TRADEMARK ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
The Bank of New York Mellon		10/02/2008	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	The Mrs. Fields' Brand, Inc.
Street Address:	2855 East Cottonwood Parkway
Internal Address:	Suite 400
City:	Salt Lake City
State/Country:	UTAH
Postal Code:	84121
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 2

Property Type	Number	Word Mark
Serial Number:	74481873	NIBBLERS
Serial Number:	78424571	CRAVE THE KRUNCH

CH $65.00 74481873

CORRESPONDENCE DATA

Fax Number: (214)969-4343
Phone: 2149694390
Email: aashley@akingump.com
Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.
Correspondent Name: April Ashley
Address Line 1: 1700 Pacific Avenue
Address Line 2: Suite 4100
Address Line 4: Dallas, TEXAS 75201

ATTORNEY DOCKET NUMBER:	686156.0002
NAME OF SUBMITTER:	April M. Ashley

Signature:	/ama/
Date:	12/14/2011

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IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
Mrs. Fields' Original Cookies, Inc., et al.,[1]	:	Case No. 08-11953 (PJW)
Debtors.	:	Jointly Administered
	:	**Related to Docket Nos. 6, 22, 50, 116, 133, 135, 139, 140**

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER UNDER 11 U.S.C. § 1129(a) AND (b) AND FED. R. BANKR. P. 3020 (I) CONFIRMING AMENDED JOINT PREPACKAGED PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE OF MRS. FIELDS' ORIGINAL COOKIES, INC. AND CERTAIN SUBSIDIARIES, (II) APPROVING DISCLOSURE STATEMENT, AND (III) APPROVING SOLICITATION PROCEDURES

WHEREAS, on August 24, 2008 (the "Petition Date"), Mrs. Fields' Original Cookies, Inc. ("MFOC"), Mrs. Fields Famous Brands, LLC ("MFFB"), Mrs. Fields Financing Company, Inc. ("MFFC"), Mrs. Fields

[1] The Debtors and the last four digits of their taxpayer identification numbers are: Mrs. Fields' Original Cookies, Inc. (2899); Mrs. Fields Famous Brands, LLC (6938); Mrs. Fields Financing Company, Inc. (4100); Mrs. Fields Franchising, LLC (4068); PTF, LLC (6953); PMF, LLC (6954); GACCF, LLC (4081); GAMAN, LLC (6961); The Mrs. Fields' Brand, Inc. (6966); TCBY Systems, LLC (7081); Mrs. Fields Gifts, Inc. (3404); Mrs. Fields Cookies Australia (8672); TCBY International, Inc. (5988); and TCBY of Texas, Inc. (4436). The address for each of the Debtors is 2855 East Cottonwood Parkway, Suite 400, Salt Lake City, Utah, 84121.

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Franchising, LLC, PTF, LLC, PMF, LLC, GACCF, LLC, GAMAN, LLC, The Mrs. Fields' Brand, Inc., TCBY Systems, LLC, Mrs. Fields Gifts, Inc., Mrs. Fields Cookies Australia, TCBY International, Inc., and TCBY of Texas, Inc. (Collectively, the "Debtors"), filed voluntary petitions for reorganization relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"); and

WHEREAS, prior to the Petition Date, the Debtors began to explore restructuring options with a core group of holders of their Old Notes[2] at the end of the first quarter of 2008. The discussions culminated in the entry, on June 2, 2008, by MFFB, MFFC, and MFOC, into a binding restructuring term sheet (the "Initial Term Sheet") with certain unaffiliated investors holding in excess of 78% in face amount of the Old Notes (as defined in the Plan, the "Noteholder Committee"); and

WHEREAS, the Initial Term Sheet provided for the restructuring of the Old Notes through an out-of-

[2] Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Plan (as defined herein).

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court exchange offer backed by a prepackaged chapter 11 filing, should the requisite number of tenders for the exchange offer not be satisfied. On June 3, 2008, the members of the Noteholder Committee also entered into support agreements with MFOC, MFFB, and MFFC (the "Support Agreements"). The Support Agreements provided that the signatories thereto would support the restructuring as set forth in the Term Sheet; and

WHEREAS, certain provisions of the Initial Term Sheet were amended on July 15, 2008 and again on August 13, 2008 (the "Amended Term Sheet"). In addition, the Support Agreements were amended on August 13, 2008 (the "Amended Support Agreements") to reflect the support of the Noteholder Committee, MFFB, MFOC, Mrs. Fields' Holding Company, Inc. ("MFH"), and Capricorn Investors III, L.P. ("Capricorn") for the consummation of the proposed restructuring of the Old Notes through the Plan; and

WHEREAS, the terms of the restructuring agreed to by the Debtors and the Noteholder Committee are memorialized in the Joint Prepackaged Plan of Reorganization under Chapter 11 of the Bankruptcy Code

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of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries (Docket No. 6) (the "Original Plan"); and

WHEREAS, certain non-material modifications, as set forth in Exhibit B hereto, subsequently were made to the Original Plan (the Original Plan, as so modified, the "Plan"). The Plan is attached hereto as Exhibit A; and

WHEREAS, on August 15, 2008, the Debtors commenced the solicitation of votes in respect of the Plan (the "Solicitation") from the holders of Secured Notes Claims, the MFOC Note Claim and the MFOC Equity Interests (the "Voting Parties"). As part of the Solicitation, the Voting Parties were sent copies of (i) the Original Plan, (ii) the Disclosure Statement for the Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries (Docket No. 5) (the "Disclosure Statement"), and (iii) an appropriate ballot (each, a "Ballot") with which to vote (collectively, the "Solicitation Packages"). The Debtors established September 15, 2008 as the deadline (the "Voting Deadline") for receipt of votes accepting

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or rejecting the Plan. The Debtors retained Financial Balloting Group LLC ("FBG") to aid them in tabulating the voting; and

WHEREAS on August 24, 2008, the Debtors filed their Motion of Debtors for (I) Order (A) Scheduling Combined Hearing for Approval of Disclosure Statement and Solicitation Procedures and Confirmation of Plan, (B) Approving Objection Deadline and Procedures With Respect Thereto, (C) Approving Form, Manner, and Sufficiency of Notice of Combined Hearing, and (D) Directing the United States Trustee Not to Convene a Meeting of Creditors or Equity Security Holders; and (II) Order (A) Approving Solicitation Procedures and Disclosure Statement and (B) Confirming Plan (Docket No. 22) (the "Solicitation Procedures Motion"); and

WHEREAS, on August 24, 2008, the Debtors also filed the Original Plan (Docket No. 6) and the Disclosure Statement (Docket No. 5); and

WHEREAS, at the August 26, 2008 "first-day" hearing in these cases, the Court entered an order (Docket No. 50) (the "Scheduling Order") that granted in part the Solicitation Procedures Motion, and that, among

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other things, (a) scheduled a combined hearing for October 2, 2008 in connection with approval of the solicitation procedures described in the Solicitation Procedures Motion (the "Solicitation Procedures"), approval of Disclosure Statement, and confirmation the Plan, (b) established September 25, 2008 as the deadline for filing objections to approval of the Solicitation Procedures or the Disclosure Statement, or confirmation of the Plan (the "Objection Deadline"), and (c) approved the form, manner, and sufficiency of the notice of such combined hearing; and

WHEREAS, on August 30, 2008, and September 3, 2008, the Debtors filed affidavits of service (Docket Nos. 78, 81) (the "Affidavits of Service") evidencing service of the notice of the Confirmation Hearing; and

WHEREAS, on September 15, 2008, the Debtors filed the Notice of Filing of Affidavits of Publication for Notice of (I) Commencement of Chapter 11 Bankruptcy Cases and (II) Combined Hearing on Disclosure Statement and Confirmation of Plan of Reorganization (Docket No. 102) (the "Notice of Publication"), which notice attached the affidavits of publication relating to the

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publication of the Notice of (I) Commencement of Chapter 11 Bankruptcy Cases and (II) Combined Hearing on Disclosure Statement and Confirmation of Plan of Reorganization in The New York Times and The Wall Street Journal on September 10, 2008, as required under the Scheduling Order; and

WHEREAS, on September 20, 2008, the Debtors filed the Certification of Financial Balloting Group LLC with Respect to the Tabulation of Votes on the Debtors' Plan of Reorganization (Docket No. 116) (the "Voting Certification"), which certification sets forth the results of the Solicitation; and

WHEREAS, as set forth in the Voting Certification, as of the Voting Deadline, (i) 99.96% in amount and 98.71% in number of those holders of Secured Notes Claims voting on the Plan voted to accept the Plan; (ii) the holder of the MFOC Note Claim voted to accept the Plan; and (iii) the holder of the MFOC Equity Interests voted to accept the Plan; and

WHEREAS, on September 26, 2008, the Debtors filed the Plan Supplement to Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code

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of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries (Docket No. 133) (the "Plan Supplement"); and

WHEREAS, on September 29, 2008, the Debtors filed the Memorandum in Support of (I) Approval of Solicitation Procedures and Disclosure Statement and (II) Confirmation of Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries (Docket No. 135) (the "Confirmation Memorandum"); and

WHEREAS, on September 30, 2008, the Debtors filed the Declaration of Steven Zelin in Support of Confirmation of Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries (Docket No. 140); and the Declaration of Michael R. Ward in Support of (I) Approval of Solicitation Procedures and Disclosure Statement and (II) Confirmation of Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries (Docket No. 139) (together, the "Confirmation Declarations"); and

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WHEREAS, on or before the Objection Deadline (as such deadline was extended for certain parties), objections to confirmation of the Plan were received from Pima County (Docket No. 100) (the "Pima County Objection"); Stephen Russo (Docket No. 127) (the "Russo Objection"); the TCBY Franchisee Association (Docket No. 128) (the "TCBY Franchisee Objection"); and the United States, on behalf of the Internal Revenue Service (Docket No. 129) (the "IRS Objection"); and

WHEREAS, the Confirmation Hearing was held on October 2, 2008.

NOW, THEREFORE, based upon the Court's review of the Disclosure Statement, the Plan, the Plan Supplement, the Solicitation Packages, the Notice of Publication, the Voting Certification, the Affidavits of Service, the Confirmation Declarations, and the Confirmation Memorandum; and upon (a) all of the evidence proffered or adduced at, memoranda filed in connection with, and arguments of counsel made at, the Confirmation Hearing, and (b) the entire record of these chapter 11 cases; and after due deliberation thereon and

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good cause appearing therefor, it is hereby found and determined that:[3]

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Jurisdiction; Venue; Core Proceeding (28 U.S.C. §§ 157(b)(2) and 1334(a)). This Court has jurisdiction over the Debtors' chapter 11 cases under 28 U.S.C. §§ 157 and 1334. Venue is proper under 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan, approval of the Disclosure Statement, and approval of the Solicitation Procedures are core proceedings under 28 U.S.C. § 157(b)(2)(L) over which the Court has exclusive jurisdiction.

2. Judicial Notice. The Court takes judicial notice of the docket of these chapter 11 cases maintained by the Clerk of the Court and/or its duly-appointed agent, including, without limitation, all pleadings and other documents filed, all orders entered, and all evidence and argument made, proffered, or

[3] Pursuant to Bankruptcy Rule 7052, findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate.

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adduced at the hearings held before the Court during these chapter 11 cases.

3. Burden of Proof. The Debtors, as proponents of the Plan, have met their burden of proving the elements of sections 1129(a) and (b) of the Bankruptcy Code by a preponderance of the evidence.

4. Adequacy of Disclosure Statement. The Disclosure Statement contains "adequate information," as such term is defined in section 1125 of the Bankruptcy Code.

5. Adequacy of Solicitation. Votes for acceptance or rejection of the Plan were solicited in good faith and in compliance with sections 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 3017 and 3018, and all other applicable provisions of the Bankruptcy Code. The Debtors properly relied on the exemption from the registration requirements of the Securities Act of 1933 (as amended, and including the rules and regulations promulgated thereunder, the "Securities Act"), and no other nonbankruptcy law applies to the Solicitation. All procedures used to distribute the Solicitation Packages to the appropriate holders of

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Claims and Interests entitled to vote on the Plan and to tabulate Ballots were fair and were conducted in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the local rules of the Bankruptcy Court, and all other applicable rules, laws, and regulations.

6. Transmittal and Mailing of Materials; Notice. The Disclosure Statement, the Plan, the Solicitation Packages, and notices of the Confirmation Hearing were served in compliance with the Scheduling Order, and such transmittal and service were adequate and sufficient. Adequate and sufficient notice of the Confirmation Hearing and the other deadlines described in the Scheduling Order was given in compliance with the Bankruptcy Rules and the Scheduling Order, and no other or further notice is or shall be required.

7. Impaired Classes that Have Voted to Accept the Plan. As set forth in the Plan, Classes 3, 5, and 8A are impaired; and, as set forth in the Voting Certification, each of these Classes has voted to accept the Plan pursuant to the requirements of sections 1124

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and 1126 of the Bankruptcy Code. Thus, at least one impaired Class of Claims has voted to accept the Plan.

8. Classes Deemed to have Accepted the Plan. Classes 1, 2, 4, 8B, and 8C are not impaired under the Plan and are deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

9. Classes Deemed to have Rejected the Plan. Classes 6 and 7 are impaired under the Plan and are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

10. Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). The Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code.

(a) Proper Classification (11 U.S.C. §§ 1122, 1123(a)(1)). In addition to Administrative Expense Claims and Priority Tax Claims, which need not be classified, the Plan designates ten Classes of Claims and Interests. The Claims and Interests placed in each Class are substantially similar to other Claims and Interests, as the case may be, in each such Class. Valid business, factual, and legal reasons exist for separately classifying the various Classes of Claims and Interests created under the Plan, and such Classes do not unfairly discriminate among holders of Claims and Interests. Thus, the Plan

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satisfies sections 1122 and 1123(a)(1) of the Bankruptcy Code.

(b) Specify Unimpaired Classes (11 U.S.C. § 1123(a)(2)). Section 5.3 of the Plan specifies that Classes 1, 2, 4, 8B, and 8C are unimpaired under the Plan, thereby satisfying section 1123(a)(2) of the Bankruptcy Code.

(c) Specify Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)). Section 3.3 (Secured Notes Claims), Section 3.5 (MFOC Note Claim), Section 3.6 (Intercompany Claims), Section 3.7 (Section 510(b) Claims), and Section 3.8 (MFOC Equity Interests) specify the treatment of Claims and Interests that are impaired under the Plan, thereby satisfying section 1123(a)(3) of the Bankruptcy Code.

(d) No Discrimination (11 U.S.C. § 1123(a)(4)). The Plan provides for the same treatment by the Debtors for each Claim or Interest in each respective Class unless the holder of a particular Claim or Interest has agreed to a less favorable treatment of such Claim or Interest, thereby satisfying section 1123(a)(4) of the Bankruptcy Code.

(e) Implementation of Plan (11 U.S.C. § 1123(a)(5)). The Plan provides adequate and proper means for its implementation, thereby satisfying section 1123(a)(5) of the Bankruptcy Code.

(f) Non-Voting Equity Securities (11 U.S.C. § 1123(a)(6)). Section 8.1 of the Plan provides that the certificates of incorporation or other organization documents of each Reorganized Debtor shall be amended to conform to the requirements of section 1123(a)(6) of the Bankruptcy Code.

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(g) Selection of Officers and Directors (11 U.S.C. § 1123(a)(7)). At or prior to the Confirmation Hearing, the Debtors properly and adequately disclosed or otherwise identified the procedures for determining the identity and affiliations of all individuals or entities proposed to serve on or after the Effective Date as officers, directors, or managers of the Reorganized Debtors, and the manner of selection and appointment of such individuals or entities is consistent with the interests of Claim and Interest holders and with public policy and, accordingly, satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code.

(h) Additional Plan Provisions (11 U.S.C. § 1123(b)). The Plan's provisions are appropriate and not inconsistent with the applicable provisions of the Bankruptcy Code.

11. Compliance with Bankruptcy Rule 3016. The Plan is dated and identifies the entities submitting it, thereby satisfying Bankruptcy Rule 3016(a). The filing of the Disclosure Statement with the Court satisfies Bankruptcy Rule 3016(b).

12. Compliance with Bankruptcy Rule 3017. The Debtors have given notice of the Confirmation Hearing as required by Bankruptcy Rule 3017(d). The Solicitation Packages were transmitted to the holders of Secured Notes Claims pursuant to Bankruptcy Rule 3017(e).

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13. Compliance with Bankruptcy Rule 3018. The solicitation of votes to accept or reject the Plan satisfies Bankruptcy Rule 3018. The Plan was transmitted to all creditors and interest holders entitled to vote on the Plan, sufficient time was prescribed for such creditors and interest holders to accept or reject the Plan, and the Solicitation Packages and Solicitation Procedures comply with section 1126 of the Bankruptcy Code, thereby satisfying the requirements of Bankruptcy Rule 3018.

14. Debtors' Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(2)). The Debtors have complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code.

15. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Debtors have proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code. In determining that the Plan has been proposed in good faith, the Court has examined the totality of the circumstances surrounding the formulation of the Plan.

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The Debtors filed their chapter 11 cases and proposed the Plan with legitimate and honest purposes including, among other things, (i) the reorganization of the Debtors' businesses, (ii) the preservation and maximization of the Debtors' business enterprise values through a rapid, efficient reorganization under chapter 11, (iii) restructuring of the Debtors' capital structure, (iv) maximization of the recovery to holders of Claims and Interests under the circumstances of these cases, and (v) preserving jobs of the Debtors' employees in connection with the Debtors' continuing operations. Furthermore, the Plan reflects and is the result of arms' length negotiations between the Debtors and the holders of the Secured Notes Claims, the MFOC Note Claim, and the MFOC Equity Interests, and reflects the best interests of the Debtors' estates, creditors, and equity holders.

16. Payments for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). All payments made or to be made by the Debtors or by a person issuing securities or acquiring property under the Plan, for services or for costs and expenses in or in connection

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with the chapter 11 cases, or in connection with the Plan and incident to the chapter 11 cases, have been approved by, or are subject to the approval of, the Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

17. Directors, Managers, Officers, and Insiders (11 U.S.C. § 1129(a)(5)). The Debtors have complied with section 1129(a)(5) of the Bankruptcy Code. The identity and affiliations of the persons that will serve as initial directors, managers, or officers of the Reorganized Debtors after confirmation of the Plan (or the procedures for identifying same) have been fully disclosed. The appointment to, or continuance in, such offices of such persons who will continue in office is consistent with the interests of holders of Claims against and Interests in the Debtors and with public policy. The identity of any insider that will be employed or retained by the Reorganized Debtors and the nature of such insider's compensation also have been fully disclosed, to the extent applicable.

18. No Rate Changes (11 U.S.C. § 1129(a)(6)). The Debtors' Plan does not provide for any rate change

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that requires regulatory approval. Section 1129(a)(6) of the Bankruptcy Code is thus not applicable.

19. Best Interests of Creditors (11 U.S.C. § 1129(a)(7)). The Plan satisfies section 1129(a)(7) of the Bankruptcy Code. The liquidation analysis attached as Appendix V to the Disclosure Statement and other evidence proffered or adduced at the Confirmation Hearing (a) are persuasive and credible, (b) have not been controverted by other evidence, and (c) establish that each holder of an impaired Claim or Interest either has accepted the Plan or will receive or retain under the Plan, on account of such Claim or Interest, property of a value, as of the Effective Date, that is not less than the amount that such holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on such date.

