.1 Sharing of Proceeds. Except as otherwise provided in the Plan, the Corimon Settlement and Section 6 of this Agreement, all Beneficial Interests of the Holders shall rank equally as to priority of distributions from the Creditor Trust and shall share ratably in the payment of all expenses, debts, charges, liabilities and obligations with respect to the Creditor Trust, and the Beneficial Interests of the Interest Holders shall be junior in priority and fully subordinate to the Beneficial interests of the Holders.

3.2 No Transfer or Exchanges. Beneficial Interests in the Creditor Trust will not be evidenced by any certificate or other instrument or document. Beneficial interests in the Creditor Trust are non-transferable and non-assignable other than to successors in interest, or by will, the laws of descent and distribution, or by operation of law ("Permitted Transfer").

3.3 Absolute Ownership. The Trustees may deem and treat the persons who are Holders and Interest Holders (as determined in accordance with the Plan) as the absolute owners of the Beneficial Interests in the Creditor Trust for the purpose of receiving distributions and payments thereof, or on account thereof, and for all other purposes whatsoever. Unless the Trustees receive actual written notice of a Permitted Transfer from the duly authorized transferee not less than thirty (30) days prior to a distribution made pursuant to the terms of this Agreement, and subject to the applicable provisions of Bankruptcy Rule 3001(e), the Trustees shall have no duty or obligation to make or direct any distributions or payments to such transferee of a Permitted Transfer.

3.4 Means of Payment. Amounts payable to Holders (and only thereafter to Interest Holders) pursuant to Section 6 hereof and the Corimon Settlement will be paid by checks drawn on the Designated Creditor Trust Disbursing Account as defined and in the manner further specified in the Creditor Trust Disbursing Agent Agreement.

4. Delivery and Acceptance of Trust Estate.

4.1 Conveyance by Debtors. Upon the Effective Date of the Plan, the Debtors shall execute and deliver to the Trustees bills of sale, deeds, assignments and assignments, and other instruments of conveyance of all of the assets in and of the Trust Estate as further specified in the Plan and the Order. At any time and from time to time after the date hereof as the Trustees' request and without further consideration, the Debtors shall execute and deliver such other instruments of sale, transfer, conveyance, assignment and confirmation, and will cooperate and take such other actions as the Trustees may deem reasonably necessary or desirable in order to more effectively transfer, convey and assign all rights, title and interests in and to the Trust Estate to the Creditor Trust.

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EXHIBIT

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(i) "Trust Administrative Fund" shall have the meaning specified in Section 5.1 hereof.

(j) "Trust Estate" shall mean any and all property of the Debtors' Estates which shall be irrevocably assigned, transferred and conveyed to the Creditor Trust as of the Effective Date.

1.3 Terms Defined in Plan. Capitalized terms used in this Agreement without definition shall have the meanings assigned to them in the Plan.

2. Authority of and Certain Directions to Trustees: Declaration of Trust

2.1 Creation of Creditor Trust. Pursuant to Article V.F. of the Plan, the Order confirming the Plan, and the Corimon Settlement, and effective as of the Effective Date of the Plan, the Holders and the Debtors hereby create the Creditor Trust for the benefit of the Holders.

2.2 Property in the Creditor Trust. The Creditor Trust shall hold the legal title to all property at any time constituting a part of the Trust Estate and shall hold such property in trust to be administered and disposed of by it pursuant to the terms of this Agreement, the Plan, the Insurance Company Settlement and the Corimon Settlement for the benefit of the Holders. The Trustees are authorized to make disbursements and payments from the Trust Estate in accordance with the provisions of Sections 5 and 6 of this Agreement, and pursuant to the Plan, the Insurance Company Settlement and the Corimon Settlement.

2.3 Purpose of Liquidating Creditor Trust. This Creditor Trust is organized for the sole purposes of collecting, holding and liquidating the Trust Estate and administering, compromising, settling, withdrawing, objecting to, or litigating objections to Claims under the Plan, with no objective to engage in the conduct of a trade or business. In accordance with such express and limited purposes, as of the Effective Date the Trustees are hereby authorized and directed (i) to take any and all steps necessary to maintain the Creditor Trust as a liquidating trust for Federal income tax purposes in accordance with Treasury Regulation Section 301.7701-4(d) and as a "grantor trust" subject to the provisions of Subchapter J, Subpart E of the Code unless otherwise required; (ii) to take all reasonable and necessary actions to conserve and protect the Trust Estate; (iii) to administer, compromise, settle, object to and litigate objections to claims under the Plan; and (iv) to maintain, operate or lease (for purposes of holding for sale), or sell or otherwise dispose of the Trust Estate, in accordance with the terms of this Agreement, the Plan, or the instructions or orders of the Court, and to distribute the net proceeds of such disposition to the Holders, in as prompt, efficient and orderly a fashion as possible in accordance with the provisions of Section 6 hereof. Further pursuant to these purposes, the Holders and Interest Holders recognize that, although the Debtors are transferring the Trust Estate to the Creditor Trust, the Holders and Interest Holders are acquiring Beneficial Interests in a trust for their benefit and, as such, will be deemed grantors of the Creditor Trust pursuant to the provisions of Subchapter J, Subpart E of the Code.