20. Acceptance or Rejection by Certain Classes (11 U.S.C. § 1129(a)(8)). Classes 1, 2, 4, 8B, and 8C are Classes of unimpaired Claims that are conclusively presumed to have accepted the Plan under section 1126(f) of the Bankruptcy Code. Classes 3, 5, and 8A have voted to accept the Plan in accordance with

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sections 1126(c) and (d) of the Bankruptcy Code. Classes 6 and 7 are not entitled to receive or retain any property under the Plan on account of their Claims and, therefore, are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Although section 1129(a)(8) of the Bankruptcy Code has not been satisfied with respect to Classes 6 and 7, the Plan is confirmable because the Plan satisfies section 1129(b) of the Bankruptcy Code with respect to these Classes of Claims.

21. Treatment of Administrative, Priority, and Tax Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Expense Claims, Priority Tax Claims, and Priority Claims pursuant to Sections 4.2, 4.3, and 3.2 of the Plan satisfies the requirements of sections 1129(a)(9)(A), (B), and (C) of the Bankruptcy Code.

22. Acceptance By Impaired Class (11 U.S.C. § 1129(a)(10)). Section 1129(a)(10) of the Bankruptcy Code requires that at least one Class of Claims that is impaired under the Plan has accepted the Plan, determined without including any acceptance of the Plan by any insider. Class 3 is an Impaired Class of Claims

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that voted to accept the Plan and, to the Debtors' knowledge, does not contain insiders whose votes have been counted. Therefore, Section 1129(a)(10) of the Bankruptcy Code has been satisfied.

23. Feasibility (11 U.S.C. § 1129(a)(11)). The projections set forth in the Disclosure Statement and other evidence proffered or adduced by the Debtors at the Confirmation Hearing or in support of confirmation of the Plan with respect to feasibility (a) are persuasive and credible, (b) have not been controverted by other evidence or challenged in any objection, and (c) establish that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Reorganized Debtors, thus satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

24. Payment of Fees (11 U.S.C. § 1129(a)(12)). All fees payable under section 1930 of title 28, United States Code, as determined by the Court, have been paid or will be paid on the Effective Date pursuant to Section 4.2 of the Plan (which provides for payment of Administrative Expense Claims, including all fees and

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charges assessed against the Estates under 28 U.S.C. § 1930), thus satisfying the requirements of section 1129(a)(12) of the Bankruptcy Code.

25. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). The Debtors had no obligation to pay "retiree benefits" within the meaning of 11 U.S.C. § 1114 on or prior to the Petition Date. Accordingly, section 1129(a)(13) of the Bankruptcy Code is not applicable.

26. Principal Purpose (11 U.S.C. § 1129(d)). The principal purpose of the Plan is neither the avoidance of taxes nor the avoidance of section 5 of the Securities Act, and no governmental unit has objected to the confirmation of the Plan on any such grounds. The Plan therefore satisfies the requirements of section 1129(d) of the Bankruptcy Code.

27. Fair and Equitable; No Unfair Discrimination (11 U.S.C. § 1129(b)). Classes 6 and 7 are impaired Classes of Claims that are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code because the holders of such Claims will not receive or retain any property under the Plan on

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account of such Claims. The Debtors presented uncontroverted evidence at the Confirmation Hearing that the Plan does not discriminate unfairly and is fair and equitable with respect to Classes 6 and 7, as required by section 1129(b)(1) of the Bankruptcy Code, and that no Class of Claims or Interests junior to such Classes is receiving or retaining any property on account of such Claim or Interest under the Plan. Moreover, the fair and equitable standard is satisfied because the Plan provides that no holders of Claims in Classes senior to Classes 6 and 7 will receive or retain property of a value that exceeds 100% of the value of their Claims. Thus, the Plan may be confirmed notwithstanding the Debtors' failure to satisfy section 1129(a)(8) of the Bankruptcy Code. Upon confirmation, the Plan shall be binding upon the members of Classes 6 and 7.

28. Good Faith Solicitation (11 U.S.C. § 1125(e)). Based on the record before the Court in these chapter 11 cases, the Debtors and their directors, officers, employees, equity holders, members, agents, advisors, accountants, financial advisors, consultants,

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attorneys, and other representatives have acted in good faith within the meaning of section 1125(e) of the Bankruptcy Code and in compliance with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules in connection with all of their respective activities relating to the solicitation of acceptances of the Plan and their participation in the activities described in section 1125 of the Bankruptcy Code, and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation and injunctive provisions set forth in Article XI of the Plan.

29. Plan Modifications. The modifications to the Plan set forth on Exhibit B hereto (the "Plan Modifications") do not materially or adversely change the treatment of any holder of a Claim or Interest who has not accepted the modifications in writing. Accordingly, pursuant to Bankruptcy Rule 3019, the Plan Modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or resolicitation of acceptances or rejections under section 1126 of the Bankruptcy Code, nor do they require that holders of Claims or Interests be afforded an opportunity to change

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previously cast acceptances or rejections of the Plan. Disclosure of the Plan Modifications on the record at the Confirmation Hearing constitutes due and sufficient notice thereof under the circumstances of the chapter 11 cases.

30. No Objection to Assumed Contracts and Leases. No non-Debtor party to an executory contract or unexpired lease to be assumed pursuant to Section 6.1 of the Plan has objected to the assumption thereof.

31. No Liquidation. Because the Plan does not provide for the liquidation of all or substantially all of the property of the Debtors' estates and the Reorganized Debtors will engage in businesses following consummation of the Plan, section 1141(d)(3) of the Bankruptcy Code is not applicable.

32. Satisfaction of Confirmation Requirements. The Plan satisfies the requirements for confirmation set forth in section 1129 of the Bankruptcy Code and Section 12.1 of the Plan.

33. Retention of Jurisdiction. The Court may properly retain jurisdiction over the matters set forth

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in Article XIII of the Plan and/or section 1142 of the Bankruptcy Code.

34. Rule 9019 Settlement; Releases and Discharges. Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under, described in, contemplated by, and/or implemented by the Plan, the releases and discharges described in Article XI of the Plan constitute good faith compromises and settlements of the matters covered thereby. Such compromises and settlements are made in exchange for consideration; set forth the standard of liability and are in the best interest of the holders of Claims and Interests; are within the range of possible litigation outcomes; are fair, equitable, and reasonable; and are integral elements of the restructuring and resolution of the chapter 11 cases in accordance with the Plan. Each of the discharge, release and exculpation provisions set forth in the Plan:

(a) falls within the jurisdiction of this Court under 28 U.S.C. §§ 1334(a), (b), and (d);

(b) is an essential means of implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code;

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(c) is an integral element of the transactions incorporated into the Plan;

(d) confers material benefit on, and is in the best interest of, the Debtors, their Estates, and creditors;

(e) is reasonable and voluntary given the scope of the discharge, release, and exculpation provisions, and the Debtors' compliance with Bankruptcy Rule 2002(c)(3);

(f) is important to the overall objectives of the Plan to finally resolve all Claims among or against the parties in interest in the chapter 11 cases with respect to the Debtors, and their organization, capitalization, operation, and reorganization to the extent provided in the Plan; and

(g) is consistent with sections 105, 1123, and 1129 of the Bankruptcy Code and other applicable provisions of the Bankruptcy Code.

35. Discharge, Release, and Exculpation. The failure to effect the discharge, release, and exculpation provisions of the Plan would impair the Debtors' ability to confirm the Plan. Accordingly, the compromises and settlements embodied in the discharge, release, and exculpation provisions described in Article XI of the Plan are approved.

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DECREES

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Disclosure Statement. The Disclosure Statement contains adequate information within the meaning of and for all purposes of sections 1125 and 1126(b) of the Bankruptcy Code, and the Disclosure Statement is hereby approved.

2. Solicitation Procedures. Votes for acceptance or rejection of the Plan were solicited in good faith and in compliance with sections 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 3017 and 3018, all other applicable provisions of the Bankruptcy Code and all other rules, laws, and regulations, and the Solicitation Procedures and Solicitation are hereby approved.

3. Confirmation. The Plan, including the Plan Supplement, is approved and confirmed under section 1129 of the Bankruptcy Code. The terms of the Plan and the Plan Supplement are incorporated by reference into and are an integral part of this Confirmation Order.

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4. Objections. All objections that have not been withdrawn, resolved, waived, or settled, and all reservations of rights pertaining to confirmation of the Plan included therein, are overruled on the merits.

5. Provisions of Plan and Order Non-Severable and Mutually Dependent. The provisions of the Plan and this Confirmation Order, including the findings of fact and conclusions of law set forth herein, are non-severable and mutually dependent.

6. Binding Effect. Effective on the Effective Date, and except as expressly provided in this Confirmation Order, the Plan and its provisions shall be binding upon the Debtors, the Reorganized Debtors, any entity acquiring or receiving property or a distribution under the Plan, and any holder of a Claim against or Interest in the Debtors, including all governmental entities, whether or not the Claim or Interest of such holder is impaired under the Plan and whether or not such holder or entity has accepted the Plan. Pursuant to sections 1123(a) and 1142(a) of the Bankruptcy Code and the provisions of this Confirmation Order, the Plan and all Plan-related documents shall apply and be

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enforceable notwithstanding any otherwise applicable non-bankruptcy law.

7. Vesting of Assets (11 U.S.C. § 1141(b) and (c)). Except as otherwise provided in the Plan or this Confirmation Order, each Debtor will, as a Reorganized Debtor, continue to exist after the Effective Date as a separate corporate or other business entity, with all the powers of a corporation or other business entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, dissolution, or otherwise) under applicable state law. Except as otherwise provided in the Plan or this Confirmation Order, on and after the Effective Date the property of the Debtors' estates shall (i) vest in the Reorganized Debtors on the Effective Date and (ii) be vested free and clear of all liens, security interests, and Claims and Interests of holders of Claims and Interests. Except as otherwise provided in the Plan or this Confirmation Order, from and after the Effective Date, the Reorganized Debtors may operate their business and may use, acquire, and dispose of property, and compromise or settle any Claims

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and Interests without supervision or approval by the Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

8. Transfers of Property. On the Effective Date, the transfers of property by the Debtors: (i) to the Reorganized Debtors, (a) are or will be legal, valid, and effective transfers of property, (b) vest or will vest the Reorganized Debtors with good title to such property free and clear of all liens, charges, Claims, encumbrances, or Interests, except as expressly provided in the Plan or Confirmation Order, (c) do not and will not constitute avoidable transfers under the Bankruptcy Code or under applicable bankruptcy or nonbankruptcy law, and (d) do not and will not subject the Reorganized Debtors to any liability by reason of such transfer under the Bankruptcy Code or under applicable nonbankruptcy law, including, without limitation, any laws affecting successor, transferee, or stamp or recording tax liability; and (ii) to holders of Claims or Interests under the Plan, are for good consideration and value.

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9. Distribution Record Date. The date for determining the identity of Holders of Allowed Claims or Interests, other than Secured Notes Claims, entitled to receive Distributions under this Plan, shall be the date of entry of this Confirmation Order (as defined in the Plan, the "Distribution Record Date").

10. Assumption of Executory Contracts and Unexpired Leases (11 U.S.C. § 1123(b)(2)). On the Effective Date, pursuant to Article VI of the Plan, all executory contracts and unexpired leases shall be deemed assumed by the Reorganized Debtors in accordance with sections 365 and 1123(b) of the Bankruptcy Code, except for executory contracts and unexpired leases for which the Plan provides different treatment, including those executory contracts and unexpired leases listed on Schedule 6.1. Each executory contract and unexpired lease assumed pursuant to the Plan shall revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as modified by the provisions of the Plan. The Reorganized Debtors, except as otherwise agreed by the parties or ordered by the Court, will, pursuant to Section 6.1 of the Plan, cure

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any and all undisputed defaults under any executory contract or unexpired lease assumed pursuant to the Plan. All executory contracts or unexpired leases assumed or assumed and assigned by the Debtors during the chapter 11 cases or under the Plan shall remain in full force and effect for the benefit of the Reorganized Debtors or their assignees notwithstanding any provision in such contract or lease (including those described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits such assignment or transfer or that enables, permits, or requires termination of such contract or lease.

11. Directors and Officers of Reorganized Debtors. On the Effective Date, the Board of Directors of Reorganized MFOC shall consist of seven members, consisting of the chief executive officer of Reorganized MFOC, four directors designated by the Noteholder Committee, and two directors designated by Capricorn. The identities of all such directors (or the means for identification of such directors) was disclosed in the Plan Supplement. Each such director shall be authorized to serve as a director of Reorganized MFOC in accordance with the Plan and in the capacity to which he was

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designated without the necessity of further corporate action by Reorganized MFOC or its shareholders. Following Plan confirmation, the boards of directors of the Subsidiary Debtors will remain in place, unless and until such boards are replaced by action of the equity owners of the Subsidiary Debtors; and the Reorganized Debtors will continue to be managed by the current members of their respective management teams, unless and until such management is replaced by the respective boards of directors of the Reorganized Debtors.

12. Corporate Action. On the Effective Date, the adoption of the amended certificates of incorporation and bylaws or similar constituent documents of the Reorganized Debtors and all other actions contemplated by the Plan shall be authorized and approved in all respects (subject to the provisions of the Plan). All matters provided for in the Plan involving the corporate structure of the Debtors or Reorganized Debtors, and any corporate action required by the Debtors or Reorganized Debtors in connection with the Plan, shall be deemed to have occurred and shall be in effect without any requirement of further action by

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the security holders, directors, managers, or management of the Debtors or Reorganized Debtors.

13. General Authorizations. Each of the Debtors and Reorganized Debtors and their respective directors, officers, members, managers, agents, and attorneys, are authorized and empowered (i) to issue, execute, deliver, perform, file, or record any agreement, document, instrument, note, or security, including, without limitation, the documents referenced in the Plan and/or contained in the Plan Supplement, as modified, amended and supplemented, and (ii) to take (a) any action necessary or appropriate to implement, effectuate, and consummate the Plan in accordance with its terms, or (b) any or all corporate actions authorized to be taken pursuant to the Plan, including but not limited to any merger, execution, delivery, or performance of an agreement or instrument, issuance of securities, granting of any security interest or pledge, giving of a release, or amendment or restatement of any bylaws, certificates of incorporation, or other organization documents of the Debtors, whether or not specifically referred to in the Plan or any exhibit thereto, without

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further order of the Court. Any or all such documents shall be accepted by each of the respective state filing offices and recorded in accordance with applicable state law and shall become effective in accordance with their terms and the provisions of state law.

14. Discharge. Except as otherwise provided in the Plan or this Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan are deemed to be in exchange for, and in complete satisfaction, discharge, and release of, all Claims against and Interests in the Debtors. Except as otherwise provided in the Plan or this Confirmation Order, entry of this Confirmation Order shall act as a discharge, effective as of the Effective Date, of any and all Claims against and Interests in the Debtors or any of their assets that arose at any time before the entry of this Confirmation Order. The discharge shall be effective as to each Claim and Interest except as otherwise expressly provided in the Plan or this Confirmation Order, regardless of whether:

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(a) a proof of claim or interest based on such Claim, Interest, debt, or liability is filed or deemed filed under section 501 of the Bankruptcy Code;

(b) a Claim or Interest based on such Claim, Interest, debt, or liability is allowed; or

(c) the holder of a Claim, Interest, debt, or liability, or Claim or Interest based on such Claim, Interest, debt, or liability, has accepted the Plan.

The foregoing shall not release the Debtors from their liabilities and obligations as set forth in the Plan or this Confirmation Order.

15. Except as expressly provided in the Plan or this Confirmation Order, the Debtors are discharged effective upon the Confirmation Date, subject to the occurrence of the Effective Date, from any "debt" (as that term is defined in section 101(12) of the Bankruptcy Code), and the Debtors' liability in respect thereof is extinguished completely, whether such debt (i) is reduced to judgment or not, liquidated or unliquidated, contingent or noncontingent, asserted or unasserted, fixed or unfixed, matured or unmatured, disputed or undisputed, legal or equitable, or known or unknown, or (ii) arose from (a) any agreement of the Debtors that has either been assumed or rejected in the

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chapter 11 cases or pursuant to the Plan, (b) any obligation of the Debtors incurred before the Confirmation Date, or (c) any conduct of the Debtors prior to the Confirmation Date, or that otherwise arose before the Confirmation Date, including, without limitation, all interest, if any, on any such debts, whether such interest accrued before or after the Petition Date.

16. Issuance of New Securities. Pursuant to Section 8.3 of the Plan, the issuance of securities as set forth in the Plan by the Reorganized Debtors, including, without limitation, the issuance of the New Common Equity, the New Notes, and the Warrant (collectively, the "New Securities"), is hereby authorized without the necessity of further corporate action by any Reorganized Debtor or its equity owners and without further act or action under applicable law, regulation, order, or rule. The issuance of such securities under the Plan shall be deemed to be made for full and adequate consideration.

17. Cancellation of Notes, Instruments, and Common Stock. Pursuant to Section 7.4 of the Plan, on

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the Effective Date, except as otherwise provided in the Plan or this Confirmation Order, all Old Notes, the MFOC Note, and the MFOC Equity (collectively, the "Existing Securities") shall be cancelled and deemed terminated, and the obligations of the Debtors under the foregoing shall be discharged. As of the Effective Date, all Existing Securities that have been authorized to be issued but that have not been issued shall be deemed cancelled and extinguished without any further action of any party.

18. Plan Documents. There being no remaining objections to any of the documents contained in the Plan or Plan Supplement, and any amendments, modifications, and supplements thereto, and all documents and agreements introduced therein or contemplated by the Plan (including all exhibits and attachments thereto and documents referred to therein), including but not limited to (a) the New Securities, (b) the amended Certificate of Incorporation and By-Laws of MFOC, (c) the amended organizational documents of each of the Subsidiary Debtors and (d) the Shareholders Agreement, the execution, delivery, and performance thereof by the

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Reorganized Debtors are authorized and approved, without need for further corporate action or further order or authorization of the Court. The Debtors and the Reorganized Debtors, as appropriate, are authorized and empowered to make any and all modifications to any and all documents included as part of the Plan and Plan Supplement that may be agreed to by the parties thereto and are consistent with the Plan.

19. New Notes Indenture. The Debtors and the Reorganized Debtors are authorized and empowered (i) to execute the New Notes Indenture in a form acceptable to the Debtors, the Noteholder Committee, and the Old Notes Trustee, and (ii) to grant any liens, mortgages, and security interests in any real property, personal property, and fixtures of any of the Debtors and Reorganized Debtors as contemplated by the New Notes Indenture. Notwithstanding any other provisions of the Plan or this Confirmation Order, as of the Effective Date, the New Notes Indenture shall constitute a legal, valid, and binding obligation of each of the Reorganized Debtors, enforceable against each of the Reorganized Debtors in accordance with its terms. The obligations

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created under the New Notes Indenture have been incurred and given in exchange for fair consideration and reasonably equivalent value.