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EXHIBIT

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and the Trustees agree that they will:

(a) accept delivery from the Debtors of the Trust Estate on behalf of the Creditor Trust;

(b) accept from the Debtors all bills of sale, deeds, assumptions and assignments, and all other instruments of conveyance required to be delivered by the Debtors with respect to the Trust Estate transferred to the Trustees on behalf of the Creditor Trust pursuant to or in connection with the Plan, the Order, the Corum Settlement or this Agreement; and

(c) take such other action as may be required of the Creditor Trust hereunder, including the receipt and acceptance as part of the Trust Estate of any property or rights, including, without limitation, notes, other negotiable instruments, Recovery Rights, and other choses in action, which the Trustees may receive in connection with or in consideration of the Trust Estate.

5. Administration of Trust Estate.

5.1 Trust Administrative Fund. As soon as cash becomes available from the Trust Estate, the Trustees shall establish a reserve fund (the "Trust Administrative Fund") for the payment by the Trustees of all reasonable and reasonably anticipated expenses, debts, charges, liabilities and obligations relating to the Trust Estate and its administration. The initial amount of the Trust Administrative Fund shall be \$200,000 and shall be funded in such future amounts deemed reasonably necessary by the Trustees in their sole discretion from the Trust Estate. Any balance remaining in the Trust Administrative Fund, after the payment of all expenses, debts, charges, liabilities and obligations intended to be paid therefrom, shall be distributed to Holders as provided in Section 6 hereof. Any monies deposited in the Trust Administrative Fund pursuant to the terms of this Agreement shall be invested in interest-bearing deposits or investments that satisfy the requirements of Section 5.3.2 hereof, and the interest earned thereon shall be credited thereto.

5.2 Powers of the Trustees.

5.2.1 Administrative Powers. During the Trustees' administration of the Creditor Trust, and subject to all the other provisions of this Agreement, the Trustees may exercise the power:

(a) to receive and hold all the assets of the Trust Estate and to have exclusive possession and control thereof as permissible under applicable law;

(b) to enter into, perform and exercise rights under contracts binding upon the Creditor Trust (but not upon the Trustees in their respective individual or corporate capacities) which are reasonably incident to the administration of the Creditor Trust and which the Trustees, in the exercise of their best business judgment, reasonably believe to be in the best interests of the Liquidating Trust;

(c) to establish and maintain accounts at banks and other financial institutions, in a clearly specified fiduciary capacity, into which the Trust Administrative Fund or other cash and property of the Creditor Trust may be deposited, and draw checks or make withdrawals from such accounts, and to pay or distribute such amounts of the Trust Estate as permitted or required under this Agreement or the Creditor Trust Disbursing Agent Agreement;

(d) to employ attorneys, accountants, appraisers, property managers, brokers, realtors, expert witnesses, insurance adjusters or other persons whose services may be necessary or advisable in the sole judgment of the Trustees, to advise or assist them in the discharge of their duties as Trustees, or otherwise in the exercise of any powers vested in the Trustees, and to pay from the Trust Estate reasonable compensation to such attorneys, accountants, appraisers, property managers, brokers, realtors, expert witnesses, insurance adjusters or other persons;

(e) to hold, operate, market, and lease (for the purposes of holding for sale) the assets in the Trust Estate;

(f) to sell or otherwise dispose of the assets in the Trust Estate;

(g) to collect and receive any accounts receivable, income, proceeds of sale, and distributions derived from or relating to the Trust Estate and to distribute the same to the Holders in accordance with the terms of this Agreement and the Creditor Trust Disbursing Agent Agreement;

(h) to pay any and all necessary expenses attributable or relating to the management, maintenance, operation, preservation or liquidation of the Trust Estate;

(i) to investigate, file, compromise, settle, withdraw or litigate in the court or on appeal (or pursuant to a withdrawal of the reference of jurisdiction) objections to Claims under the Plan;

(j) to sue or be sued in connection with any matter arising from or related to the Plan, the Creditor Trust Disbursing Agent Agreement or this Agreement that affects in any way the rights or obligations of the Creditor Trust, the Trustees or the Holders;

the payment and distribution thereof for the purposes set forth in this Agreement and to the conservation and protection of the Trust Estate in accordance with the provisions hereof.

5.4 Transferee Liabilities. If any liability shall be asserted against the Creditor Trust as transferee of the Trust Estate on account of any claimed liability of or through the Debtors, the Trustees may use such part of the Trust Estate as may be necessary in contesting any such claimed liability and in payment, compromise, settlement and discharge thereof on terms reasonably satisfactory to the Trustees. In no event shall the Trustees be required or obligated to use their own property, funds or assets for any such purposes.

5.5 Administration of Trust. In administering the Creditor Trust, the Trustees, subject to the express limitations contained herein, are authorized and directed to do and perform all such acts, to execute and deliver such deeds, bills of sale, instruments of conveyance, and other documents as they may deem necessary or advisable to carry out the purposes of the Creditor Trust.