20. Noteholder Liens. Notwithstanding anything in this Confirmation Order or in the Plan to the contrary, the filings and recordings of liens, mortgages, and security interests in any real property, personal property, and fixtures of any of the Debtors in connection with the Old Notes shall not be extinguished, cancelled, or discharged pursuant to the Plan or this Confirmation Order, and shall remain in full force and effect and shall be applicable to the real and personal property securing the New Notes to the extent such filings and recordings are not superseded by filings and recordings made in connection with the New Notes Indenture.

21. Governmental Approvals Not Required. Except as set forth in the Plan, this Confirmation Order shall constitute all approvals and consents required, if any, by the laws, rules, or regulations of any state or any other governmental authority with respect to (i) the implementation or consummation of the Plan and (ii) any

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related documents, instruments, or agreements, and any amendments or modifications thereto, and any other acts referred to in or contemplated by the Plan, the Disclosure Statement, any related documents, instruments or agreements related thereto, and any amendments or modifications to any of the foregoing.

22. Exemption from Certain Taxes. Pursuant to section 1146(a) of the Bankruptcy Code: (a) the issuance, transfer, or exchange of notes or equity securities under the Plan; (b) the creation of any mortgage, deed of trust, lien, pledge, or other security interest; (c) the making or assignment of any contract, lease, or sublease; or (d) the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including, without limitation, any merger agreements; agreements of consolidation, restructuring, disposition, liquidation, or dissolution; deeds; bills of sale; or transfers of tangible property will not be subject to any stamp tax, or other similar tax, or any tax held to be a stamp tax or other similar tax by applicable law.

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23. Final Fee Applications. Pursuant to Section 4.2 of the Plan, all final requests for compensation or reimbursement of costs and expenses pursuant to sections 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code for services rendered to the Debtors prior to the Effective Date (all such claims, including claims for Professional Compensation, the "Fee Claims"), must be filed with the Court and served on the Reorganized Debtors, their counsel, and the Office of the United States Trustee no later than thirty days after the Effective Date; provided, however, that any party who may receive compensation or reimbursement of expenses pursuant to the Order Under 11 U.S.C. §§ 105(a), 327, 330, and 331 Authorizing Debtors to Employ Professionals Utilized in Ordinary Course of Business (Docket No. 125) may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date, without further Court review or approval. Holders of Fee Claims that are required to file and serve requests for final allowance of their Fee Claims and that do not file and serve such requests within the time period set forth

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herein shall be forever barred from asserting such Claims against the Debtors, the Reorganized Debtors, and their respective property, and such Fee Claims shall be deemed discharged as of the Effective Date.

24. Termination of Injunctions and Automatic Stay. Consistent with Section 11.7 of the Plan, all injunctions or stays provided for under sections 105 or 362 of the Bankruptcy Code or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date, unless the Plan or this Confirmation Order provides otherwise.

25. Injunctions. Except as otherwise expressly provided in the Plan, this Confirmation Order, or a separate order of this Court, all injunctions set forth in the Plan are approved.

26. Exculpation. Except as otherwise expressly provided in the Plan, this Confirmation Order or a separate order of this Court, the exculpation and limitation of liability provisions set forth in Section 11.5 of the Plan are approved.

27. Releases. Pursuant to section 1123(b)(3) of the Bankruptcy Code and Bankruptcy Rule 9019(a), the

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settlements, compromises, releases, discharges, exculpations, and injunctions set forth in the Plan, including, but not limited to, the releases set forth in Section 11.3 of the Plan, shall be, and hereby are, approved as fair, equitable, reasonable, and in the best interests of the Debtors, the Reorganized Debtors, and their Estates, creditors, and equity holders. The releases of and by non-Debtors under the Plan are fair to holders of Claims and Interests and are necessary to the proposed reorganization, and set forth the proper standard of liability, thereby satisfying the requirements of PWS Holding Corp., 228 F.3d 224, 246 (3d Cir. 2000), In re Continental Airlines, Inc., 203 F.3d 203, 214 (3d Cir. 2000), and In re Zenith Electronics Corp., 241 B.R. 92, 110-11 (Bankr. D. Del. 1999). In addition, the releases of and by non-Debtors who voted for the Plan are voluntary and reasonable given the scope of the releases, and the Debtors' compliance with Bankruptcy Rule 2002(c)(3). See Zenith, 241 B.R. at 110-11.

28. Compromises and Settlements. All settlements and compromises of claims and causes of

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action against non-Debtor entities that are embodied in the Plan are approved herein as fair, equitable, reasonable, and in the best interests of the Debtors, their Estates, and the Reorganized Debtors, and shall be, and hereby are, effective and binding on all persons and entities who may have had standing to assert such claims or causes of action, and no person or entity shall possess such standing to assert such claims or causes of action after the Effective Date.

29. Authorization to Consummate Plan. Notwithstanding Rule 3020(e) of the Federal Rules of Bankruptcy Procedure, this Confirmation Order shall take effect immediately upon its entry and the Debtors are authorized to consummate the Plan immediately after entry of this Confirmation Order in accordance with the terms of the Plan.

30. Notice of Entry of Confirmation Order. The Notice of Entry of Confirmation Order (the "Confirmation Notice"), substantially in the form attached hereto as Exhibit C, is hereby approved. Within ten business days after the entry of the this Confirmation Order, the Debtors shall mail or cause to

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be mailed by first-class mail a copy of the Confirmation Notice to all of the Debtors' known creditors and equity interest holders, and all other entities required to be served under Bankruptcy Rules 2002 and 3017.

31. Within fifteen business days after the entry of this Confirmation Order, the Debtors shall publish the Confirmation Notice in the national editions of The Wall Street Journal and The New York Times.

32. Substantially contemporaneously with the service of the Confirmation Notice, the Debtors shall post the Confirmation Notice to their claims agent's website: http://chapter11.epiqsystems.com/mrsfields.

33. The notice procedures set forth in the preceding paragraphs constitute good and sufficient notice of the entry of this Confirmation Order, and no other or further notice shall be necessary.

34. Notice of Effective Date. Within ten business days following the occurrence of the Effective Date as provided in Section 12.2 of the Plan, the Reorganized Debtors shall file notice of the occurrence of the Effective Date and shall serve a copy of same on the Office of the United States Trustee and all entities

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that have requested notice in these cases pursuant to Bankruptcy Rule 2002. Such notice constitutes good and sufficient notice of the occurrence of the Effective Date, and no other or further notice shall be necessary.

35. Retention of Jurisdiction. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, this Court shall retain jurisdiction over all matters arising out of or related to the chapter 11 cases and the Plan to the fullest extent permitted by law, including, but not limited to, the matters set forth in Article XIII of the Plan, except as otherwise provided in the Plan or herein, and notwithstanding the entry of this Confirmation Order or the occurrence of the Effective Date.

36. Exemption from Securities Laws. The exemption from the requirements of section 5 of the Securities Act, and any state or local law requiring registration for the offer, issuance, exchange, or transfer of a security provided for in the Plan or registration or licensing of an issuer of, underwriter of, or broker dealer in, such security, is authorized by section 1145 of the Bankruptcy Code and shall apply to

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issuance of the New Securities under the Plan. The New Securities are exempt from registration under section 1145 of the Bankruptcy Code and are freely tradable by the holders thereof except to the extent a holder is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code.

37. References to Plan Provisions. The failure specifically to include or reference any particular provision of the Plan in this Confirmation Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Plan be confirmed and approved in its entirety.

38. Reversal. If any or all of the provisions of this Confirmation Order are hereafter reversed, modified, or vacated by subsequent order of this Court or any other court, such reversal, modification, or vacatur shall not affect the validity of the acts or obligations incurred or undertaken under or in connection with the Plan prior to the Debtors' receipt of written notice of any such order. Notwithstanding any such reversal, modification, or vacatur of this Confirmation Order, any such act or

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obligation incurred or undertaken pursuant to, and in reliance on, this Confirmation Order prior to the effective date of such reversal, modification, or vacatur shall be governed in all respects by the provisions of this Confirmation Order and the Plan or any amendments or modifications thereto.

39. Applicable Non-Bankruptcy Law. Pursuant to sections 1123(a) and 1142(a) of the Bankruptcy Code, the provisions of this Confirmation Order, the Plan, and any amendments or modifications thereto shall apply and be enforceable notwithstanding any otherwise applicable nonbankruptcy law.

40. Lehman Settlement. In settlement of any and all claims held or asserted by Lehman Commercial Paper, Inc., ("Lehman") against the Debtors (the "Lehman Claim"), Lehman shall be deemed to hold an Allowed General Unsecured Claim against the Debtors in the amount of $1 million, which Claim shall be paid, in full and final satisfaction of such Claim, in cash, on or as soon as practicable after the Effective Date. Upon receipt of such payment, the Debtors and the Reorganized Debtors, on the one hand, and Lehman, on the other,

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shall release any and all claims, causes of actions, rights and defenses, known or unknown, that they may have against each other (and all of their respective officers, shareholders, directors, employees and professional advisors) as of or prior to the Effective Date of the Plan relating to or arising out of the Lehman Claim.

41. Landlord Reconciliation and Adjustment Charges. Notwithstanding any injunction or waiver in this Confirmation Order or the Plan, nothing in the Confirmation Order or the Plan shall act as an injunction or waiver against claims of real property landlords that are billed in the ordinary course in accordance with the terms of the applicable leases of non-residential real property, regardless of whether such claims accrue prior to or subsequent to the Effective Date, including but not limited to claims for year-end adjustment and reconciliation charges.

42. Resolution of Pima County Objection. Notwithstanding Section 9.4 of the Plan, Pima County's secured claim, if any, shall include post-petition

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interest to the extent such interest is provided under applicable non-bankruptcy law.

43. Resolution of Russo Objection. No provision of the Plan, including Schedule 6.1 of the Plan, shall prejudice (or shall preclude or limit) (i) the rights of Stephen Russo ("Russo") to assert that (a) the Employment Agreement, by and among Stephen Russo, Mrs. Fields' Original Cookies, Inc., and Mrs. Fields Famous Brands, Inc., dated as of May 7, 2003, as such Employment Agreement may have been amended, and/or (b) the Amended and Restated Employment Agreement, by and among Stephen Russo, Mrs. Fields Famous Brands, LLC, and Mrs. Fields' Companies, Inc., dated as of March 16, 2004, as such Amended and Restated Employment Agreement may have been amended (together, the "Russo Employment Agreement"), has been terminated and is therefore not an executory contract within the meaning of section 365 of the Bankruptcy Code; or (ii) the rights of the Debtors, the Reorganized Debtors, or any other party in interest with standing (including the Noteholder Committee), (x) to assert that the Russo Employment Agreement is an executory contract, (y) to object to or seek

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disallowance of any proof of claim filed by Russo, and/or (z) to contest the amount and validity of any claim asserted by Russo under any applicable bankruptcy or non-bankruptcy law, in the manner and venue in which such claim would have been determined, resolved, or adjudicated if the Bankruptcy Cases had not been commenced.

44. Resolution of IRS Objection. Notwithstanding any provision to the contrary in the Plan or this Confirmation Order, nothing shall affect the ability of the Internal Revenue Service (the "IRS") to pursue any and all of its rights under 26 U.S.C. § 6672, and confirmation of the Plan shall not affect the rights of the IRS to assert setoff and recoupment. Moreover, to the extent that the Debtors elect the option set forth in Article IV, Section 4.3(ii) of the Plan to pay IRS Priority Tax Claims, payment of such claims shall commence on the Effective Date and shall be paid in no less than quarterly equal installments over a period not to exceed five years after the Filing Date with interest accruing at the rate and method set forth in 26 U.S.C. §§ 6621 and 6622. Finally, with respect to

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the claims of the IRS, only claims arising prior to confirmation are subject to discharge and the automatic stay shall only apply to the IRS to the extent set forth in 11 U.S.C. § 362.

45. Clarification Regarding Releases of Non-Debtor Affiliates. Notwithstanding anything to the contrary contained in the Plan or this Confirmation Order, all claims, whether direct or indirect, and/or causes of action that any creditor of, or holder of any preferred or common stock (or any combination thereof) in, MFC or MFH, in such creditor's or interest holder's capacity as such, has or may have against any Non-Debtor Affiliates or any of their current or former officers, directors or shareholders including, without limitation, Capricorn Investors II, L.P. or Capricorn Investors III, L.P. and its general partner and its officers, directors,

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members and shareholders, shall not be extinguished or otherwise impaired under, or by virtue of, the Plan or this Confirmation Order.

Dated: Wilmington, Delaware
October 2, 2008

Honorable Peter J. Walsh
United States Bankruptcy Judge

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EXHIBIT A

Amended Joint Prepackaged Plan of Reorganization
Under Chapter 11 of the Bankruptcy Code of Mrs. Fields'
Original Cookies, Inc. and Certain Subsidiaries

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: **MRS. FIELDS' ORIGINAL COOKIES, INC., et al.,**[1] **Debtors.**	**Chapter 11** **Case No. 08-11953 (PJW)** **Jointly Administered**

AMENDED JOINT PREPACKAGED PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE OF
MRS. FIELDS' ORIGINAL COOKIES, INC. AND CERTAIN SUBSIDIARIES

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[1] The Debtors are the following entities: Mrs. Fields' Original Cookies, Inc., Mrs. Fields Famous Brands, LLC, Mrs. Fields Financing Company, Inc., Mrs. Fields Franchising, LLC, TCBY Systems, LLC, Mrs. Fields Gifts, Inc., The Mrs. Fields' Brand, Inc., Mrs. Fields Cookies Australia, TCBY International, Inc., TCBY of Texas, Inc., PTF, LLC, PMF, LLC, GACCF, LLC, and GAMAN, LLC.

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INTRODUCTION

Mrs. Fields' Original Cookies, Inc., Mrs. Fields Famous Brands, LLC, Mrs. Fields Financing Company, Inc., Mrs. Fields Franchising, LLC, TCBY Systems, LLC, Mrs. Fields Gifts, Inc., The Mrs. Fields' Brand, Inc., Mrs. Fields Cookies Australia, TCBY International, Inc., TCBY of Texas, Inc., PTF, LLC, PMF, LLC, GACCF, LLC, and GAMAN, LLC, debtors and debtors-in-possession in the above-captioned cases, jointly with the Noteholder Committee, propose this joint prepackaged plan of reorganization for the resolution of the outstanding Claims against and Interests in the Debtors. The Debtors and Noteholder Committee are the proponents of this plan of reorganization within the meaning of section 1129 of the Bankruptcy Code.

ARTICLE I
DEFINITIONS AND GENERAL PROVISIONS

For the purposes of this Plan, except as otherwise expressly provided or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meanings ascribed to them in Section 1.1 of this Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules.

Section 1.1 *Definitions.* The following terms shall have the following meanings when used in this Plan.

(a) "Administrative Expense Claim" means a Claim for payment of an administrative expense of a kind specified in section 503(b) or 507(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(2) of the Bankruptcy Code, including, without limitation, the actual, necessary costs and expenses, incurred on or after the Filing Date, of preserving the Estates and operating the business of the Debtors, including wages, salaries or commissions for services rendered after the commencement of the Bankruptcy Cases, Professional Compensation, fees and expenses of the Old Notes Trustee and its counsel, fees and expenses of the Noteholder Committee and its professionals, and all fees and charges assessed against the Estates under 28 U.S.C. § 1930.

(b) "Affiliates" has the meaning given such term by section 101(2) of the Bankruptcy Code.

(c) "Allowed" means, with respect to any Claim, such Claim or any portion thereof (i) that has been allowed (a) by a Final Order of the Bankruptcy Court, (b) pursuant to the terms of this Plan, or (c) by agreement between the Holder of such Claim and the Debtors or Reorganized Debtors; (ii) as to which the Claims Objection Deadline has passed without the filing of an objection or request for estimation; or (iii) as to which any objection has been settled, waived, withdrawn or denied by a Final Order or in accordance with the Plan; *provided, however*, that, notwithstanding anything herein to the contrary, by treating a Claim as an "Allowed Claim" under (ii) above, the Debtors do not waive their rights to contest the amount and validity of any disputed, contingent or unliquidated Claim in the manner and venue in which

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such Claim would have been determined, resolved or adjudicated if the Bankruptcy Cases had not been commenced.

(d) "Assets" means, collectively, all of the property, as defined in section 541 of the Bankruptcy Code of the Estates of the Debtors (including, without limitation, all of the assets, property, interests (including equity interests) and effects, real and personal, tangible and intangible, including all Avoidance Actions), wherever situated as such properties exist on the Effective Date or thereafter.

(e) "Asset Sales" means the sales of the assets of (i) Great American Cookie Company Franchising, LLC and Great American Manufacturing, LLC to NexCen Brands, Inc. and NexCen Asset Acquisition, LLC in January 2008, and (ii) Pretzel Time Franchising, LLC and Pretzelmaker Franchising, LLC to NexCen Brands, Inc. and NexCen Asset Acquisition, LLC in August 2007.

(f) "Assumed Contracts" shall have the meaning given such term in Section 6.1 of this Plan.

(g) "Avoidance Action" means any claim or cause of action of an Estate arising out of or maintainable pursuant to sections 510, 541, 542, 543, 544, 545, 547, 548, 549, 550, 551, or 553 of the Bankruptcy Code or under any other similar applicable law, regardless of whether or not such action has been commenced prior to the Effective Date.

(h) "Bankruptcy Case" means, with respect to each Debtor, the chapter 11 case initiated by such Debtor's filing on the Filing Date of a voluntary petition for relief in the Bankruptcy Court under chapter 11 of the Bankruptcy Code. On the Filing Date, the Debtors will seek the joint administration of the Bankruptcy Cases.

(i) "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as applicable to the Bankruptcy Cases.

(j) "Bankruptcy Court" means the United States Bankruptcy Court for the District of Delaware or, in the event such court ceases to exercise jurisdiction over any Bankruptcy Case, such court or adjunct thereof that exercises jurisdiction over such Bankruptcy Case in lieu of the United States Bankruptcy Court for the District of Delaware.

(k) "Bankruptcy Rules" means, collectively, the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended, the Federal Rules of Civil Procedure, as applicable to the Bankruptcy Cases or proceedings therein, and the local rules of the Bankruptcy Court, as applied to the Bankruptcy Cases or proceedings therein, as the case may be.

(l) "Board of Directors" means the applicable board of directors of each of the Reorganized Debtors.

(m) "Business Day" means any day on which commercial banks are required to be open for business in Wilmington, Delaware.

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(n) "Capricorn" means Capricorn Investors III, L.P.

(o) "Cash" means legal tender of the United States of America and equivalents thereof.

(p) "Causes of Action" means all Avoidance Actions and any and all of a Debtor's or a Reorganized Debtor's actions, causes of action, suits, accounts, agreements, promises, rights to payment and claims, whether known or unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured, unsecured, and whether asserted or assertable directly or derivatively, in law, equity, or otherwise.

(q) "Claim" means a claim against one of the Debtors (or all or some of them) whether or not asserted, as defined in section 101(5) of the Bankruptcy Code.