5.6 Payment of Expenses and Other Liabilities. To the extent that the amount of funds in the Trust Administrative Fund is at any time insufficient, the Trustees shall pay from the Trust Estate all expenses, charges, liabilities and obligations of the Creditor Trust, including, without limiting the generality of the foregoing, such debts, liabilities, or obligations as may be payable from the Trust Estate, interest, taxes, assessments, and public charges of every kind and nature, and the costs, charges and expenses in connection with or arising out of the execution or administration of the Creditor Trust and the Trust Estate, and such other payments and disbursements as are provided for in this Agreement or which may be reasonably determined by the Trustees to be proper charges against the Creditor Trust and the Trust Estate, and the Trustees, in their reasonable discretion and business judgment, may from time to time make provision by reserve or otherwise, out of the Trust Estate, for such amount or amounts as the Trustees in their reasonable discretion and business judgment may determine to be necessary or advisable to meet or satisfy unascertained, unliquidated or contingent liabilities of the Creditor Trust. The Trustees shall make such payments without application to or order of the Bankruptcy Court; provided, however, that once after each three-month period during the administration of the Trust, and solely in the event that the professional fees and expenses paid by the Trust during such three-month period have exceeded \$14,500 per month on a cumulative basis, Corinnon may file a written objection to specific fees and expenses paid by the Trust, with the sole basis for any such objection being the reasonableness of any such payment after taking all of the relevant circumstances into account. In that regard, the Trustees shall provide Corinnon with copies of the invoices for monthly professional fees paid by the Trust. The Creditor Trust consents to the jurisdiction of the Bankruptcy Court to resolve any fee objection filed by Corinnon, and agrees that any fees or expenses that the Court determines to have been improvidently paid shall be disgorged and returned to the Trust.

5.6.1 Payment of U.S. Trustee's Fees. Post-Effective Date, U.S. Trustee's fees payable during the administration of the Plan and until the cases are converted,

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(k) to represent the interests of the Holders with respect to any matters relating to the Plan, this Agreement, the Creditor Trust, the Creditor Trust Disbursing Agent Agreement or the Disbursing Agent Agreement affecting the rights of such Holders;

(l) to act as representative of the Debtors' Estates and to investigate, initiate, prosecute, settle or compromise any and all Recovery Rights or other causes of action of whatever kind or nature; and

(m) to do any and all other things, not in violation of any other terms of this Agreement, which, in the reasonable business judgment of the Trustees, are necessary or appropriate for the proper liquidation, management, investment and distribution of the assets of the Trust Estate in accordance with the provisions of this Agreement and the Plan.

5.2.2 Objections to Claims. From and after the Effective Date of the Plan, and pursuant to Section V.F.6 thereof, the Creditor Trust, through the Trustees, shall be the sole representative of the Debtors' estates for all purposes, including without limitation, investigating, settling, compromising, objecting to, and litigating in the court or on appeal (or pursuant to a withdrawal of the reference of jurisdiction) objections to Claims under the Plan.

5.3 Limitations on Trustee Investments.

5.3.1 No Trade or Business. The Trustees shall carry out the purposes of the creditor Trust and the directions contained herein and shall not at any time enter into or engage in any business (except as may be consistent with the limited purposes of the Creditor Trust), including, without limitation, the purchase of any asset or property (other than such assets or property as are necessary to carry out the purposes of Section 2, Section 7, and Section 5.3.2 hereof), on behalf of the Creditor Trust or the Holders. The Trustees are directed to take all reasonable and necessary actions to dispose of the Trust Estate in as prompt, efficient and orderly a fashion as possible, to make timely distributions of the proceeds of the Trust Estate, and to otherwise not unduly prolong the duration of the Creditor Trust.

5.3.2 Investments. The Trustees shall invest any monies held at any time as part of the Trust Estate, including without limitation, in the Trust Administrative Fund, and any other reserve or escrow funds established pursuant to the terms of this Agreement, only in interest-bearing deposits or certificates of deposit issued by any federally insured banking institution with a combined capital and surplus of at least \$100,000,000 or short-term investments and obligations of, or unconditionally guaranteed as to payment by, the United States of America and its agencies or instrumentalities, or as otherwise permitted pursuant to Section 345 of the Bankruptcy Code, pending need for the disbursement thereof in payment of costs, expenses, and liabilities of the Creditor Trust or in making a distribution pursuant to Section 6 of this Agreement. The Trustees shall be restricted to the collection and holding of such monies and to

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dismissed or closed, shall be paid by the Trustees from the Trust Administrative Fund in accordance with section 5.6 of this Agreement.

5.7 **Fiscal Year.** The Creditor Trust's fiscal year shall end on December 31 of each year, unless the Trustees deem it advisable to establish some other date on which the fiscal year of the Creditor Trust shall end.

5.8 **Reports.** The Trustees shall prepare, deliver, and file, as the case may be, reports as follows:

(a) Prepare and file unaudited interim financial reports as may be required by regulatory authorities, applicable laws, rules or regulations or as the Trustees deem advisable during the fiscal year; and

(b) Prepare, file, and mail (through the Creditor Trust Disbursing Agent), within the time required by applicable law or regulation, necessary income tax information, tax returns or reports to the Holders and applicable taxing authorities, including, on an annual basis, the manner and calculation of the Creditor Trust's taxable gain or loss which the Creditor Trust would recognize if it were a separate taxable entity.

6. **Source of Payments: Distributions To The Holders.**

6.1 **Payments from Trust Estate.** All payments to be made hereunder to the Holders (and only thereafter to the Interest Holders) shall be made only from the assets, income and proceeds of the Trust Estate and only to the extent that the Trustees shall have received sufficient assets, income or proceeds of the Trust Estate to make such payments in accordance with the terms of this Section 6 and the Corimon Settlement. Each Holder and Interest Holder shall look solely to the assets, income and proceeds of the Trust Estate, and not to the Trustees in their personal, individual or corporate capacities for distribution to such Holder and Interest Holder as herein provided.