(r) "Claims Objection Deadline" means the later of the first Business Day which is (i) after the Effective Date, (ii) one hundred and eighty days after a proof of Claim was filed, or (iii) such other time as may be ordered by the Bankruptcy Court for cause shown by the Reorganized Debtors, as such dates may be from time to time extended by the Bankruptcy Court without further notice to parties in interest.

(s) "Class" means a category of Claims or Interests described in Article III of this Plan.

(t) "Confirmation Date" means the date on which the Bankruptcy Court enters the Confirmation Order.

(u) "Confirmation Hearing" means the hearing before the Bankruptcy Court held to consider confirmation of this Plan and related matters under section 1128 of the Bankruptcy Code, as such hearing may be continued from time to time.

(v) "Confirmation Order" means the order entered by the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code, which shall be acceptable in form and substance to the Noteholder Committee, in its sole discretion.

(w) "Creditors' Committee" means the official committee of unsecured creditors, if such committee is appointed in the Debtors' Bankruptcy Cases pursuant to section 1102(a) of the Bankruptcy Code, and as such committee may be reconstituted from time to time.

(x) "Cure Amount" means the amount required to satisfy the Debtors' obligations under section 365(b) of the Bankruptcy Code with respect to the Debtors' assumption of any Executory Contract or Unexpired Lease which amount will be determined in accordance with the procedures set forth in Section 6.1 of this Plan.

(y) "Debtor" or "Debtors" means, individually, Mrs. Fields' Original Cookies, Inc., Mrs. Fields Famous Brands, LLC, Mrs. Fields Financing Company, Inc., Mrs. Fields Franchising, LLC, TCBY Systems, LLC, Mrs. Fields Gifts, Inc., The Mrs. Fields' Brand, Inc.,

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Mrs. Fields Cookies Australia, TCBY International, Inc., TCBY of Texas, Inc., PTF, LLC, PMF, LLC, GACCF, LLC, and GAMAN, LLC, each of which is a Debtor in its Bankruptcy Case.

(z) "Debtor Restructuring Fees" means the Restructuring Fees of Blackstone Advisory Services L.P. ("Blackstone"), Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden"), and Montgomery, McCracken, Walker & Rhoads, LLP ("MMWR").

(aa) "Disclosure Statement" means the Disclosure Statement for the Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc., and Certain Subsidiaries that relates to this Plan, combined with any other written disclosure made by the Debtors, as amended, modified or supplemented from time to time, and that is prepared and distributed in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017.

(bb) "Disputed" means, with reference to any Claim, a Claim or any portion thereof, that is not Allowed.

(cc) "Distribution" means any distribution by the Debtors or Reorganized Debtors to a Holder of an Allowed Claim or Interest.

(dd) "Distribution Date" means (i) the Initial Distribution Date and (ii) the first Business Day after the end of the months of March, June, September, and December, commencing with the first such date to occur more than ninety days after the Initial Distribution Date and continuing until the Final Distribution Date; *provided, however*, that, subject to Section 10.4 of this Plan, a Distribution Date (other than the Initial Distribution Date and Final Distribution Date) shall not occur if the aggregate value of the consideration to be distributed on account of all Allowed Claims on any Distribution Date is less than Twenty-Five Thousand and 00/100 Dollars ($25,000.00), in which case the amount to be distributed shall be retained and added to the amount to be distributed on the next Distribution Date.

(ee) "Distribution Record Date" means the date established by the Bankruptcy Court for determining the identity of Holders of Allowed Claims or Interests, other than Secured Notes Claims, entitled to receive Distributions under this Plan.

(ff) "District Court" means the United States District Court for the District of Delaware.

(gg) "Effective Date" means the day that is the first Business Day after all conditions to the Effective Date have been satisfied or waived pursuant to Sections 12.2 and 12.3 of this Plan.

(hh) "Estate" means, with regard to each Debtor, the estate that was created, pursuant to section 541 of the Bankruptcy Code, by the commencement by a Debtor of a Bankruptcy Case.

(ii) "Executory Contract or Unexpired Lease" means all executory contracts and unexpired leases to which any of the Debtors is a party.

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(jj) "Existing Securities" means, collectively, the Old Notes, the MFOC Note and the MFOC Equity.

(kk) "Filing Date" means the date the Debtors file for relief under Chapter 11 of the Bankruptcy Code in accordance with this Plan.

(ll) "Final Distribution" means the Distribution by the Debtors or Reorganized Debtors that satisfies all Allowed Claims and Interests in accordance with and to the extent provided in this Plan.

(mm) "Final Distribution Date" means the date on which the Final Distribution is made.

(nn) "Final Order" means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Bankruptcy Cases or the docket of any other court of competent jurisdiction, which has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari has expired, and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought.

(oo) "General Unsecured Claim" means any Unsecured Claim other than an Intercompany Claim or the MFOC Note Claim.

(pp) "Guarantors" shall have the meaning given in the New Notes Indenture.

(qq) "Holder" means a holder of a Claim or Interest, as applicable.

(rr) "Impaired" shall have the meaning ascribed thereto in section 1124 of the Bankruptcy Code.

(ss) "Indenture Trustee Charging Lien" means a lien that secures repayment of the Old Notes Trustee's fees and expenses, to the extent provided for in the Indenture.

(tt) "Initial Distribution Date" means the Effective Date or as soon as reasonably practical thereafter; *provided, however*, that in no event shall the Initial Distribution Date be more than five business days after the Effective Date unless otherwise ordered by the Bankruptcy Court.

(uu) "Intercompany Claim" means (i) any Claim against any Debtor held by any Non-Debtor Affiliate, (ii) any Claim against any Non-Debtor Affiliate held by any Debtor, or (iii) any Claim against any Debtor held by any other Debtor; *provided, however*, the MFOC Note Claim is not an Intercompany Claim.

(vv) "Interests" means the equity interests issued by each of the Debtors, including, without limitation, the MFOC Equity Interests, MFOC Subsidiary Interests, and MFFB Subsidiary Interests and any options, warrants, puts, calls, subscriptions, or other similar

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rights or other agreements, commitments, or outstanding securities obligating any of the Debtors to issue, transfer, purchase, redeem, or sell any shares of capital stock or other securities, any claims arising out of any appraisal or dissenter's rights, any claims arising from rescission of a purchase, sale or other acquisition of any common stock or other equity security (or any right, claim, or interest in and to any common stock or equity security) of any of the Debtors, and any claims for damages or any other relief arising from any such purchase, sale, or other acquisition of such common stock or other equity security.

(ww) "Lien" has the meaning set forth in section 101(37) of the Bankruptcy Code.

(xx) "Management Incentive Plan" means the management incentive plan, as more fully described in Section 6.4, that shall be implemented as soon as practicable after the Effective Date for the benefit of designated members of senior management of the Reorganized Debtors.

(yy) "MFFB" means Mrs. Fields Famous Brands, LLC.

(zz) "MFFB Subsidiary Interests" means the equity interests in the subsidiaries of MFFB that are directly or indirectly wholly owned by MFFB.

(aaa) "MFFC" means Mrs. Fields Financing Company, Inc.

(bbb) "MFH" means Mrs. Fields' Holding Company, Inc.

(ccc) "MFOC" means Mrs. Fields' Original Cookies, Inc.

(ddd) "MFOC Equity" means the equity in MFOC, which equity is wholly owned by MFH, the sole shareholder of MFOC.

(eee) "MFOC Equity Interests" means the equity interests in MFOC that are wholly owned by MFH.

(fff) "MFOC Note" means that certain 16.5% Amended and Restated Promissory Note issued by Mrs. Fields' Original Cookies, Inc. to Capricorn.

(ggg) "MFOC Note Claims" means the Claims against MFOC arising under the MFOC Note, plus applicable fees, charges, costs and interest accrued but unpaid as of the Filing Date.

(hhh) "MFOC Subsidiary Interests" means the equity interests in subsidiaries of MFOC that are wholly owned by MFOC, the sole member of MFFB.

(iii) "Net Cash Proceeds" means, as of the Filing Date, the approximately $90 million in net cash held by the Old Notes Trustee, with such net cash derived from the Asset Sales.

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(jjj) "New Common Equity" means newly issued shares of common stock of MFOC, par value $0.01 per share, to be issued on the Effective Date. Holders of Allowed Secured Notes Claims will receive, in the aggregate, an amount equal to 87.5% of the New Common Equity issued and outstanding on the Effective Date, subject to dilution on account of the Management Incentive Plan and the Warrant. The Holder of the MFOC Note Claim will receive, in the aggregate, an amount equal to 12.5% of the New Common Equity issued and outstanding on the Effective Date, subject to dilution on account of the Management Incentive Plan and the Warrant.

(kkk) "New Notes Indenture" means that certain indenture dated as of the Effective Date, by and among MFFB and MFFC, as issuers, the Guarantors as guarantors, the Old Notes Trustee, as trustee, as such indenture may be amended, supplemented, or otherwise modified from time to time, and all related agreements and documents. A form of New Notes Indenture is annexed hereto as Exhibit 4.

(lll) "New Notes" means the secured notes to be issued on the Effective Date in the aggregate principal amount of $50 million, plus the amount by which the Noteholder Cash is less than $90 million.

(mmm)"NexCen Shares" means the shares of NexCen Brands, Inc. transferred to MFFB as part of the consideration for the Asset Sales. Of the aggregate 2,096,961 shares of NexCen Shares received from such sales, only 1,699,840 shares remain in an escrow for possible use to satisfy indemnity claims arising out of the sales, valued at $7.35 per share for the shares received in the pretzel business sale and valued at $4.23 per share for the shares received from the sale of the Great American Cookies business. The closing sale price per share of a NexCen Brands common stock on August 12, 2008 was $0.42 per share.

(nnn) "Non-Debtor Affiliates" means MFH, Mrs. Fields' Companies, Inc., and any other non-Debtor direct or indirect subsidiaries of MFOC and MFFB.

(ooo) "Noteholder" or "Noteholders" means, individually, a holder of an Old Note and, collectively, all of the Holders of the Old Notes.

(ppp) "Noteholder Cash" means $90 million, less the amount by which the Restructuring Fees exceed $3.5 million in the aggregate; *provided, however*, that Capricorn shall be responsible for payment of any Debtor Restructuring Fees to the extent that the Debtor Restructuring Fees exceed $3.7 million in the aggregate; *provided, further, however*, that fees and expenses of Skadden and Akin Gump accrued through June 2, 2008, the expenses of Skadden through the Effective Date, and the fees and expenses of MMWR accruing beginning on the Filing Date shall not be counted toward either cap. The Noteholders shall receive on the Effective Date the Noteholder Cash on a *pro rata* basis.

(qqq) "Noteholder Committee" means the ad hoc committee of certain holders of Old Notes who, collectively, hold in excess of 78% of the Old Notes and each of whom executed the Term Sheet and Restructuring Support Agreements.

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(rrr) "Old Notes" means the 9.00% and 11.50% Senior Secured Notes due 2011 issued pursuant to the Old Notes Indenture.

(sss) "Old Notes Indenture" means that certain indenture dated as of March 16, 2004, by and among MFFB and MFFC, as issuers, the Guarantors as guarantors, the Old Notes Trustee, as trustee, as such indenture may have been amended, supplemented, or otherwise modified from time to time, and all related agreements and documents.

(ttt) "Old Notes Trustee" means The Bank of New York Mellon Trust Company, N.A., as trustee, or any successor trustee, under the Old Notes Indenture.

(uuu) "Other Secured Claim" means a Secured Claim other than a Secured Notes Claim.

(vvv) "Person" means an individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited liability partnership, trust, estate, unincorporated organization, governmental unit (as defined in section 101(27) of the Bankruptcy Code) or other entity.

(www) "Plan" means this joint pre-packaged plan of reorganization as the same may hereafter be amended, modified or supplemented.

(xxx) "Plan Proponents" means the Debtors and the Noteholder Committee.

(yyy) "Plan Supplement" means the document containing the information specified in Section 14.3 of this Plan.

(zzz) "Priority Claim" means a Claim entitled to priority under the provisions of section 507(a) of the Bankruptcy Code other than an Administrative Expense Claim or a Priority Tax Claim.

(aaaa) "Priority Tax Claim" means a Claim against the Debtors that is of a kind specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code.

(bbbb) "Professional Compensation" means (i) any amounts that the Bankruptcy Court allows pursuant to section 330 of the Bankruptcy Code as compensation earned, and reimbursement of expenses incurred, by professionals employed by the Debtors and the Creditors' Committee, if any, and (ii) any amounts the Bankruptcy Court allows pursuant to sections 503(b)(3) and (4) of the Bankruptcy Code in connection with the making of a substantial contribution to the Bankruptcy Cases.

(cccc) "Pro Rata" means with respect to any Claim or Interest, at any time, the proportion that the amount of the Claim or Interest in a particular Class bears to the aggregate amount of all Claims or Interests (including Disputed Claims or Interests) in such Class, or, as appropriate, other Classes, unless in each case this Plan provides otherwise.

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(dddd) "Record Date" means August 6, 2008, the date for determining the identity of Holders of Allowed Claims or Interests entitled to vote to accept or reject this Plan.

(eeee) "Record Holder" means the Holder of a Claim or Interest as of the Distribution Record Date.

(ffff) "Rejected Contracts" means all Executory Contracts and Unexpired Leases on Schedule 6.1 as Executory Contracts or Unexpired Leases to be rejected on the Effective Date.

(gggg) "Reorganized Debtor" or "Reorganized Debtors" means, individually, any Debtor and, collectively, all of the Debtors, in each case on and after the Effective Date.

(hhhh) "Reorganized MFFB" means MFFB on and after the Effective Date.

(iiii) "Reorganized MFFC" means MFFC on and after the Effective Date.

(jjjj) "Reorganized MFOC" means MFOC on and after the Effective Date.

(kkkk) "Reorganized Subsidiaries" means, collectively, the Subsidiary Debtors on and after the Effective Date.

(llll) "Restructuring" means the proposed restructuring through this Plan of the Debtors' obligations under the Old Notes and the Debtors' other obligations.

(mmmm) "Restructuring Fees" refers to the aggregate amount of professional fees (but not reasonable charges and disbursements) incurred in connection with the Restructuring.

(nnnn) "Restructuring Support Agreements" means the letter agreements, dated June 3, 2008, as amended by the letter agreements dated August 13, 2008, by and among Capricorn, MFFB, MFFC, and MFOC, on the one hand, and the members of the Noteholder Committee listed on the signature pages thereto, on the other hand.

(oooo) "Retained Actions" means all claims, Causes of Action, rights of action, suits and proceedings, whether in law or in equity, whether known or unknown, which any Debtor or any Debtor's Estate may hold against any Person, including, without limitation, (i) claims and Causes of Action brought prior to the Effective Date, (ii) claims and Causes of Action against any Persons for failure to pay for products or services provided or rendered by any of the Debtors, (iii) claims and Causes of Action relating to strict enforcement of any of the Debtors' intellectual property rights, including patents, copyrights and trademarks, (iv) claims and Causes of Action seeking the recovery of any of the Debtors' or the Reorganized Debtors' accounts receivable or other receivables or rights to payment created or arising in the ordinary course of any of the Debtors' or the Reorganized Debtors' businesses, including, without limitation, claim overpayments and tax refunds, and (v) all Avoidance Actions; *provided, however*, that Retained Actions shall not include those claims, Causes of Action, rights of action, suits and proceedings, whether in law or in equity, whether known or unknown, released under Section 11.3 herein.

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Schedule 7.9 to the Plan contains a non-exclusive list of Retained Actions. The Debtors reserve their right to modify Schedule 7.9 to the Plan to add or delete parties or Causes of Action, but disclaim any obligation to do so.

(pppp) "Schedule 6.1" means the schedule to be provided in accordance with Section 6.1 of this Plan (the contents of which shall be acceptable to the Plan Proponents, each in their sole discretion), which shall contain a list of all Executory Contracts and Unexpired Leases to be rejected under this Plan.

(qqqq) "Section 510(b) Claims" means any claims against a Debtor that are subordinated, or subject to subordination, pursuant to section 510(b) of the Bankruptcy Code, including Claims arising from the recission of a purchase or sale of a security of a Debtor, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such Claim. Any Claim against the Debtors that is described in section 510(b) of the Bankruptcy Code shall not receive a distribution under this Plan and shall be extinguished.

(rrrr) "Secured Claim" means a claim (as defined in section 101(5) of the Bankruptcy Code) that is secured by a valid, perfected and non-avoidable lien on collateral against any obligor or guarantor to such indebtedness (including any Lien on collateral) to the extent of the value of the holder of the Claim's interest in such collateral as provided in section 506(a) of the Bankruptcy Code.

(ssss) "Secured Notes Claim" means the Secured Claims against the Debtors arising under the Old Notes and Old Notes Indenture, plus applicable fees, charges, costs and interest accrued but unpaid as of the Filing Date.

(tttt) "Secured Notes Deficiency Claim" means the portion, if any, of the Secured Notes Claim that exceeds the value of any Lien securing such indebtedness, including any Lien on collateral. Solely for the purposes of this Plan and assuming Classes 3, 5 and 8A vote to accept this Plan, the Holders of the Secured Notes Deficiency Claim, if any, have agreed to waive such Claim. In the event this Plan is not confirmed by the Bankruptcy Court, the Holders of the Secured Notes Deficiency Claim, if any, shall retain all rights to assert such Claims with respect to any other proposed plan or reorganization.

(uuuu) "Securities Act" means the Securities Act of 1933, as amended.

(vvvv) "SEC" means the United States Securities and Exchange Commission.

(wwww) "Stockholders Agreement" means the agreement described in Section 8.4 of this Plan.

(xxxx) "Subsidiary Debtors" means MFFB, MFFC, Mrs. Fields Franchising, LLC, TCBY Systems, LLC, Mrs. Fields Gifts, Inc., The Mrs. Fields' Brand, Inc., Mrs. Fields Cookies Australia, TCBY International, Inc., TCBY of Texas, Inc., PTF, LLC, PMF, LLC, GACCF, LLC, and GAMAN, LLC.

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(yyyy) "Term Sheet" means the term sheet, dated June 2, 2008, as amended on July 11, 2008, and August 13, 2008, the form of which was annexed to the Restructuring Support Agreements as Exhibit A, setting forth the principal terms of the Restructuring, by and between MFOC, MFFB, and MFFC, on the one hand, and those Noteholders who are listed on the signature pages thereto, on the other hand.

(zzzz) "Unimpaired" means, with respect to a Class of Claims or Interests, any Class that is not Impaired.

(aaaaa) "Unsecured Claim" means any Claim other than an Other Secured Claim, a Secured Note Claim, an Administrative Expense Claim, a Priority Tax Claim, a Priority Claim or a Section 510(b) Claim.

(bbbbb) "Warrant" means that certain warrant to be issued to Capricorn, as the Holder of the MFOC Note, with such warrant entitling Capricorn to purchase an additional number of shares of the New Common Equity so that, after giving effect to the exercise of the Warrant, Capricorn would hold 30% of the outstanding New Common Equity. The foregoing percentage is subject to dilution on the same basis as the New Common Equity to be issued to the Noteholders. The Warrant will be exercisable in whole or in part, at any time or from time to time, for a period of 24 months, beginning on the Effective Date. The aggregate exercise price of the Warrant is determined by first determining the sum of principal plus accrued and unpaid interest on the Old Notes through the Effective Date, less $140 million, divided by 18.875%, then divided by the aggregate number of shares of common stock initially issuable upon exercise of the Warrant (the "*Initial Sum*"). Next, an implied rate of interest equal to 10.47% compounded semi-annually, will be applied to the Initial Sum and computed from the Effective Date through the date of exercise. A form of warrant is annexed to this Plan as Exhibit 3, the terms of which are incorporated herein.