6.2 **Emergency and Amounts of Payments.** As often as in the reasonable discretion and judgment of the Trustees there shall be in the Trust Estate monies in an amount sufficient to render feasible a distribution of cash to the Holders (and only thereafter to the Interest Holders) through the Designated Creditor Trust Distribution Account (as defined in the Creditor Trust Disbursing Agent Agreement), the Trustees shall transfer and pay, or cease to be transferred and paid, to the Designated Creditor Trust Distribution Account for distribution by the Creditor Trust Disbursing Agent to the Holders (subject to the provisions of Section 3) such aggregate amount of cash, if any, as shall then be held in the Creditor Trust, excluding reasonable amounts of cash held in the Trust Administrative Fund pursuant to Section 5.1 hereof or otherwise needed to pay the expenses, debts, charges, liabilities and obligations of the Creditor Trust (the "Distribution Amount"). The aggregate amounts required to be transferred to the Designated Creditor Trust Distribution Account for distribution to the Holders (and only thereafter to the

interest Holders) in accordance with Creditor Trust Disbursing Agent Agreement, the Corimon Settlement and the provisions hereof shall be determined by the Trustees in their reasonable discretion and their determination shall be final and conclusive on all persons, in the absence of gross negligence or willful misconduct on the part of the Trustees, and shall not be reviewed by the Court. In determining the amount of any such distribution, the Trustees may rely and shall be fully protected in relying upon the advice and opinion of independent public accountants or of counsel to the Trust.

6.3 **Distributions to Holders: Priority of Payments.** Subject to Section 6.1 and 6.2 hereof and further pursuant to the Plan and the Creditor Trust Disbursing Agent Agreement, the Trustees shall transfer to the Designated Creditor Trust Distribution Account for distribution to each Holder sufficient monies from the Trust Estate to enable the Creditor Trust Disbursing Agent to distribute such monies to the Holders pro rata in the proportion that each Holder's Allowed Claim bears to the aggregate amount of all Allowed Claims of the same Class and the Face Amount of all Disputed Claims of that Class, as determined from time to time, until all assets of the Trust Estate are liquidated and the proceeds thereof distributed pursuant to this Agreement, the Plan and the Corimon Settlement. All distributions to Interest Holders shall be junior and subordinate to the full satisfaction of the Allowed Claims of the Holders pursuant to the Plan and the Corimon Settlement.

6.4 **Establishment of the Claim Accounts.** At least thirty (30) days prior to the Effective Date of the Plan, but subject to amendment and correction by the Debtors not less than five (5) days prior to the Effective Date, the Debtors will deliver to the Trustees and the Creditor Trust Disbursing Agent a list of all holders Of Allowed Claims, Disputed Claims and Allowed Interests under the Plan, including all such Claims arising from rejected leases and executory contracts (collectively, the "Claims"), the addresses of all holders of Claims and Interests as of a record date which is not more than fifteen (15) days prior to the date of the list, the amount and type of each Claim (so as to distinguish between general unsecured claims and other Claims), and the designation of each such claim as Allowed or disputed, fixed or contingent, and liquidated or unliquidated (the "Claims List"). The Trustees and the Creditor Trust Disbursing Agent shall be entitled to rely upon the Claims List in calculating and distributing the Trust Estate as provided herein; provided, however, that the Claims List shall be adjusted from time to time by the Trustees or the Creditor Trust Disbursing Agent, subject to the review and approval of the Trustees, as provided in Sections 6.6 and 6.9 of this Agreement. The Trustees or the Creditor Trust Disbursing Agent, subject to the review and approval of the Trustees, shall also revise the Claims List from time to time upon receipt of notice from the holder of a Claim stating that such Claim has been transferred pursuant to a Permitted Transfer (as defined in Section 3.2 of this Agreement) to a new holder, that the new holder has complied with any applicable provisions of Bankruptcy Rule 3001(e) (and providing evidence thereof), and setting forth the name and address of such new holder; provided, however, that the Trustees and the Creditor Trust Disbursing Agent shall not be required to revise such Claims List during the thirty (30) day period preceding the date of any distribution made hereunder. The Trustees and the Creditor Trust Disbursing Agent shall establish the revised Claims List that is to be used in

conjunction with the distribution of any particular Distribution Amount not less than fourteen (14) days prior to the date of such distribution.

Upon receipt of the Claims List, the Trustees or the Creditor Trust Disbursing Agent, subject to the review and approval of the Trustees, will establish on books and records maintained by the Trustees, the Creditor Trust Disbursing Agent, or their duly authorized agents an account representing each Allowed or Disputed Claim as set forth on the Claims List (each, a "Claim Account"). It is expressly understood that the establishment of the Claim Accounts by the Trustees, the Creditor Trust Disbursing Agent, or their agents is solely for administrative convenience, and that amounts allocable to such Claim Accounts need not be segregated and may be commingled for investment purposes as specified herein.