(ccccc) "Working Capital Facility" means that certain senior secured credit facility in an amount not to exceed $10 million to be entered into by certain of the Reorganized Debtors.

Section 1.2 *Time.* Whenever the time for the occurrence or happening of an event as set forth in this Plan falls on a day which is a Saturday, Sunday, or legal holiday under the laws of the United States of America or the State of Delaware, then the time for the next occurrence or happening of said event shall be extended to the next day following which is not a Saturday, Sunday, or legal holiday.

ARTICLE II
CLASSIFICATION OF CLAIMS AND INTERESTS; IMPAIRMENT

Section 2.1 *Summary.* The categories of Claims and Interests set forth below classify all Claims against and Interests in the Debtors for all purposes of this Plan. This Plan is premised upon the substantive consolidation of the Debtors for Plan purposes only. Accordingly, for Plan purposes, the assets and liabilities of the Debtors are deemed the assets and liabilities of a single, consolidated entity and any Intercompany Claims are eliminated. A Claim or Interest shall be deemed classified in a particular Class only to the extent the Claim or Interest

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qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such different Class. The treatment with respect to each Class of Claims and Interests provided for in this Article II shall be in full and complete satisfaction, release, and discharge of such Claims and Interests.

The classification of Claims under this Plan is as follows:

Class	Designation	Impairment	Entitled to Vote
1	Other Secured Claims	Unimpaired	No
2	Priority Claims	Unimpaired	No
3	Secured Notes Claims	Impaired	Yes
4	General Unsecured Claims	Unimpaired	No
5	MFOC Note Claim	Impaired	Yes
6	Intercompany Claims	Impaired	No
7	Section 510(b) Claims	Impaired	No

The classification of Interests under this Plan is as follows:

Class	Designation	Impairment	Entitled to Vote
8A	MFOC Equity Interests	Impaired	Yes
8B	MFOC Subsidiary Interests	Unimpaired	No
8C	MFFB Subsidiary Interests	Unimpaired	No

Section 2.2 *Deemed Acceptance of Plan.* Classes 1, 2, 4, 8B and 8C are Unimpaired under this Plan. Accordingly, pursuant to section 1126(f) of the Bankruptcy Code, Classes 1, 2, 4, 8B and 8C are deemed to accept this Plan and are not entitled to vote to accept or reject this Plan.

Section 2.3 *Deemed Rejection of Plan.* Classes 6 and 7 are Impaired under this Plan. Accordingly, pursuant to section 1126(g) of the Bankruptcy Code, Classes 6 and 7 are deemed to reject this Plan and are not entitled to accept or reject this Plan.

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ARTICLE III
TREATMENT OF CLAIMS AND INTERESTS

Section 3.1 *Class 1 -- Other Secured Claims.*

(a) Classification: Class 1 consists of all Other Secured Claims.

(b) Treatment: The legal, equitable, and contractual rights of the Holders of Class 1 Other Secured Claims are unaltered by this Plan. Unless the Holder of such Claim and the Plan Proponents agree to a different treatment, each Holder of an Allowed Class 1 Other Secured Claim shall receive, in full and final satisfaction of such Allowed Class 1 Other Secured Claim, one of the following alternative treatments:

1. the legal, equitable and contractual rights to which such Claim entitles the Holder thereof shall be reinstated and the Holder paid in accordance with such legal, equitable, and contractual rights;

2. the Debtors shall surrender all collateral securing such Claim to the Holder thereof, in full satisfaction of such Holder's Allowed Class 1 Other Secured Claim, without representation or warranty by or recourse against the Debtors or Reorganized Debtors; or

3. such Allowed Class 1 Other Secured Claim will be otherwise treated in a manner so that such Claim shall be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

The proposed treatment of each Class 1 Other Secured Claim shall be selected by the Plan Proponents. Any default with respect to any Class 1 Other Secured Claim that occurred prior to the Effective Date shall be deemed cured upon the Effective Date.

(c) Voting: Class 1 is an Unimpaired Class, and the Holders of Allowed Class 1 Other Secured Claims are conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 1 Other Secured Claims are not entitled to vote to accept or reject this Plan.

Section 3.2 *Class 2 -- Priority Claims.*

(a) Classification: Class 2 consists of all Priority Claims.

(b) Treatment: The legal, equitable, and contractual rights of the Holders of Class 2 Priority Claims are unaltered by this Plan. Unless the Holder of such Claim and the Plan Proponents agree to a different treatment, each Holder of an Allowed Class 2 Priority Claim shall receive, in full and final satisfaction of such Allowed Class 2 Priority Claim, one of the following alternative treatments:

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1. to the extent then due and owing on the Effective Date, such Allowed Class 2 Priority Claim will be paid in full in Cash by the Debtors or the Reorganized Debtors on, or as soon as practical after, the Effective Date;

2. to the extent not due and owing on the Effective Date, such Allowed Class 2 Priority Claim will be paid in full in Cash by the Debtors or the Reorganized Debtors when and as such Allowed Class 2 Priority Claim becomes due and owing in the ordinary course of business; or

3. such Allowed Class 2 Priority Claim will be otherwise treated in a manner so that such Allowed Class 2 Priority Claim shall be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

The proposed treatment of each Class 2 Priority Claim shall be selected by the Plan Proponents.

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

Section 3.3 *Class 3 -- Secured Note Claims.*

(a) Classification: Class 3 consists of all Secured Notes Claims. The Secured Notes Claims are Allowed in full and shall not be subject to any avoidance, reductions, set off, offset, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaims, cross-claims, defenses, disallowance, impairment, or any other challenges under any applicable law or regulation by any person or entity. The Secured Notes Claims are Allowed in an amount not less than $195,747,000 plus applicable fees, charges, costs, and interest accrued but unpaid as of the Filing Date.

(b) Treatment: On the Effective Date, in exchange for their Allowed Secured Notes Claims against each of the Debtors, Holders of Allowed Secured Notes Claims shall receive, on a Pro Rata basis, (i) the Noteholder Cash, (ii) the New Notes, and (iii) 87.5% of the New Common Equity issued and outstanding as of the Effective Date. The Holders of Allowed Secured Notes Claims shall be deemed to waive their Secured Notes Deficiency Claim on the Effective Date.

(c) Voting: Class 3 is Impaired. Pursuant to section 1126 of the Bankruptcy Code, each Holder of Class 3 Allowed Secured Notes Claims is entitled to vote to accept or reject this Plan.

Section 3.4 *Class 4 -- General Unsecured Claims.*

(a) Classification: Class 4 consists of all General Unsecured Claims.

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(b) Treatment: On the later of the Effective Date and the date on which such Claims are Allowed, or, in each case, as soon thereafter as practicable, each Holder of an Allowed General Unsecured Claim in Class 4 shall be paid in full and final satisfaction of such Holder's Allowed General Unsecured Claim the allowed and undisputed amount of such Claim in Cash; *provided, however*, that the Debtors do not waive their rights to contest the amount and validity of any disputed, contingent or unliquidated Claim in the manner and venue in which such Claim would have been determined, resolved or adjudicated if the Bankruptcy Cases had not been commenced. A General Unsecured Claim that is not due and payable on or before the Effective Date shall be paid thereafter (i) in the ordinary course of business in accordance with the terms of any agreement that governs such General Unsecured Claim, or (ii) in accordance with the course of practice between the Debtors and such Holder with respect to such General Unsecured Claim.

(c) Voting: Class 4 is an Unimpaired Class and the Holders of Class 4 General Unsecured Claims are conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Allowed Class 4 General Unsecured Claims are not entitled to vote to accept or reject this Plan.

Section 3.5 *Class 5 – MFOC Note Claim.*

(a) Classification: Class 5 consists of the MFOC Note Claim. The MFOC Note Claim is Allowed in full and shall not be subject to any avoidance, reductions, set off, offset, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaims, cross-claims, defenses, disallowance, impairment, or any other challenges under any applicable law or regulation by any person or entity. The MFOC Note Claim is Allowed in an amount not less than $6,478,030 plus applicable fees, charges, costs and interest accrued but unpaid as of the Filing Date.

(b) Treatment: On the Effective Date, the Holder of the Allowed MFOC Note Claim in Class 5 shall receive, (i) 12.5% of the New Common Equity issued and outstanding as of the Effective Date, (ii) the Warrant, and (iii) $1.049 million in cash.

(c) Voting: Class 5 is Impaired. Pursuant to section 1126 of the Bankruptcy Code, the Holder of the Class 5 MFOC Note Claim is entitled to vote to accept or reject this Plan.

Section 3.6 *Class 6 – Intercompany Claims.*

(a) Classification: Class 6 consists of the Intercompany Claims.

(b) Treatment: The Intercompany Claims will be discharged on the Effective Date and the Holders of such Claims shall receive no recovery under this Plan.

(c) Voting: Class 6 is an Impaired Class and pursuant to section 1126(g) of the Bankruptcy Code, the Holders of the Class 6 Intercompany Claim are conclusively deemed to reject this Plan.

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Section 3.7 *Class 7 – Section 510(b) Claims.*

(a) Classification: Class 7 consists of the Section 510(b) Claims.

(b) Treatment: The Section 510(b) Claims shall be deemed canceled and extinguished and shall be discharged on the Effective Date and the Holders of such Claims shall receive no recovery under this Plan.

(c) Voting: Class 7 is an Impaired Class and pursuant to section 1126(g) of the Bankruptcy Code, the Holders of the Class 7 Section 510(b) Claims are conclusively deemed to reject this Plan.

Section 3.8 *Classes 8A – 8C Interests.*

(a) Classification: Class 8A consists of the MFOC Equity Interests, Class 8B consists of the MFOC Subsidiary Interests, and Class 8C consists of the MFFB Subsidiary Interests.

(b) Treatment: MFH, as the Holder of the MFOC Equity Interests in Class 8A, shall receive no recovery under this Plan other than the releases and injunctive relief described in Sections 11.3 and 11.6 of this Plan. MFOC, as the Holder of the MFOC Subsidiary Interests in Class 8B, shall have such Interests reinstated on the Effective Date and remain the 100% parent company of MFFB. MFFB, as the Holder of the MFFB Subsidiary Interests in Class 8C, shall have such Interests reinstated on the Effective Date and remain the 100% parent company of each of its subsidiaries who are Debtors.

(c) Voting: Class 8A is an Impaired Class. Pursuant to section 1126 of the Bankruptcy Code, the Holder of Class 8A MFOC Equity Interests is entitled to vote to accept or reject this Plan. Classes 8B and 8C are Unimpaired Classes and the Holders of Class 8B MFOC Subsidiary Interests and 8C MFFB Subsidiary Interests are conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Allowed Class 8B MFOC Subsidiary Interests and Class 8C MFFB Subsidiary Interests are not entitled to vote to accept or reject this Plan.

Section 3.9 *Special Provision Governing Unimpaired Claims.* Except as otherwise provided in this Plan, nothing under this Plan is intended to or shall affect the Debtors' or Reorganized Debtors' rights and defenses in respect of any Claim that is Unimpaired under this Plan, including, without limitation, all rights in respect of legal and equitable defenses to or setoffs or recoupment against or counter-claims with respect to such Unimpaired Claims.

ARTICLE IV
TREATMENT OF UNCLASSIFIED CLAIMS

Section 4.1 *Summary.* Pursuant to section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims against the Debtors are not classified for purposes of voting on, or receiving Distributions under, this Plan. Holders of such Claims are not entitled to vote on this Plan. All such Claims are instead treated

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separately in accordance with this Article IV and in accordance with the requirements set forth in section 1129(a)(9) of the Bankruptcy Code.

Section 4.2 *Administrative Expense Claims.*

(a) Subject to the provisions of sections 328, 330(a) and 331 of the Bankruptcy Code, each Holder of an Allowed Administrative Expense Claim will be paid the full unpaid amount of such Allowed Administrative Expense Claim in Cash on the latest of (i) on, or as soon as reasonably practical after, the Effective Date, (ii) as soon as practicable after the date on which such Claim becomes an Allowed Administrative Expense Claim, (iii) upon such other terms as may be agreed upon by such Holder and the Noteholder Committee or the Reorganized Debtors, or (iv) as otherwise ordered by the Bankruptcy Court; *provided, however*, that Allowed Administrative Expense Claims representing obligations incurred by the Debtors in the ordinary course of business, or otherwise assumed by the Debtors on the Effective Date pursuant to this Plan, including any tax obligations arising after the Filing Date, will be paid or performed by the Reorganized Debtors when due in accordance with the terms and conditions of the particular agreements or non-bankruptcy law governing such obligations.

(b) Except as otherwise provided in this Plan, any Person asserting an Administrative Expense Claim, other than an Administrative Expense Claim (i) arising from the operation by the Debtors of their business in the ordinary course of business, or (ii) to the extent permitted by law, with respect to the fees and expenses of the Noteholder Committee and its professionals, and the fees and expenses of the Old Notes Trustee and its counsel, shall file a request for payment of such Administrative Expense Claim with the clerk of the Bankruptcy Court within thirty days after the occurrence of the Effective Date. At the same time any Person files a request for payment of an Administrative Expense Claim, such Person shall also serve a copy of the request for payment of an Administrative Expense Claim upon counsel for the Reorganized Debtors. Any Person who fails to timely file and serve a request for payment of such Administrative Expense Claim shall be forever barred from seeking payment of such Administrative Expense Claim by the Debtors, the Estates, or the Reorganized Debtors.

(c) Any Person seeking an award by the Bankruptcy Court of Professional Compensation shall file a final application with the Bankruptcy Court for allowance of Professional Compensation for services rendered and reimbursement of expenses incurred through the Effective Date within thirty days after the occurrence of the Effective Date.

Section 4.3 *Priority Tax Claims.* With respect to any Allowed Priority Tax Claims not paid pursuant to prior Bankruptcy Court order, except to the extent that a holder of an Allowed Priority Tax Claim agrees to different treatment, each holder of an Allowed Priority Tax Claim will receive, at the option of the Plan Proponents, (i) on the Effective Date, Cash in an amount equal to such Allowed Priority Tax Claim, or (ii) commencing on the first anniversary of the Effective Date and continuing on each anniversary thereafter over a period not exceeding five years after the Filing Date, equal annual Cash payments in an aggregate amount equal to such Allowed Priority Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the option of the Plan Proponents, to prepay the entire remaining amount of the Allowed Priority Tax Claim at any time, or (iii) upon such other terms determined

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by the Bankruptcy Court to provide the Holder of such Allowed Priority Tax Claim deferred Cash payments having a value, as of the Effective Date, equal to such Allowed Priority Tax Claim. All Allowed Priority Tax Claims which are not due and payable on or before the Effective Date will be paid in the ordinary course of business as such obligations become due.

ARTICLE V
ACCEPTANCE OR REJECTION OF THIS PLAN

Section 5.1 *Voting Classes.* Each Holder of an Allowed Claim or Interest, as applicable, in Classes 3, 5, and 8A shall be entitled to vote to accept or reject this Plan.

Section 5.2 *Acceptance by Voting Classes.* Holders of Allowed Claims or Interests in Classes 3, 5, and 8A shall have accepted this Plan if (i) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount and one-half in number of the Allowed Claims actually voting in Classes 3 and 5 have voted to accept this Plan, and (ii) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Interests actually voting in Class 8A have voted to accept this Plan.

Section 5.3 *Presumed Acceptance of Plan.* Classes 1, 2, 4, 8B and 8C are Unimpaired under this Plan, and are therefore presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code.

Section 5.4 *Presumed Rejection of Plan.* Classes 6 and 7 are Impaired under this Plan, and are therefore presumed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code.

Section 5.5 *Non-Consensual Confirmation.* To the extent that any of Classes 3, 5 and 8A vote to reject this Plan, the Plan Proponents reserve the right to seek (i) Confirmation of this Plan under section 1129(b) of the Bankruptcy Code, and/or (ii) modify this Plan in accordance with Section 14.1 hereof.

ARTICLE VI
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Section 6.1 *Assumption and Rejection of Executory Contracts and Unexpired Leases.* On the Effective Date, all Executory Contracts or Unexpired Leases of any of the Debtors will be deemed assumed in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, except those Executory Contracts or Unexpired Leases that (i) have been previously assumed or rejected by any Debtor (with the consent of the Noteholder Committee) pursuant to an order of the Bankruptcy Court, (ii) previously expired or terminated pursuant to its own terms, (iii) are the subject of a motion to assume or reject filed by any Debtor (with the consent of the Noteholder Committee) which is pending on the Effective Date, (iv) are identified as being Rejected Contracts on Schedule 6.1 to the Plan, or (v) are assumed or rejected pursuant to the terms of the Plan. An Executory Contract

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or Unexpired Lease that is deemed to be assumed pursuant to the foregoing sentence shall be referred to as an "*Assumed Contract*." The Plan Proponents shall file Schedule 6.1 (the contents of which shall be acceptable to the Plan Proponents each in their sole discretion) with the Bankruptcy Court and serve Schedule 6.1 on the non-Debtor parties under the agreements listed thereon no later than ten days prior to the last date for filing objections to confirmation of the Plan; *provided, however*, that the Plan Proponents may amend Schedule 6.1 at any time prior to the Confirmation Hearing; *provided, further*, that Claims arising from the rejection of Executory Contracts and Unexpired Leases shall not be deemed Allowed under the Plan unless and until a proof of claim has been filed pursuant to Section 6.2 of the Plan and the Claim is subsequently Allowed pursuant to Section 1.1(c) of the Plan.

Entry of the Confirmation Order by the Bankruptcy Court shall constitute findings by the Bankruptcy Court (1) approving the rejection of the Rejected Contracts and (2) with respect to the Assumed Contracts, that (i) the Reorganized Debtors had properly provided for the cure of any defaults that might have existed, (ii) each assumption was in the best interest of the Reorganized Debtors, their Estates, and all parties in interest in the Chapter 11 Cases and (iii) the requirements for assumption of any executory contract or unexpired lease to be assumed had been satisfied. Except as otherwise provided in the following sentence, all cure payments under any Assumed Contract will be made by the Reorganized Debtors on the Effective Date or as soon as practicable thereafter, *provided, however*, that any Claim arising on account of Cure Amounts shall be deemed to have been waived by any Non-Debtor Affiliate who is party to an Assumed Contract. In the event of a dispute, cure payments required by section 365(b)(1) of the Bankruptcy Code shall be paid upon entry of a Final Order resolving such dispute. Each Executory Contract or Unexpired Lease that is assumed by any Debtor (with the consent of the Noteholder Committee) under the Plan and pursuant to the Confirmation Order or pursuant to any other Final Order entered by the Bankruptcy Court shall be deemed to be assigned to the Reorganized Debtors on the later of (i) the Effective Date or (ii) the date of assumption.