6.5 Allocation of Distributions from Trust Estate. With respect to each distribution made to the Holders (and only thereafter to the Interest Holders) pursuant to the terms of this Agreement, the Trustees or the Creditor Trust Disbursing Agent, subject to the review and approval of the Trustees, will allocate to each Claim Account a pro rata portion of the Distribution Amount and will reallocate to other claim Accounts (other than the Claim Accounts of holders of Claims whose distributions hereunder have been limited or whose Claims have been equitably subordinated under the Plan or by order of the Court) pro rata portions of such Distribution Amount previously allocated to any Claim Account on account of a Claim or portion thereof which has been disallowed as provided in Section 6.6 of this Agreement, in each case by multiplying the total amount of such Distribution Amount by a fraction, the numerator of which is the amount of such claim Account and the denominator of which is the total amount of Allowed and Disputed Claims as set forth on the Claims List (after reducing by the amount disallowed the amount of each Claim Account from which amounts have been disallowed) - With respect to each distribution made pursuant hereto, the Trustees shall direct the Creditor Trust Disbursing Agent to distribute specified amounts from the Creditor Trust Distribution Account to the Holders in accordance with the allocations determined in accordance with this Section 6.5. Allocations of the Distribution Amount relating to Disputed Claims shall be retained in the Creditor Trust by the Trustees as part of the Trust Estate pending resolution of the Disputed Claims and further distributions as provided for herein.

6.6 Distributions of Property Allocated to Disputed Claims. At such time as the Trustees compromise, settle or resolve all or any portion of a Disputed Claim, by Final order or otherwise (a "Resolved Claim"), the Trustees or the Creditor Trust Disbursing Agent, subject to the review and approval of the Trustees, shall take the following actions with regard to the Distribution Amount allocated to the Claim Account established for that Resolved Claim (the "Disputed Claim Distribution Amount"): (i) distribute to the holder of the Resolved Claim the same portion of such Disputed Claim Distribution Amount as the portion, if any, of the Resolved Claim which is Allowed; (ii) retain for that Claim Account the same portion, if any, of such Disputed Claim Distribution Amount as the portion of the Resolved Claim which remains Disputed; and (iii) reallocate to all other Claim Accounts pursuant to Section 6.5 the same portion of such Disputed Claim Distribution Amount as the portion, if any, of the Resolved Claim which was disallowed. Upon the final resolution of any Disputed Claim and the subsequent distribution

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or reallocation of the Disputed Claim Distribution Amount as herein provided, the Trustees or the Creditor Trust Disbursing Agent, subject to the review and approval of the Trustees, shall adjust the Claims List to reflect the actions taken pursuant to this Section 6.6.

6.7 Fractional Distributions. No distributions in fractions of hundredths of U.S. Dollars (\$0.00's) (i.e. cents) shall be issued. If the Distribution Amount allocated to an Allowed Claim at the time of a distribution hereunder would include fractions of cents, the amount to be distributed to the holder of such Claim shall be rounded down to the highest integral number of cents in the applicable Claim Account, but such rounding down shall not affect such allocation. The aggregate amount of the retained fractional distributions from the Distribution Amount shall be retained in the Creditor Trust by the Trustees and shall remain part of the Trust Estate.

In the case of the Final Distribution only, the Trustees of the Creditor Trust shall instruct the Creditor Trust Disbursing Agent as to the disposition of any final remaining fractional distributions.

6.8 Allocation of Unclaimed Property to Claim Accounts. If, in connection with any distribution under this Section 6, any Holder entitled to a distribution is not at the address set forth in the Claims List, the Distribution Amount allocated to the Claim Account of such Holder shall be retained as part of the Trust Estate and shall remain allocated to such Holder's Claim Account until the time of the Final Distribution as further provided in Sections 6.9 and 6.10 of this Agreement.

6.9 Distributions of Unclaimed Property. Unclaimed property held subject to a Claim Account shall be distributed as follows:

6.9.1 Creditor Located. If the holder of the Allowed Claim shall claim the property, then such property shall immediately be delivered to such Holder through the Creditor Trust Disbursing Agent, unless previously distributed in accordance with Section 6.9.2, in which case the Holder shall have no rights or recourse whatsoever against the Trust Estate, the Trustees, the Creditor Trust Disbursing Agent or any agents or representatives thereof.

6.9.2 Unclaimed Property. All monies allocated to a Claim Account which the Trustees and the Creditor Trust Disbursing Agent have previously attempted to distribute and which remain unclaimed as of thirty (30) days prior to the date of the Final Distribution hereunder shall be reallocated pro rata to all remaining Claim Accounts of the Holders as though each Claim with respect to such unclaimed monies had been disallowed in its entirety, and the Claims List shall be adjusted accordingly.

6.9.3 Distributions to Interest Holders. Interest Holders shall be entitled to receive distributions from the Creditor Trust only after the payment of all of the distributions required to be made to the Holders pursuant to the Corimon Settlement or as otherwise provided in the Plan. All distributions, if any, to Interest Holders shall be made ~~pro~~ passu as of the Effective Date and ~~pro rata~~ to each such Interest Holder as if the outstanding

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preferred stock of the Debtors had been converted into common stock of the Debtors as of the Effective Date.

6.10 Final Distribution. Upon the final liquidation of all of the assets, rights and interests comprising the Trust Estate, and in any event prior to the Termination Date (as defined in Section 6.11 hereof), the Trustees or the Creditor Trust Disbursing Agent, subject to the review and approval of the Trustees, shall prepare a final accounting of any and all monies remaining in any accounts maintained by the Trustees on behalf of the Creditor Trust, including the Trust Administrative Fund, or otherwise remaining in the Trust Estate (the "Final Cash"). Once the amount of the Final Cash has been determined, the Trustees shall deduct and pay from the Final Cash any and all permitted costs, expenses and liabilities of the Creditor Trust. The Trustees or the Creditor Trust Disbursing Agent, subject to the review and approval of the Trustees, shall then allocate pro rata to the Claim Account of each Holder the net remaining amount of Final Cash (the "Final Distribution"), and the Trustees shall transfer the Final Distribution to the Creditor Trust Distribution Account for distribution to the Holders (and only thereafter to the Interest Holders) by the Creditor Trust Disbursing Agent.