All of the Debtors' programs, plans, agreements and arrangements relating to non-executive employee compensation and benefits, including, without limitation, all savings plans, retirement plans, healthcare plans, disability plans, severance plans, incentive plans, and life, accidental death and dismemberment insurance plans, entered into before the Filing Date and not since terminated, will be deemed to be, and will be treated as though they are, executory contracts that are assumed under this Section 6.1 of the Plan, and the Debtors' and Reorganized Debtors' obligations under such programs, plans, agreements and arrangements will survive confirmation of the Plan and will be fulfilled in the ordinary course of business.

Section 6.2 *Rejection Damages Claims.* All proofs of claim with respect to Claims arising from the rejection pursuant to this Plan of the Rejected Contracts, if any, must be filed with the clerk of the Bankruptcy Court and served upon counsel for the Reorganized Debtors within thirty days of the occurrence of the Effective Date. Any Claim arising from the rejection of Executory Contracts or Unexpired Leases that becomes an Allowed Claim is classified and shall be treated as a Class 4 General Unsecured Claim, as applicable; *provided, however*, that any Claim arising from a Rejected Contract shall be deemed to have been waived by any Non-Debtor Affiliate who is party to such a Rejected Contract. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not filed within the time

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required by this section will be forever barred from assertion against the Debtors, the Reorganized Debtors, the Estates, or property of the Debtors or Reorganized Debtors.

Section 6.3 *Employment Agreements.* Except as otherwise provided in this Plan, to the extent the Debtors had employment agreements with any of their executives and key employees as of the Filing Date, the Plan Proponents will disclose on Schedule 6.1 whether they intend to reject such contracts. Notwithstanding anything to the contrary in this Plan, the Reorganized Debtors shall maintain all of their existing rights, including, without limitation, any rights that they may have to amend, modify, or terminate, the employment agreements assumed pursuant to this article, subject to the existing contractual rights, if any, of the directors, officers or employees affected thereby. All employment agreements assumed pursuant to this Section 6.3 of this Plan shall be deemed modified such that transactions contemplated by this Plan shall not be a "change in control" as defined in the relevant employment agreements. Any Holder of a Claim arising from the rejection of an employment agreement must file a proof of claim with the Bankruptcy Court within thirty days of the deemed rejection. Any Claims arising from the rejection of an employment agreement not filed within the time required by this section will be forever barred from assertion against the Debtors, the Reorganized Debtors, the Estates or property of the Debtors or Reorganized Debtors.

Section 6.4 *Management Incentive Plan.* The Board of Directors of Reorganized MFOC shall have the authority to establish a Management Incentive Plan that shall be acceptable to the Noteholder Committee, as soon as practicable after the Effective Date, to provide designated members of senior management of the Reorganized Debtors with warrants and/or options for up to 10% of the equity of Reorganized MFOC, on a fully diluted basis, being reserved for issuance to senior management at the same strike price as the Warrant. The Management Incentive Plan will contain terms and conditions that shall be determined by the Board of Directors of Reorganized MFOC.

ARTICLE VII
MEANS FOR IMPLEMENTATION OF PLAN

Section 7.1 *Continued Legal Existence.* Except as otherwise provided in this Plan, each of the Debtors will continue to exist after the Effective Date as a separate legal entity, with all the powers of such an entity (whether a corporation, limited liability company or other entity, as appropriate) under applicable law in the jurisdiction in which each applicable Debtor is incorporated or otherwise formed and pursuant to its certificate or articles of incorporation and by-laws or other organizational documents in effect prior to the Effective Date, except to the extent such certificate or articles of incorporation and by-laws or other organizational documents are amended by this Plan, without prejudice to any right to terminate such existence (whether by merger or otherwise) under applicable law after the Effective Date.

Section 7.2 *Sources of Cash for Distribution.* All Cash necessary for the Reorganized Debtors to make payments required by this Plan shall be obtained from existing Cash balances, the Net Cash Proceeds held by the Old Notes Trustee, the operations of the Debtors or Reorganized Debtors or the Working Capital Facility.

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Section 7.3 *Entry into Working Capital Facility.* On or before the Effective Date, certain of the Reorganized Debtors (as borrowers or guarantors) and certain of the members of the Noteholder Committee (as lenders) shall enter into the Working Capital Facility on terms and conditions consistent with those contained in the term sheet describing the Working Capital Facility that was filed with the Plan Supplement.

In order to implement the Working Capital Facility, the New Notes Indenture shall contain the following provisions. Section 12.11 of the New Notes Indenture shall provide that (i) the liens securing the New Notes shall be (a) junior in priority to the liens securing the Working Capital Facility on Collateral (as defined in the New Notes Indenture) consisting of the accounts receivable and inventory of the Reorganized Debtors, and (b) *pari passu* in priority to the liens securing the Working Capital Facility on any additional Collateral and (ii) in the event of a subsequent bankruptcy or liquidation, proceeds in connection with any disposition of, or collection on, the Collateral shall be first applied to the balance of the Working Capital Facility, with any remaining proceeds applied to the New Notes. Similar changes shall be made in the definition of Senior Secured Facility. Section 3.07 of the New Notes Indenture shall provide that only Net Cash Proceeds (as defined in the New Notes Indenture) received from the exercise of the Warrants shall be applied as a mandatory prepayment on the New Notes. The Net Cash Proceeds from any other issuance of Capital Stock (as defined in the New Notes Indenture) may be utilized in any manner not prohibited by the New Notes Indenture.

Section 7.4 *Reinstatement of Interests.* There shall be no reinstatement or other recovery for the Interests held directly by MFH in MFOC in accordance with the terms of the Plan. The MFOC Subsidiary Interests held directly by MFOC and the MFFB Subsidiary Interests held by MFFB or its Subsidiary Debtors shall be reinstated in accordance with the terms of the Plan.

Section 7.5 *Cancellation of Existing Securities and Agreements/Discharge of Old Notes Trustee.* Except as set forth in the Plan, upon the Effective Date, the Existing Securities shall be cancelled and the holders thereof shall have no further rights or entitlements in respect thereof against the Debtors or Non-Debtor Affiliates except the rights to receive the distributions to be made to such holders under the Plan and all Liens against Non-Debtor Affiliates shall be automatically released. To the extent possible, distributions to be made under the Plan to the beneficial owners of the Old Notes shall be made through The Depository Trust Company ("*DTC*") and its participants. The Confirmation Order shall authorize and direct the Old Notes Trustee to take whatever action may be necessary or appropriate, in its reasonable discretion, to deliver the distributions, including, without limitation, obtaining an order of the Bankruptcy Court. On the Effective Date, the Old Notes Trustee and its agents shall be discharged of all their obligations associated with (i) the Old Notes, (ii) the Old Notes Indenture, and (iii) any related documents, and released from all Claims arising in the Bankruptcy Cases. As of the Effective Date, the Old Notes Indenture shall be deemed fully satisfied and cancelled, except that such cancellation shall not impair the rights of the Holders of the Old Notes to receive distributions under the Plan, or the rights of the Old Notes Trustee under the Indenture Trustee Charging Lien, to the extent that the Old Notes Trustee has not received payment as provided for in Section 7.5 of the Plan. On the Effective Date, all Liens in favor of

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the Old Notes Trustee for the benefit of the holders of the Old Notes or otherwise arising under the Old Notes Indenture shall be deemed released.

Section 7.6 *Old Notes Trustee and Noteholder Committee Expenses.* To the extent permitted by law, all outstanding fees and expenses of (i) the Old Notes Trustee and its counsel and (ii) the Noteholder Committee and its professionals shall be paid in Cash on the Effective Date by the Debtors or Reorganized Debtors as an Administrative Expense Claim, without the need for application to, or approval of, the Bankruptcy Court. To the extent that the Old Notes Trustee in its capacity as trustee under the Indenture provides services related to the Distributions pursuant to this Plan, the Old Notes Trustee will be paid by the Reorganized Debtors, without Bankruptcy Court approval, the reasonable compensation for such services and reimbursement of reasonable expenses incurred in connection therewith, with such payments to be made on terms agreed to between the Old Notes Trustee and the Reorganized Debtors.

Section 7.7 *Deferred Blackstone Fee.* The Reorganized Debtors will pay not later than December 31, 2008 or earlier, should there be available net proceeds from the sale of TCBY, if sold, or any of the NexCen Shares, the remainder of the fees and expenses payable to Blackstone for its financial advisory work for the Debtors. The Debtors estimate that the amount of such fees and expenses to be so paid will be approximately $1.0 million.

Section 7.8 *Corporate Action.* Each of the matters provided for under this Plan involving the corporate structure of any Debtor or Reorganized Debtor or any corporate action to be taken by or required of any Debtor or Reorganized Debtor, including, without limitation, the adoption of the certificates of incorporation and bylaws of each of the Reorganized Debtors as provided for in Section 8.1 of this Plan, shall be deemed to have occurred and be effective as provided herein, and shall be authorized, approved and, to the extent taken prior to the Effective Date, ratified in all respects without any requirement of further action by stockholders, members, creditors, directors, or managers of any of the Debtors or the Reorganized Debtors.

Section 7.9 *Preservation of Causes of Action.* In accordance with section 1123(b)(3) of the Bankruptcy Code the Reorganized Debtors will retain and may (but are not required to) enforce all Retained Actions. After the Effective Date, the Reorganized Debtors, in their sole and absolute discretion, shall have the right to bring, settle, release, compromise, or enforce such Retained Actions (or decline to do any of the foregoing), without further approval of the Bankruptcy Court. The Reorganized Debtors or any successors, in the exercise of their sole discretion, may pursue such Retained Actions so long as it is in the best interests of the Reorganized Debtors or any successors holding such rights of action. The failure of the Debtors to specifically list any claim, right of action, suit, proceeding or other Retained Action in this Plan does not, and will not be deemed to, constitute a waiver or release by the Debtors or the Reorganized Debtors of such claim, right of action, suit, proceeding or other Retained Action, and the Reorganized Debtors will retain the right to pursue such claims, rights of action, suits, proceedings and other Retained Actions in their sole discretion and, therefore, no preclusion doctrine, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise) or laches will apply to such claim, right of action, suit, proceeding, or other Retained Action upon or after the confirmation or consummation of this Plan.

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Section 7.10 *Effectuating Documents; Further Transactions.* Each of the Debtors (subject to the consent of the Noteholder Committee) and Reorganized Debtors, and their respective officers and designees, is authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan, or to otherwise comply with applicable law.

Section 7.11 *Exemption From Certain Transfer Taxes and Recording Fees.* Pursuant to section 1146(a) of the Bankruptcy Code, any transfers from a Debtor to a Reorganized Debtor or to any other Person or entity pursuant to this Plan, or any agreement regarding the transfer of title to or ownership of any of the Debtors' real or personal property will not be subject to any document recording tax, stamp tax, conveyance fee, sales tax, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, or other similar tax or governmental assessment, and the Confirmation Order will direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

Section 7.12 *Further Authorization.* The Reorganized Debtors shall be entitled to seek such orders, judgments, injunctions, and rulings as they deem necessary to carry out the intentions and purposes, and to give full effect to the provisions, of this Plan.

ARTICLE VIII
PROVISIONS REGARDING CORPORATE GOVERNANCE OF REORGANIZED DEBTORS

Section 8.1 *Certificates of Incorporation and By-Laws.* The organizational documents of each Reorganized Debtor shall be amended to conform with the requirements of section 1123(a)(6) of the Bankruptcy Code.

Section 8.2 *Directors and Officers of Reorganized Debtors.*

(a) Directors. Pursuant to the Term Sheet, the initial Board of Directors of Reorganized MFOC shall consist of seven directors, four of whom shall be designated by the Noteholder Committee, and two of whom shall be designated jointly by Capricorn. The chief executive officer of Reorganized MFOC shall be the seventh director. The identities of the members of the initial Board of Directors to be designated by the Noteholder Committee and the identity of the chief executive officer have not been determined as of the date of this Plan and shall be disclosed in the Plan Supplement. The members of the initial Board of Directors to be designated by Capricorn are expected to be Don K. Rice and John D. Collins, each of whom is currently a director of MFFB, though it is possible that either or both of them may decline to be so designated prior to the Effective Date. The members of the initial Boards of Directors or equivalent governing bodies for the Reorganized Subsidiaries shall be selected by the initial Board of Directors for Reorganized MFOC and shall consist of officers or directors of the Reorganized Debtors. To the extent any such Person is an Insider (as defined in section 101(31)

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of the Bankruptcy Code), the nature of any compensation for such Person will also be disclosed prior to the Confirmation Hearing. Each of the Persons on the initial Boards of Directors of the respective Reorganized Debtors shall serve in accordance with the certificates of incorporation and bylaws of the respective Reorganized Debtor, as the same may be amended from time to time.

(b) Officers. The identities of the initial officers of the Reorganized Debtors have not been determined as of the date hereof and shall be disclosed in the Plan Supplement. To the extent any such Person is an Insider (as defined in section 101(31) of the Bankruptcy Code), the nature of any compensation for such Person will also be disclosed at such time. The initial officers shall serve in accordance with the certificates of incorporation and bylaws of the applicable Reorganized Debtor, as the same may be amended from time to time.

Section 8.3 *Issuance of New Securities*

(a) New Common Equity. On the Effective Date, Reorganized MFOC shall issue shares of New Common Equity pursuant to the Plan. The certificate of incorporation and by-laws for Reorganized MFOC, forms of which are annexed hereto as Exhibits 1 and 2 and are described in Appendix I to the Disclosure Statement, sets forth the rights of the New Common Equity. The New Common Equity shall be issued subject to the Stockholders Agreement, a form of which is annexed hereto as Exhibit 5 and described in Appendix III to the Disclosure Statement.

(b) Warrant. On the Effective Date, Reorganized MFOC shall (i) issue the Warrant, a substantially similar form of which is annexed hereto as Exhibit 3 and described in Appendix IV to the Disclosure Statement, and (ii) have authorized the issuance of New Common Equity issuable under the Warrant.

(c) New Notes. On the Effective Date, Reorganized MFFB and Reorganized MFFC, as co-issuers, shall issue $50 million in principal amount of New Notes (as described in Section 1.1, subject to an increase by the amount by which the Noteholder Cash is less than $90 million), which New Notes incorporate the terms and conditions set forth in the New Notes Indenture annexed hereto as Exhibit 4 and described in Appendix II to the Disclosure Statement. The "issue price" and "yield to maturity" of a New Note for U.S. federal income tax purposes shall be determined by the co-issuers and shall be binding on all holders and persons holding beneficial interests in the New Notes.

Section 8.4 *Stockholders Agreement.* All holders of the New Common Equity and Warrant will be subject to the Stockholders Agreement which will, among other things, govern each holder of New Common Equity's and Warrant's access to information with respect to the Reorganized Debtors and the ability to transfer such holder's New Common Equity and Warrant. Each certificate representing share(s) of New Common Equity or Warrant shall bear a legend indicating that the New Common Equity and Warrant are subject to the Stockholders Agreement. The Stockholders Agreement, a form of which is annexed hereto as Exhibit 5 and described in Appendix III to the Disclosure Statement, will be effective as of the Effective Date.

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ARTICLE IX
DISTRIBUTIONS UNDER THE PLAN

Section 9.1 *Disbursing Agent.* Unless otherwise provided for herein, all Distributions under this Plan shall be made by the Reorganized Debtors or their agent. Notwithstanding the foregoing, all Distributions to the Holders of Allowed Secured Notes Claims shall be made by the applicable Reorganized Debtor to such Holders through the Old Notes Trustee.

Section 9.2 *Distributions of Cash.* Any Distribution of Cash made by the Reorganized Debtors pursuant to this Plan shall, at the Reorganized Debtor's option, be made by check drawn on a domestic bank or by wire transfer from a domestic bank.

Section 9.3 *Time Bar to Cash Payments.* Checks issued in respect of Allowed Claims shall be null and void if not negotiated within one hundred and eighty days after the date of issuance thereof. Requests for reissuance of any voided check shall be made directly to the Debtors or Reorganized Debtors by the holder of the Allowed Claim to whom such check was originally issued. Any Claim in respect of such a voided check shall be made on or before the later of (a) the first anniversary of the date on which such Distribution or payment was made and (b) one hundred and eighty days after the date of the issuance of such check. If no Claim is made as provided in the preceding sentence, all Claims in respect of void checks shall be discharged and forever barred and such unclaimed Distributions shall revert to the Debtors or Reorganized Debtors.

Section 9.4 *No Interest on Claims or Interests.* Unless otherwise specifically provided for in this Plan, the Confirmation Order, or a postpetition agreement in writing between the Debtors and a Holder, postpetition interest shall not accrue or be paid on Claims, and no Holder shall be entitled to interest accruing on or after the Filing Date on any Claim; *provided, however*, that in accordance with the Term Sheet, the Old Notes and MFOC Note shall accrue interest through the Effective Date. Additionally, and without limiting the foregoing, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a Final Distribution is made when and if such Disputed Claim becomes an Allowed Claim.

Section 9.5 *Delivery of Distributions.* The Distribution to a Holder of an Allowed Claim shall be made by the Reorganized Debtors (i) at the last known address of such Holder according to the Debtors' books and records; (ii) at the address set forth on any proof of Claim filed by such Holder or at the address set forth in any written notices of address change delivered to the Debtors or Reorganized Debtors after the date of any related proof of Claim, or (iii) in the case of Secured Notes Claims, to the Old Notes Trustee for ultimate distribution to the Holders of such Secured Notes Claims. If any Holder's Distribution is returned as undeliverable, no further Distributions to such Holder shall be made unless and until the Reorganized Debtors are notified of such Holder's then-current address, at which time all missed Distributions shall be made to such Holder without interest. All Distributions returned to the Reorganized Debtors and not claimed within six months of return shall be irrevocably retained by the Reorganized Debtors notwithstanding any federal or state escheat laws to the

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contrary. Upon such reversion, the claim of any Holder or their successors with respect to such property shall be discharged and forever barred notwithstanding any federal or state escheat laws to the contrary.

Section 9.6 *Distributions to Holders as of the Distribution Record Date.* All Distributions on Allowed Claims, except for distributions to Holders of Secured Notes Claims, shall be made to the Record Holders of such Claims. As of the close of business on the Distribution Record Date, there shall be no further changes in the Record Holder of any Claim. The Reorganized Debtors shall have no obligation to recognize any transfer of any Claim occurring after the Distribution Record Date. The Reorganized Debtors shall instead be entitled to recognize and deal for all purposes under this Plan with the Record Holders as of the Distribution Record Date. In the case of Secured Notes Claims, the distribution will be made to the Old Notes Trustee for ultimate distribution to the Holders of such Secured Notes Claims.

Section 9.7 *Fractional Securities; Fractional Dollars.* Any other provision of this Plan notwithstanding, payments of fractions of shares of New Common Equity will not be made and shall be deemed to be zero. Any other provision of this Plan notwithstanding, the Reorganized Debtors shall not be required to make Distributions or payments of fractions of dollars. Whenever any payment of a fraction of a dollar under this Plan would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

Section 9.8 *Withholding Taxes.* The Debtors or the Reorganized Debtors, as the case may be, shall comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all Distributions under this Plan shall be subject to any such withholding and reporting requirements.