6.11 Termination. The Creditor Trust shall terminate upon the liquidation of all of the assets of the Trust Estate and the distribution of the proceeds thereof to the Holders (and only thereafter to the Interest Holders) through the Creditor Trust Distribution Account as set forth above, which date shall not be more than three (3) years from and after the Effective Date of the Plan (the "Termination Date"); provided, however, that if in the reasonable determination of the Trustees, in light of existing facts and circumstances, the liquidation of the Trust Estate and the distribution of the proceeds thereof will not be completed prior to the Termination Date, then not more than ninety (90) days prior to the Termination Date, the Trustees may execute an amendment to this Section 6.11 extending the Termination Date for an additional period of three (3) years (the "Extension Period").

7. Other Duties of the Trustees.

7.1 Management of Trust Estate. With respect to the assets of the Trust Estate, the Trustees shall, and are hereby directed to, if sufficient funds are available, purchase and maintain in existence such insurance as the Trustees deem reasonable and necessary or appropriate from time to time to protect the Creditor Trust's, the Trustees, and the Holders' interests in the assets of the Trust Estate or from any potential claims or liabilities relating thereto or the distribution thereof.

7.2 No Implied Duties. The Trustees shall not manage, control, use, sell, dispose, collect or otherwise deal with the Trust Estate or otherwise take any action hereunder except as expressly provided herein, and no implied duties or obligations whatsoever of the Trustees shall be read into this Agreement.

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8. Concerning the Trustees.

8.1 Acceptance by Trustees. The Trustees accept the Creditor Trust hereby created for the benefit of the Holders and agree to act as Trustees of the Creditor Trust pursuant to the terms of this Agreement. The Trustees shall have and exercise the rights and powers herein granted and shall be charged solely with the performance of the duties herein declared on the part of the Trustees. The Trustees also agree to receive and disburse all monies actually received by them constituting part of the Trust Estate pursuant to the terms of this Agreement, the Plan and the Corimon Settlement.

8.2 Discretionary Submission of Questions. Subject to the provisions of this Section 8, the Trustees, in their sole discretion and reasonable business judgment, may, but shall not be required to, submit to the Court, from time to time, any question or questions with respect to which the Trustees may desire to have explicit approval of the Court for the taking of any specific action proposed to be taken by the Trustees with respect to the Trust Estate, or any part thereof, and the administration and distribution of the Trust Estate. The written authorization of the Court set forth in a Final Order shall constitute approval by the court of the proposed action to be taken by the Trustees. All costs and expenses incurred by the Trustees in the exercise of any right, power or authority conferred by this Section 8.2 shall be costs and reasonable expenses of the Trust Estate.

8.3 Liability of the Trustees.

8.3.1 Limitation on Liability. No provision of this Agreement shall be construed to impart any liability upon the Trustees unless it shall be proven that the Trustees' actions or Emissions constituted gross negligence or willful misconduct in the exercise of or failure to exercise any right or power vested in the Trustees under this Agreement.

8.3.2 Reliance on Certificates or Opinions. In the absence of gross negligence or willful misconduct on the part of the Trustees, the Trustees may conclusively rely, as to the truth of the statements and correctness of the opinions expressed upon any certificates or opinions furnished to the Trustees and conforming to the requirements of this Agreement, and restrictions expressed and imposed herein, may act freely under all or any of the rights, powers and authority conferred hereby, in all matters concerning the Trust Estate, after forming their best reasonable business judgment based upon the circumstances of any particular question or situation as to the best course to pursue, without the necessity of obtaining the consent or permission or authorization of the Holders, the Debtors, the Court, or of any official or officer; and the rights, powers and authority conferred on the Trustees by this Agreement are conferred in contemplation of such freedom of reasonable business judgment and action within the limitations and restrictions so expressed and imposed; provided, however, that the Trustees shall not be liable for any error or exercise of judgment, unless it shall be proved that such Trustees were grossly negligent or acted in a manner which constituted willful misconduct.

8.3.3 Discretion of Trustees. The Trustees, within the limitations and restrictions expressed and imposed herein, may act freely under all or any of the rights, powers and authority conferred hereby, in all matters concerning the Trust Estate, after forming their best reasonable business judgment based upon the circumstances of any particular question or situation as to the best course to pursue, without the necessity of obtaining the consent or permission or authorization of the Holders, the Debtors, the Court, or of any official or officer; and the rights, powers and authority conferred on the Trustees by this Agreement are conferred in contemplation of such freedom of reasonable business judgment and action within the limitations and restrictions so expressed and imposed; provided, however, that the Trustees shall not be liable for any error or exercise of judgment, unless it shall be proved that such Trustees were grossly negligent or acted in a manner which constituted willful misconduct.

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8.4 Reliance by Trustees.

8.4.1 **Guaranties of Documents.** The Trustees may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, objection, order, judgment, decree, or other paper or document reasonably believed by them to be genuine and to have been signed, made, entered or presented by the proper party, parties, official, officials, entity or entities.

8.4.2 **Retention of Counsel.** The Trustees may consult with legal counsel and with independent public accountants and other experts. The Trustees shall not be liable for any action taken or suffered by them or omitted to be taken by them without gross negligence or willful misconduct in reliance on any opinion or certification of such accountants or in accordance with the advice of such counsel or experts, provided that such accountants, counsel and experts were selected and retained with reasonable care.

8.4.3 **Reliance on Trustees.** No person dealing with the Trustees shall be obligated to see to the application of any monies, securities, or other property paid or delivered to them or to inquire into the expediency or propriety of any transaction or the right, power, or authority of the Trustees to enter into or consummate the same upon such terms as the Trustees may deem advisable. Persons dealing with the Trustees shall look only to the Trust Estate to satisfy any liability incurred by the Trustees to such persons in carrying out the terms of this Agreement, and, except as otherwise expressly provided herein, the Trustees shall have no personal, individual or corporate obligation to satisfy any such liability.

8.5 Indemnification.

8.5.1 **Indemnification of Trustees and Agents.** The Creditor Trust shall indemnify to the full extent of the Trust Estate any person or entity who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that such person or entity is or was one of the Trustees or an employee or agent of the Creditor Trust, from and against any and all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person or entity in connection with such action, suit or proceeding, including appeals thereof, if such person or entity acted without gross negligence and willful misconduct in the exercise and performance of any power or duties of such person or entity in accordance with this Agreement.

8.5.2 **Payment of Expenses.** Expenses (including attorneys' fees) incurred in defending any action, suit or proceeding referred to in Section 8.5 may be paid by the Creditor Trust in advance of the final disposition of such action, suit or proceeding, upon an undertaking by one of the Trustees or an employee or agent of the Creditor Trust to repay such amount unless it shall ultimately be determined that such person or entity is not entitled to be indemnified.

8.5.3 **Insurance.** The Creditor Trust may maintain insurance during its existence and after its termination, at its expense, to protect itself and the Trustees, officers, employees or agents of the Creditor Trust of and from any liability, whether or not the Creditor Trust would have the legal power to directly indemnify the Trustees, officers, employees, or agents of the Creditor Trust against such liability. The terms "Trustees," "employer" or "agent" as used herein, where applicable, include the heirs, successors, executors, administrators, personal representatives, or estates of such persons or entities.

8.6 Costs and Expenses of Trustees.

8.6.1 **Costs and Expenses.** The Trustees shall pay out of the Trust Estate all reasonable costs, expenses and obligations incurred by the Trustees in carrying out their duties under this Agreement or in any manner connected, incidental or related to the administration of the Creditor Trust without application to or order of the Bankruptcy Court, including, without limitation:

(a) any reasonable fees and expenses of attorneys, accountants, investment advisors, expert witnesses, insurance adjustors, property managers, realtors, brokers, professionals or other persons whom the Trustees may reasonably deem advisable to employ in connection with the Creditor Trust, or on their own behalf in accordance with the terms of this Agreement; and

(b) any taxes, charges and assessments which may be owed by, or levied or assessed against, the Trust Estate or any property held in trust hereunder.

8.7 Resignation and Removal.

8.7.1 **Resignation.** Any of the Trustees may resign and be discharged from any future obligations and liabilities hereunder by giving written notice thereof to the Court at least thirty (30) days prior to the effective date of such resignation. Such resignation shall become effective on the day specified in such notice.

8.7.2 **Removal.** Except for Transamerica Realty Services, Inc., any of the Trustees may be removed with or without cause at any time by the affirmative vote of each of the other Trustees. Upon any such removal, such removed Trustee shall be entitled to any reimbursement and indemnification set forth in this Agreement which remain due and owing to such Trustee at the time of such removal.

8.7.3 **Appointment of a Successor Trustee.** If, at any time, one of the Trustees shall give notice of its intent to resign pursuant to Section 8.7 hereof or be removed or shall become incapable of acting, the remaining Trustees shall give notice thereof to the Court. Not later than thirty (30) days after the date of such notice, the remaining Trustees shall choose a successor Trustee to act under this Agreement if necessary to ensure that there will be not less

than three (3) remaining Trustees. In the event that all of the Trustees give notice of their intent to resign pursuant to Section 8.7 hereof or are removed or shall become incapable of acting, counsel to the Trust shall provide notice thereof to the Court, and the Court shall designate a successor Trustee to act under this Agreement.

8.8 Acceptance of Appointment by Successor Trustee. Any successor Trustee appointed hereunder shall execute an instrument accepting such appointment hereunder in the form determined by the remaining Trustees and shall deliver counterparts thereof to the Court. Thereupon, such successor Trustee shall, without any further act, become vested with all of the estates, properties, rights, powers, trusts and duties of its predecessor in the Creditor Trust hereunder with like effect as if originally named herein.

9. Action by Trustees.

9.1 Action By Majority Vote. Unless otherwise specified herein, any action required or permitted to be taken by the Trustees pursuant to this Agreement shall be taken by the affirmative vote at a meeting or by written consent of not less than a majority of the Trustees.