ARTICLE X
PROCEDURES FOR TREATING AND RESOLVING DISPUTED CLAIMS

Section 10.1 *Objections to Claims.* The Reorganized Debtors shall be entitled to object to Claims, *provided, however*, that the Debtors and Reorganized Debtors shall not be entitled to object to Claims (i) that have been Allowed by a Final Order entered by the Bankruptcy Court prior to the Effective Date or (ii) that are Allowed by the express terms of this Plan. Any objections to Claims must be filed by the Claims Objection Deadline.

Section 10.2 *Estimation of Claims.* The Plan Proponents or the Reorganized Debtors, as the case may be, may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502 of the Bankruptcy Code regardless of whether the Plan Proponents or the Reorganized Debtors have previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and are not necessarily exclusive of one another.

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Section 10.3 *Resolution of Claims Objections.* On and after the Effective Date, the Reorganized Debtors shall have the authority to compromise, settle, otherwise resolve, or withdraw any objections to Claims without approval of the Bankruptcy Court.

Section 10.4 *Distributions After Allowance.* On the first Distribution Date after a Disputed General Unsecured Claim becomes an Allowed General Unsecured Claim, the Holder of an Allowed General Unsecured Claim shall receive the Distribution to which such Holder is then entitled *plus* any Distribution such Holder would have received on a prior Distribution Date had such Holder's Claim been Allowed on such prior Distribution Date; *provided, however*, if the date such General Unsecured Claim becomes entitled to a Distribution is less than twenty Business Days prior to the next Distribution Date, the Distribution with respect to such Claim will be made on the first Distribution Date that occurs more than twenty Business Days after the Claim becomes entitled to a Distribution. All Distributions made under this article of this Plan will be made together with any dividends, payments, or other Distributions made on account of, as well as any obligations arising from, the distributed property as if such Claim had been an Allowed Claim on the dates Distributions were previously made to Allowed Holders included in the applicable Class.

ARTICLE XI
EFFECT OF PLAN ON CLAIMS AND INTERESTS

Section 11.1 *Revesting of Assets.* Except as otherwise explicitly provided in this Plan, on the Effective Date, all property comprising the Estates (including Retained Actions, but excluding property that has been abandoned pursuant to an order of the Bankruptcy Court) shall revest in the Reorganized Debtors, free and clear of all Claims, Liens, charges, encumbrances, rights and Interests of creditors and equity security holders, except as specifically provided in this Plan. As of the Effective Date, the Reorganized Debtors may operate their businesses and use, acquire, and dispose of property and settle and compromise Claims or Interests without supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by this Plan or the Confirmation Order.

Section 11.2 *Release and Discharge of the Debtors.* Pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise specifically provided in this Plan or in the Confirmation Order, the Distributions and rights that are provided in this Plan shall be deemed to and hereby unconditionally and irrevocably release and discharge the Debtors, the Reorganized Debtors or their Estates from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that relates to any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date.

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Section 11.3 *Releases.*

(a) Debtor Releases. On the Effective Date, and to the greatest extent permissible by law, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtors and Reorganized Debtors, on behalf of themselves and their Estates shall be deemed to and hereby unconditionally and irrevocably release, waive and discharge all of the Debtors' respective officers serving on the Effective Date, current and former directors and managers, legal and financial advisors, and other representatives of the Debtors, in each case in their capacity as such, the Non-Debtor Affiliates, including the Holder of the MFOC Equity Interests as of the Filing Date, the shareholders of the Non-Debtor Affiliates, in their capacity as such, the current and former members of the Noteholder Committee including their legal and financial advisors, in each case in their capacity as such, and the Old Notes Trustee, including its legal and financial advisors, in each case in their capacity as such (collectively, the "*Debtor Released Parties*"), from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, the Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that relate to any pre-Filing Date act, omission, transaction, event or other occurrence, in any way relating to the Debtors, the Reorganized Debtors, the Bankruptcy Cases, the Plan, or the Disclosure Statement, except that no Debtor Released Party shall be released from any act or omission that constitutes willful misconduct or fraud.

(b) Non-Debtor Affiliate Releases. On the Effective Date, and to the greatest extent permissible by law, for good and valuable consideration, the adequacy of which is hereby confirmed, the Non-Debtor Affiliates, including the Holder of the MFOC Equity Interests as of the Filing Date, and the shareholders of the Non-Debtor Affiliates, in their capacity as such, shall be deemed to and hereby unconditionally and irrevocably release, waive and discharge the Debtors, and each of its and their Estates, Reorganized Debtors, all of the Debtors' respective officers serving on the Effective Date, current and former directors and managers, legal and financial advisors, and other representatives of the Debtors, in each case in their capacity as such, the current and former members of the Noteholder Committee including their legal and financial advisors, in each case in their capacity as such, and the Old Notes Trustee, including its legal and financial advisors, in each case in their capacity as such (collectively, the "*Non-Debtor Affiliate Released Parties*"), from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, the Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that relate to any pre-Filing Date act, omission, transaction, event or other occurrence, in any way relating to the Debtors, the Reorganized Debtors, the Bankruptcy Cases, the Plan, or the Disclosure Statement, except that no Non-Debtor Affiliate Released Party shall be released from any act or omission that constitutes willful misconduct or fraud.

(c) Noteholder Committee and Old Notes Trustee Releases. On the Effective Date, and to the greatest extent permissible by law, for good and valuable consideration, the

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adequacy of which is hereby confirmed, the current and former members of the Noteholder Committee, in their capacity as such, and the Old Notes Trustee, in its capacity as such, shall be deemed to and hereby unconditionally and irrevocably release, waive and discharge the Debtors, and each of its and their Estates, Reorganized Debtors, all of the Debtors' respective officers serving on the Effective Date, current and former directors and managers, legal and financial advisors, and other representatives of the Debtors, in each case in their capacity as such, and the Non-Debtor Affiliates, including the Holder of the MFOC Equity Interests as of the Filing Date, and the shareholders of the Non-Debtor Affiliates, in their capacity as such, (collectively, the "*Noteholder Committee Released Parties*"), from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, the Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that relate to any pre-Filing Date act, omission, transaction, event or other occurrence, in any way relating to the Debtors, the Reorganized Debtors, the Bankruptcy Cases, the Plan, or the Disclosure Statement, except that no Noteholder Committee Released Party shall be released from any act or omission that constitutes willful misconduct or fraud.

(d) Holder of Old Notes Releases. On the Effective Date, and to the greatest extent permissible by law, for good and valuable consideration, the adequacy of which is hereby confirmed, each Holder of Old Notes, in its capacity as such, that has not affirmatively exercised its option to opt out of this release provision, shall be deemed to and hereby unconditionally and irrevocably release, waive and discharge the Debtors, and each of its and their Estates, Reorganized Debtors, all of the Debtors' respective officers serving on the Effective Date, current and former directors and managers, legal and financial advisors, and other representatives of the Debtors, in each case in their capacity as such, and the current and former members of the Noteholder Committee including their legal and financial advisors, in each case in their capacity as such, and the Non-Debtor Affiliates, including the Holder of the MFOC Equity Interests as of the Filing Date, and the shareholders of the Non-Debtor Affiliates, in their capacity as such, and the Old Notes Trustee, including its legal and financial advisors, in each case in their capacity as such (collectively, the "*Old Notes Released Parties*"), from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, the Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that relate to any pre-Filing Date act, omission, transaction, event or other occurrence, in any way relating to the Debtors, the Reorganized Debtors, the Bankruptcy Cases, the Plan, or the Disclosure Statement, except that no Old Notes Released Party shall be released from any act or omission that constitutes willful misconduct or fraud.

Section 11.4 *Setoffs.* The Debtors may, but shall not be required to, set off against any Claim, and the payments or other Distributions to be made pursuant to this Plan in respect of such Claim, claims of any nature whatsoever that the Debtors may have against such Holder; but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claim that the Debtors or the Reorganized Debtors may have against such Holder.

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Section 11.5 *Exculpation and Limitation of Liability.* The Debtors, the Reorganized Debtors, the Noteholder Committee, the current and former members of the Noteholder Committee in their capacities as such, the Old Notes Trustee, in its capacity as such, and any of such parties' respective current and/or post-Filing Date and pre-Effective Date members, officers, directors, managers, employees, advisors, attorneys, representatives, financial advisors, investment bankers, or agents and any of such parties' successors and assigns, shall not have or incur, and are hereby released from, any claim, obligation, cause of action, or liability to any Holder of any Claim or Interest, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys, or Affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of the Bankruptcy Cases, the negotiation, solicitation, and filing of this Plan, the filing of the Bankruptcy Cases, the pursuit of confirmation of this Plan, the consummation of this Plan, or the administration of this Plan or the property to be distributed under this Plan, except for their willful misconduct or gross negligence, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

Section 11.6 ***Injunction.*** **Except as otherwise expressly provided herein or in the Confirmation Order, all Persons or entities who have held, hold, or may hold Claims against or Interests in the Debtors are permanently enjoined, from and after the Effective Date, from: (i) commencing or continuing in any manner any action or other proceeding of any kind on any such Claim or Interest against any of the Reorganized Debtors or the Non-Debtor Affiliates on account of such Claims or Interests; (ii) the enforcement, attachment, collection, or recovery by any manner or means of any judgment, award, decree, or order against any Reorganized Debtor or Non-Debtor Affiliate with respect to such Claim or Interest; (iii) creating, perfecting, or enforcing any lien or encumbrance of any kind against any Reorganized Debtor or Non-Debtor Affiliate or against the property or interests in property of any Reorganized Debtor or Non-Debtor Affiliate with respect to such Claim or Interest; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation owed to any Reorganized Debtor or Non-Debtor Affiliate or against the property or interest in property of any Reorganized Debtor or Non-Debtor Affiliate with respect to such Claim or Interest, *provided, however,* that nothing contained herein shall limit a Person's ability to assert a valid defense to any Cause of Action, or limit a Person's ability to exercise its valid setoff or recoupment rights with respect to such Person's post-Filing Date claims against the Debtors or Reorganized Debtors and post-Filing Date debts owed to the Debtors or Reorganized Debtors; and (v) pursuing any claim released pursuant to this Article XI of this Plan.**

Section 11.7 *Effect of Effective Date.*

(a) Binding Effect. On the Effective Date, the provisions of this Plan shall be binding on the Debtors, the Estates, all Holders of Claims against or Interests in the Debtors, and all other parties in interest whether or not such Holders are Impaired and whether or not such Holders have accepted this Plan.

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(b) Effect of Effective Date on Automatic Stay. Except as provided otherwise in this Plan, from and after the Effective Date, the automatic stay of section 362(a) of the Bankruptcy Code shall terminate.

(c) Filing of Reports. The Reorganized Debtors shall file all reports and pay all fees required by the Bankruptcy Code, Bankruptcy Rules, U.S. Trustee guidelines, and the rules and orders of the Bankruptcy Court.

(d) Post-Effective Date Retention of Professionals. Upon the Effective Date, any requirement that professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date will terminate, and the Reorganized Debtors will employ and pay professionals in the ordinary course of business.

ARTICLE XII
CONDITIONS PRECEDENT

Section 12.1 *Conditions to Confirmation.* The following are conditions precedent to confirmation of this Plan that may be satisfied or waived in accordance with Section 12.3 of this Plan:

(a) This Plan and Disclosure Statement shall be filed on the Filing Date;

(b) On the Filing Date (or as soon as practicable, but not later than one week, thereafter), the Debtors shall file any other pleadings necessary to effectuate the confirmation of this Plan on an expedited and efficient basis;

(c) The Disclosure Statement and Plan, including any exhibits, appendices and related documents, that are not inconsistent with the terms set forth herein and acceptable to the Noteholder Committee, in its sole discretion, shall have been approved by a final, non-appealable order of the Bankruptcy Court, in form and substance acceptable to the Noteholder Committee, within forty-five days of the Filing Date;

(d) The Effective Date shall have occurred within sixty days of the Filing Date;

(e) One or more of the Bankruptcy Cases shall not have been converted to a case under Chapter 7 of the Bankruptcy Code, unless such conversion is made with the prior written consent of the Noteholder Committee, which consent shall be provided or withheld in the Noteholder Committee's sole discretion;

(f) There shall not have been the appointment of a trustee, receiver or examiner with expanded powers in one or more of the Bankruptcy Cases unless such appointment is made with the prior written consent of the Noteholder Committee, which consent shall be provided or withheld in the Noteholder Committee's sole discretion; and

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(g) The Debtors shall not have submitted any amendment, modification or filing seeking to amend or modify this Plan, Disclosure Statement or any documents related to the foregoing, including motions, notices, exhibits, appendices and orders, in any manner not acceptable to the Noteholder Committee, in its sole discretion.

Section 12.2 *Conditions to the Effective Date.* The following are conditions precedent to the occurrence of the Effective Date, each of which may be satisfied or waived in accordance with Section 12.3 of this Plan:

(a) The Confirmation Order in form and substance acceptable to the Plan Proponents each in their sole discretion shall have become a Final Order and shall not have been vacated or modified;

(b) It shall be no later than sixty days from the Filing Date;

(c) The Debtors shall not have experienced a material adverse effect (as defined in the Term Sheet) prior to the Effective Date and the holders of a majority of the Old Notes held by the members of the Noteholder Committee shall not have invoked such condition;

(d) All documents and agreements to be executed on the Effective Date or otherwise necessary to implement this Plan shall be effective on the Effective Date;

(e) The Debtors shall have received any authorization, consent, regulatory approval, ruling, letter, opinion, or document that may be necessary to implement this Plan or that is required by law, regulation, or order; and

(f) The New Common Equity, Warrant, and New Notes shall have been issued in accordance with this Plan.

Section 12.3 *Waiver of Conditions to Confirmation or Consummation.* The conditions set forth in Section 12.1 and Section 12.2 of this Plan may be waived, in whole or in part, by the Noteholder Committee without any notice to any other parties in interest or the Bankruptcy Court and without a hearing, other than the notice that shall be provided to the Debtors; *provided, however,* the conditions to the Effective Date in Section 12.2(a), 12.2(d), 12.2(e) and 12.2(f) of this Plan may only be waived, in whole or in part, by consent of both Plan Proponents, each in their sole discretion. The failure of the Noteholder Committee or, as applicable, the Plan Proponents, to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right, which may be asserted at any time prior to the Confirmation Date for the conditions set forth in Section 12.1 or the Effective Date for the conditions set forth in Section 12.2.

Section 12.4 *Effect of Non-Occurrence of the Effective Date.* If the Effective Date shall not occur notwithstanding Section 12.3, this Plan shall be null and void and nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims against or Interests in a Debtor; (b) prejudice in any manner the rights of the Debtors, including without limitation, the right to seek a further extension of the exclusivity periods under section 1121(d)

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of the Bankruptcy Code; or (c) constitute an admission, acknowledgement, offer or undertaking by the Debtors.

ARTICLE XIII
RETENTION AND SCOPE OF JURISDICTION OF THE BANKRUPTCY COURT

Section 13.1 *Retention of Jurisdiction.* Subsequent to the Effective Date, the Bankruptcy Court shall have or retain jurisdiction for the following purposes:

(a) To adjudicate objections concerning the allowance, priority or classification of Claims or Interests and any subordination thereof, and to establish a date or dates by which objections to Claims must be filed to the extent not established herein;

(b) To liquidate the amount of any Disputed, contingent or unliquidated Claim, to estimate the amount of any Disputed, contingent or unliquidated Claim, and to establish the amount of any reserve required to be withheld from any Distribution under this Plan.

(c) To resolve all matters related to the rejection, and assumption and/or assignment of any Executory Contract or Unexpired Lease of the Debtors;

(d) To hear and rule upon all Retained Actions, Avoidance Actions and other Causes of Action commenced and/or pursued by the Debtors and/or the Reorganized Debtors;

(e) To hear and rule upon all applications for Professional Compensation;

(f) To remedy any defect or omission or reconcile any inconsistency in this Plan, as may be necessary to carry out the intent and purpose of this Plan;

(g) To construe or interpret any provisions in this Plan and to issue such orders as may be necessary for the implementation, execution and consummation of this Plan, to the extent authorized by the Bankruptcy Code;

(h) To adjudicate controversies arising out of the administration of the Estates or the implementation of this Plan;

(i) To make such determinations and enter such orders as may be necessary to effectuate all the terms and conditions of this Plan, including the Distribution of funds from the Estates and the payment of Claims;

(j) To determine any suit or proceeding brought by the Debtors and/or the Reorganized Debtors to recover property under any provisions of the Bankruptcy Code;

(k) To hear and determine any tax disputes concerning the Debtors and to determine and declare any tax effects under this Plan;

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(l) To determine such other matters as may be provided for in this Plan or the Confirmation Order or as may be authorized by or under the provisions of the Bankruptcy Code;

(m) To determine any controversies, actions or disputes that may arise under the provisions of this Plan, or the rights, duties or obligations of any Person under the provisions of this Plan; and

(n) To enter a final decree.

Section 13.2 *Alternative Jurisdiction.* In the event that the Bankruptcy Court is found to lack jurisdiction to resolve any matter, then the District Court shall hear and determine such matter. If the District Court does not have jurisdiction, then the matter may be brought before any court having jurisdiction with regard thereto.

Section 13.3 *Final Decree.* The Bankruptcy Court may, upon application of the Reorganized Debtors, at any time on or after one hundred twenty days after the Initial Distribution Date, enter a final decree in these cases, notwithstanding the fact that additional funds may eventually be distributed to parties in interest. In such event, the Bankruptcy Court may enter an Order closing these cases pursuant to section 350 of the Bankruptcy Code, *provided, however*, that: (i) the Reorganized Debtors shall continue to have the rights, powers, and duties set forth in this Plan; (ii) any provision of this Plan requiring the absence of an objection shall no longer be required, except as otherwise ordered by the Bankruptcy Court; and (iii) the Bankruptcy Court may from time to time reopen the Bankruptcy Cases if appropriate for any of the following purposes: (a) administering Assets; (b) entertaining any adversary proceedings, contested matters or applications the Debtors have brought or bring with regard to the liquidation of Assets and the prosecution of Causes of Action; (c) enforcing or interpreting this Plan or supervising its implementation; or (d) for other cause.

ARTICLE XIV
MISCELLANEOUS PROVISIONS

Section 14.1 *Modification of the Plan.* The Plan Proponents may modify this Plan pursuant to section 1127 of the Bankruptcy Code and as herein provided, to the extent applicable law permits; *provided, however*, that this Plan may not be modified in a manner inconsistent with the Restructuring Support Agreements and Term Sheet unless otherwise agreed by all the parties to such agreements. Subject to the limitations contained herein, the Plan Proponents may modify this Plan in accordance with this paragraph, before or after confirmation, without notice or hearing, or after such notice and hearing as the Bankruptcy Court deems appropriate, if the Bankruptcy Court finds that the modification does not materially and adversely affect the rights of any parties in interest which have not had notice and an opportunity to be heard with regard thereto. In the event of any modification on or before confirmation, any votes to accept or reject this Plan shall be deemed to be votes to accept or reject this Plan as modified, unless the Bankruptcy Court finds that the modification materially and adversely affects the rights of parties in interest which have cast said votes. The Plan Proponents reserve the right in accordance with section 1127 of the Bankruptcy Code to modify this Plan at any time before the Confirmation Date.