10. Supplements and Amendments to this Trust Agreement.

10.1 Supplements and Amendments. Subject to the provisions of Sections 2 and 10.2 hereof, at any time and from time to time, upon the affirmative vote or consent of each of the Trustees, and subject to approval by the Court if sought by the Trustees pursuant to Section 8.2 of this Agreement, the Trustees may execute a supplement or amendment hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Agreement, or amendments thereto, as specified in such vote or consent, provided, however, that no such supplement or amendment shall (i) require any Holder to furnish or advance funds to the Trustees or shall entail any additional personal liability or the surrender of any individual right on the part of any Holder except with the written consent of such Holder or (ii) without the consent of those Holders holding not less than seventy-five percent (75%) (in the aggregate dollar amount) of the Beneficial Interests, change or modify the provisions for distribution of the Trust Estate. In no event shall this Agreement be amended so as to change the purposes of the Creditor Trust as set forth in Section 2.

10.2 Trustees Declining to Execute Documents. If, in the reasonable opinion of the Trustees, any document required to be executed pursuant to the terms of Section 10.1 hereof materially and adversely affects any immunity or indemnity in favor of the Trustees under this Agreement, the Trustees may in their discretion decline to execute such document.

10.3 Notice of Form of Supplement and Amendments Requiring Vote or Consent. A copy of each amendment or supplement (or a fair summary thereof) shall be furnished to the Holders and the Reorganized Debtors promptly after the execution thereof, except that with

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respect to any proposed amendment or supplement for which the consent of the Holders is required, the form of such proposed supplement or amendment (or a fair summary thereof) shall be furnished to the Holders prior to the Trustees, seeking the approval thereof by vote or consent of the Holders.

10.4 Notice and Effect of Executed Amendment. Upon the execution of any declaration of amendment or supplement, this Agreement shall be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Agreement of the Trustees and the Holders shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such amendment or supplement shall be thereby deemed to be part of the terms and conditions of this Agreement for any and all purposes.

11. Miscellaneous.

11.1 Title to Trust Estate. No Holder shall have title to any part of the Trust Estate.

11.2 Sales of Assets of the Trust Estate. Any sale or other conveyance of any assets of the Trust Estate, or part thereof, by the Trustees made in accordance with the terms of this Agreement shall bind the Holders and shall be effective to transfer or convey all right, title and interest of the Trustees and the Holders in and to such asset of the Trust Estate.

11.3 Notices. Unless otherwise expressly specified or permitted by the terms of the Plan or this Agreement, all notices shall be in writing and delivered by registered or certified mail, return receipt requested, or by a hand or by facsimile transmission (and confirmed by mail), in any such case addressed as follows:

If to the Trustees:

Lord Denton and Partners
Attn: Ms. Aun Garreud
810 Seventh Avenue
New York, New York 10019

Transamerica Realty Services, Inc.
Attn: Lyman K. Lokken
1150 S. Olive Street, Suite 2220
Los Angeles, CA 90015
Fax: (213) 741-6871

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and

Union Carbide Corporation
Attn: Roger Camlek
39 Old Ridgebury Road
LOC K4
Danbury, CT 06817-0001
Fax: (203) 794-7630
Fax: (215) 253-3039

With a copy to:

Neal Gerber & Eisenberg
Attn: David F. Heroy
Two North LaSalle Street
Suite 2200
Chicago, IL 60602
Fax: (312) 269-1747

If to the Creditor Trust Disbursing Agent:

Bankruptcy Claims Administration
Attn: Steve Keys
1508 Industrial Way
Suite 13
Belmont, CA 94002
Fax: (415) 392-1365

If to Corimon:

Corimon, C.A.
Attn: Frank H. Goley, Jr.
c/o Sullivan & Cromwell
444 S. Flower Street
Los Angeles, CA 90071
Fax: (213) 683-0457

and if to any Holder or Interest Holder, addressed to its latest mailing address reflected on the Claims List.

11.3.1 **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions

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thereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.3.2 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same instrument.

11.3.3 **Binding Agreements.** All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the Trustees and their respective successors and assigns and any successor Trustee provided for in Section 8, his respective successors and assigns, and the Holders, and their respective personal representatives, successors and assigns. Any request, notice, direction, consent, waiver or other instrument or action by any party hereto or any Holder shall bind their respective heirs, personal representatives, successors and assigns.

11.3.4 **No Personal Liability of Holders.** The Holders will not incur any personal liability through their ownership or possession of their Beneficial Interests, except for taxes imposed on the Holders pursuant to applicable provisions of federal, state or local law with respect to the receipt of such Beneficial Interests or distributions from or transactions of the Creditor Trust and other charges specified herein. Liabilities of the Creditor Trust are to be satisfied in all events (including the exhaustion of the Trust Estate) exclusively from the Trust Estate and such liabilities are not to attach to or be paid from any amounts distributed to the Holders, regardless of the time at which such distribution took place, or from the assets of the Holders.

11.3.5 **Headings.** The headings of the various Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

11.3.6 **Construction.** Except where the context otherwise requires, words importing the masculine gender shall include the feminine and the neuter, if appropriate; words importing the singular number shall include the plural number and vice versa; and words importing persons shall include partnerships, associations, and corporations.

11.3.7 **Governing Law.** This Agreement including all matters of construction, validity and performance hereof, shall in all respects be governed by, and construed and interpreted in accordance with the internal laws of the State of Illinois.

11.3.8 **Construction with the Plan and the Corimon Settlement.** The Plan and the Corimon Settlement are hereby incorporated fully by reference and are made a part hereof for all purposes. In the event of any inconsistency or conflict between the terms, conditions, definitions and provisions of this Agreement and the terms, conditions and provisions of the Plan or the Corimon Settlement, the terms, conditions, definitions and provisions of the Plan and the Corimon Settlement shall control, subject to Section X.E. of the Plan.

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