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Section 14.2 *Securities Law Matters.* It is an integral and essential element of this Plan that the issuance of the New Common Equity, Warrant and New Notes pursuant to this Plan shall be exempt from registration under the Securities Act, pursuant to Section 1145 of the Bankruptcy Code and from registration under state securities laws. Any New Common Equity, the Warrant and New Notes issued to an "affiliate" of the Debtors within the meaning of the Securities Act or any Person the Debtors reasonably determine to be an "underwriter," and which does not agree to resell such securities only in "ordinary trading transactions," within the meaning of Section 1145(b)(1) of the Bankruptcy Code, shall be subject to such transfer restrictions and bear such legends as shall be appropriate to ensure compliance with the Securities Act. Nothing in this Plan is intended to preclude the SEC from exercising its police and regulatory powers relating to the Debtors or any other entity.

Section 14.3 *Plan Supplement.* The Plan Supplement which will contain schedules of the directors and officers of the Reorganized Debtors and information regarding the Working Capital Facility, shall be filed with the Bankruptcy Court no later than five days prior to the commencement of the hearing on confirmation of this Plan. Notwithstanding the foregoing, the Plan Proponents may amend the Plan Supplement and any attachments thereto, through and including the Confirmation Date.

Section 14.4 *Allocation of Plan Distributions Between Principal and Interest.* To the extent that any Allowed Claim entitled to a Distribution under this Plan is composed of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for United States federal income tax purposes to accrued but unpaid interest on the Claim first and then, to the extent the consideration exceeds such amount, to the portion of the Claim representing the principal amount thereof.

Section 14.5 *Creditors' Committee.* On the Effective Date, the Creditors' Committee, if any such committee is appointed in the Bankruptcy Cases, shall dissolve automatically, whereupon its members, professionals, and agents shall be released from any further duties and responsibilities in the Bankruptcy Cases and under the Bankruptcy Code, except for the limited purposes of filing applications for Professional Compensation in accordance with Section 4.2 of this Plan.

Section 14.6 *Applicable Law.* Except to the extent that the Bankruptcy Code or the Bankruptcy Rules are applicable, the rights and obligations arising under this Plan shall be governed by the laws of the State of Delaware.

Section 14.7 *Preparation of Estates' Returns and Resolution of Tax Claims.* The Debtors or Reorganized Debtors shall file all tax returns and other filings with governmental authorities and may file determination requests under section 505(b) of the Bankruptcy Code to resolve any Disputed Claim relating to taxes with a governmental authority.

Section 14.8 *Notice.* Any notices, requests, and demands required or permitted to be provided under this Plan, in order to be effective, shall be in writing (including,

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without express or implied limitation, by facsimile transmission), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed to counsel listed on the first page of this Plan.

Section 14.9 *Headings.* The headings of the articles and the sections of this Plan have been used for convenience only and shall not limit or otherwise affect the meaning thereof.

Section 14.10 *Revocation of Plan.* The Plan Proponents collectively reserve the right, unilaterally and unconditionally, to revoke and/or withdraw this Plan at any time prior to entry of the Confirmation Order, and upon such revocation and/or withdrawal this Plan shall be deemed null and void and of no force and effect.

Section 14.11 *Severability of Plan Provisions.* If, prior to entry of the Confirmation Order, any term or provision of this Plan is held by the Bankruptcy Court to be illegal, unenforceable, impermissible, invalid, or void, or otherwise constitute grounds for denying confirmation of this Plan, the Bankruptcy Court shall, with the consent of the Plan Proponents, have the power to interpret, modify or delete such term or provision (or portions thereof) to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be illegal, unenforceable, impermissible, invalid, or void, and such term shall then be operative as interpreted, modified or deleted. Notwithstanding any such interpretation, modification or deletion, the remainder of the terms and provisions of this Plan shall in no way be affected, impaired, or invalidated by such interpretation, modification, or deletion.

Section 14.12 *No Admissions; Objection to Claims.* Nothing in this Plan shall be deemed to constitute an admission that any individual, corporation, partnership, trust, venture, governmental unit, or any other form of legal entity as being the Holder of a Claim is the Holder of an Allowed Claim, except as expressly provided in this Plan. The failure of the Plan Proponents to object to or examine any Claim for purposes of voting shall not be deemed a waiver of the Plan Proponents rights to object to or reexamine such Claim in whole or in part.

Section 14.13 *No Bar to Suits.* Except as otherwise provided in Article XI of this Plan, neither this Plan nor confirmation hereof shall operate to bar or estop the Debtors or Reorganized Debtors from commencing any Cause of Action, or any other legal action against any Holder of a Claim or any individual, corporation, partnership, trust, venture, governmental unit, or any other form of legal entity, whether such Cause of Action, or any other legal action arose prior to or after the Confirmation Date and whether or not the existence of such Cause of Action, or any other legal action was disclosed in any disclosure statement filed by the Debtors in connection with this Plan or whether or not any payment was made or is made on account of any Claim.

Section 14.14 *Exhibits/Schedules.* All exhibits and schedules to this Plan and the Disclosure Statement, including the Plan Supplement, and all attachments thereto, are incorporated into and are a part of this Plan as if set forth in full herein.

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Section 14.15 *Conflicts.* In the event that provisions of the Disclosure Statement and provisions of this Plan conflict, the terms of this Plan shall govern.

Dated: October 2, 2008

Respectfully submitted,

Mrs. Fields' Original Cookies, Inc., et al.
(on behalf of itself, MFFB and the Subsidiary Debtors)

By: /s/ Michael R. Ward

Name: Michael R. Ward

Title: Executive Vice President and Chief Legal Officer

Ad Hoc Noteholder Committee
(by its counsel)

By: Akin Gump Strauss Hauer & Feld LLP
By: /s/ Fred S. Hodara

Name: Fred S. Hodara

Title: A Member of the Firm

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EXHIBIT B

Plan Modifications[4]

[4] Additions to the Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries (Docket No. 6) are indicated by double underlining; deletions are indicated by a strike-through.

Blacklined

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: **MRS. FIELDS' ORIGINAL COOKIES, INC., et al.,** [1] **Debtors.**	~~**08 [ ] [Lead Case]**~~ **Chapter ~~11~~11** **Case No. 08-11953 (PJW)** **Jointly Administered**

AMENDED JOINT PREPACKAGED PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE OF
MRS. FIELDS' ORIGINAL COOKIES, INC. AND CERTAIN SUBSIDIARIES

MONTGOMERY, McCRACKEN, WALKER & RHOADS, LLP David R. Hurst, Esq. (Bar No. 3743) Mark L. Desgrosseilliers, Esq. (Bar No. 4083) 1105 North Market Street, Suite 1500 Wilmington, Delaware 19801 Telephone: (302) 504-7800 ~~Proposed~~ Counsel for the Debtors and Debtors-in-Possession **SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP** Mark S. Chehi, Esq. (Bar No. 2855) One Rodney Square PO Box 636 Wilmington, Delaware 19899 Telephone: (302) 651-3000	**AKIN GUMP STRAUSS HAUER & FELD LLP** Fred S. Hodara, Esq. 590 Madison Avenue New York, New York 10022 Telephone: (212) 872-1000 David M. Dunn, Esq. 1333 New Hampshire Avenue, N.W. Washington, D.C. 20036 Telephone: (202) ~~736-8000~~887-4000 -and- **YOUNG CONAWAY STARGATT & TAYLOR, LLP** Robert S. Brady, Esq. (Bar No. 2847) The Brandywine Building 1000 West Street, 17th Floor Wilmington, Delaware 19801 Telephone: (302) 571-6600

1 The Debtors are the following entities: Mrs. Fields' Original Cookies, Inc., Mrs. Fields Famous Brands, LLC, Mrs. Fields Financing Company, Inc., Mrs. Fields Franchising, LLC, TCBY Systems, LLC, Mrs. Fields Gifts, Inc., The Mrs. Fields' Brand, Inc., Mrs. Fields Cookies Australia, TCBY International, Inc., TCBY of Texas, Inc., PTF, LLC, PMF, LLC, GACCF, LLC, and GAMAN, LLC.

~~Proposed~~ Special Corporate Counsel for the Debtors and Debtors-in-Possession	Co-Counsel for the ~~Ad Hoc~~ Noteholder Committee

~~NO CHAPTER 11 CASE HAS BEEN COMMENCED AT THIS TIME. THE SOLICITATION MATERIALS ACCOMPANYING THIS PLAN OF REORGANIZATION HAVE NOT BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING "ADEQUATE INFORMATION" WITHIN THE MEANING OF BANKRUPTCY CODE SECTION 1125(a). FOLLOWING THE COMMENCEMENT OF THEIR CHAPTER 11 CASES THE DEBTORS EXPECT TO PROMPTLY SEEK AN ORDER OF THE BANKRUPTCY COURT (I) APPROVING THEIR SOLICITATION OF VOTES AS HAVING BEEN IN COMPLIANCE WITH BANKRUPTCY CODE SECTION 1126(b) AND (II) CONFIRMING THIS PLAN OF REORGANIZATION PURSUANT TO BANKRUPTCY CODE SECTION 1129.~~

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INTRODUCTION

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Article I
DEFINITIONS AND GENERAL PROVISIONS

For the purposes of this Plan, except as otherwise expressly provided or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meanings ascribed to them in Section 1.1 of this Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules.

Section 1.1 *Definitions.* The following terms shall have the following meanings when used in this Plan.

(a) "Administrative Expense Claim" means a Claim for payment of an administrative expense of a kind specified in section 503(b) or 507(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(2) of the Bankruptcy Code, including, without limitation, the actual, necessary costs and expenses, incurred on or after the Filing Date, of preserving the Estates and operating the business of the Debtors, including wages, salaries or commissions for services rendered after the commencement of the Bankruptcy Cases, Professional Compensation, fees and expenses of the Old Notes Trustee and its counsel, fees and expenses of the Noteholder Committee and its professionals, and all fees and charges assessed against the Estates under 28 U.S.C. § 1930.

(b) "Affiliates" has the meaning given such term by section 101(2) of the Bankruptcy Code.

(c) "Allowed" means, with respect to any Claim, such Claim or any portion thereof (i) that has been allowed (a) by a Final Order of the Bankruptcy Court, (b) pursuant to the terms of this Plan, or (c) by agreement between the Holder of such Claim and the Debtors or Reorganized Debtors; (ii) as to which the Claims Objection Deadline has passed without the filing of an objection or request for estimation; or (iii) as to which any objection has been settled, waived, withdrawn or denied by a Final Order or in accordance with the Plan; *provided, however*, that, notwithstanding anything herein to the contrary, by treating a Claim as an "Allowed Claim" under (ii) above, the Debtors do not waive their rights to contest the amount and validity of any disputed, contingent or unliquidated Claim in the manner and venue in which

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such Claim would have been determined, resolved or adjudicated if the Bankruptcy Cases had not been commenced.

(d) "Assets" means, collectively, all of the property, as defined in section 541 of the Bankruptcy Code of the Estates of the Debtors (including, without limitation, all of the assets, property, interests (including equity interests) and effects, real and personal, tangible and intangible, including all Avoidance Actions), wherever situated as such properties exist on the Effective Date or thereafter.

(e) "Asset Sales" means the sales of the assets of (i) Great American Cookie Company Franchising, LLC and Great American Manufacturing, LLC to NexCen Brands, Inc. and NexCen Asset Acquisition, LLC in January 2008, and (ii) Pretzel Time Franchising, LLC and Pretzelmaker Franchising, LLC to NexCen Brands, Inc. and NexCen Asset Acquisition, LLC in August 2007.

(f) "Assumed Contracts" shall have the meaning given such term in Section 6.1 of this Plan.

(g) "Avoidance Action" means any claim or cause of action of an Estate arising out of or maintainable pursuant to sections 510, 541, 542, 543, 544, 545, 547, 548, 549, 550, 551, or 553 of the Bankruptcy Code or under any other similar applicable law, regardless of whether or not such action has been commenced prior to the Effective Date.

(h) "Bankruptcy Case" means, with respect to each Debtor, the chapter 11 case initiated by such Debtor's filing on the Filing Date of a voluntary petition for relief in the Bankruptcy Court under chapter 11 of the Bankruptcy Code. On the Filing Date, the Debtors will seek the joint administration of the Bankruptcy Cases.

(i) "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as applicable to the Bankruptcy Cases.

(j) "Bankruptcy Court" means the United States Bankruptcy Court for the District of Delaware or, in the event such court ceases to exercise jurisdiction over any Bankruptcy Case, such court or adjunct thereof that exercises jurisdiction over such Bankruptcy Case in lieu of the United States Bankruptcy Court for the District of Delaware.

(k) "Bankruptcy Rules" means, collectively, the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended, the Federal Rules of Civil Procedure, as applicable to the Bankruptcy Cases or proceedings therein, and the local rules of the Bankruptcy Court, as applied to the Bankruptcy Cases or proceedings therein, as the case may be.

(l) "Board of Directors" means the applicable board of directors of each of the Reorganized Debtors.

(m) "Business Day" means any day on which commercial banks are required to be open for business in Wilmington, Delaware.

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(n) "Capricorn" means Capricorn Investors III, L.P.

(o) "Cash" means legal tender of the United States of America and equivalents thereof.

(p) "Causes of Action" means all Avoidance Actions and any and all of a Debtor's or a Reorganized Debtor's actions, causes of action, suits, accounts, agreements, promises, rights to payment and claims, whether known or unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured, unsecured, and whether asserted or assertable directly or derivatively, in law, equity, or otherwise.

(q) "Claim" means a claim against one of the Debtors (or all or some of them) whether or not asserted, as defined in section 101(5) of the Bankruptcy Code.

(r) "Claims Objection Deadline" means the later of the first Business Day which is (i) after the Effective Date, (ii) one hundred and eighty days after a proof of Claim was filed, or (iii) such other time as may be ordered by the Bankruptcy Court for cause shown by the Reorganized Debtors, as such dates may be from time to time extended by the Bankruptcy Court without further notice to parties in interest.

(s) "Class" means a category of Claims or Interests described in Article III of this Plan.

(t) "Confirmation Date" means the date on which the Bankruptcy Court enters the Confirmation Order.

(u) "Confirmation Hearing" means the hearing before the Bankruptcy Court held to consider confirmation of this Plan and related matters under section 1128 of the Bankruptcy Code, as such hearing may be continued from time to time.

(v) "Confirmation Order" means the order entered by the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code, which shall be acceptable in form and substance to the Noteholder Committee, in its sole discretion.

(w) "Creditors' Committee" means the official committee of unsecured creditors, if such committee is appointed in the Debtors' Bankruptcy Cases pursuant to section 1102(a) of the Bankruptcy Code, and as such committee may be reconstituted from time to time.

(x) "Cure Amount" means the amount required to satisfy the Debtors' obligations under section 365(b) of the Bankruptcy Code with respect to the Debtors' assumption of any Executory Contract or Unexpired Lease which amount will be determined in accordance with the procedures set forth in Section 6.1 of this Plan.

(y) "Debtor" or "Debtors" means, individually, Mrs. Fields' Original Cookies, Inc., Mrs. Fields Famous Brands, LLC, Mrs. Fields Financing Company, Inc., Mrs. Fields Franchising, LLC, TCBY Systems, LLC, Mrs. Fields Gifts, Inc., The Mrs. Fields' Brand,

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Inc., Mrs. Fields Cookies Australia, TCBY International, Inc., TCBY of Texas, Inc., PTF, LLC, PMF, LLC, GACCF, LLC, and GAMAN, LLC, each of which is a Debtor in its Bankruptcy Case.

(z) "Debtor Restructuring Fees" means the Restructuring Fees of Blackstone Advisory Services L.P. ("Blackstone"), Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden"), and Montgomery, McCracken, Walker & Rhoads, LLP ("MMWR").

(aa) "Disclosure Statement" means the Disclosure Statement for the Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc., and Certain Subsidiaries that relates to this Plan, combined with any other written disclosure made by the Debtors, as amended, modified or supplemented from time to time, and that is prepared and distributed in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017.

(bb) "Disputed" means, with reference to any Claim, a Claim or any portion thereof, that is not Allowed.

(cc) "Distribution" means any distribution by the Debtors or Reorganized Debtors to a Holder of an Allowed Claim or Interest.

(dd) "Distribution Date" means (i) the Initial Distribution Date and (ii) the first Business Day after the end of the months of March, June, September, and December, commencing with the first such date to occur more than ninety days after the Initial Distribution Date and continuing until the Final Distribution Date; *provided, however*, that, subject to Section ~~10.6~~10.4 of this Plan, a Distribution Date (other than the Initial Distribution Date and Final Distribution Date) shall not occur if the aggregate value of the consideration to be distributed on account of all Allowed Claims on any Distribution Date is less than Twenty-Five Thousand and 00/100 Dollars ($25,000.00), in which case the amount to be distributed shall be retained and added to the amount to be distributed on the next Distribution Date.

(ee) "Distribution Record Date" means the date established by the Bankruptcy Court for determining the identity of Holders of Allowed Claims or Interests, other than Secured Notes Claims, entitled to receive Distributions under this Plan.

(ff) "District Court" means the United States District Court for the District of Delaware.

(gg) "Effective Date" means the day that is the first Business Day after all conditions to the Effective Date have been satisfied or waived pursuant to Sections 12.2 and 12.3 of this Plan.

(hh) "Estate" means, with regard to each Debtor, the estate that was created, pursuant to section 541 of the Bankruptcy Code, by the commencement by a Debtor of a Bankruptcy Case.

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(ii) "Executory Contract or Unexpired Lease" means all executory contracts and unexpired leases to which any of the Debtors is a party.

(jj) "Existing Securities" means, collectively, the Old Notes, the MFOC Note and the MFOC Equity.

(kk) "Filing Date" means the date the Debtors file for relief under Chapter 11 of the Bankruptcy Code in accordance with this Plan.

(ll) "Final Distribution" means the Distribution by the Debtors or Reorganized Debtors that satisfies all Allowed Claims and Interests in accordance with and to the extent provided in this Plan.

(mm) "Final Distribution Date" means the date on which the Final Distribution is made.

(nn) "Final Order" means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Bankruptcy Cases or the docket of any other court of competent jurisdiction, which has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari has expired, and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought.

(oo) "General Unsecured Claim" means any Unsecured Claim other than an Intercompany Claim or the MFOC Note Claim.

(pp) "Guarantors" shall have the meaning given in the New Notes Indenture.

(qq) "Holder" means a holder of a Claim or Interest, as applicable.

(rr) "Impaired" shall have the meaning ascribed thereto in section 1124 of the Bankruptcy Code.

(ss) "Indenture Trustee Charging Lien" means a lien that secures repayment of the Old Notes Trustee's fees and expenses, to the extent provided for in the Indenture.

(tt) "Initial Distribution Date" means the Effective Date or as soon as reasonably practical thereafter; *provided, however*, that in no event shall the Initial Distribution Date be more than five business days after the Effective Date unless otherwise ordered by the Bankruptcy Court.

(uu) "Intercompany Claim" means (i) any Claim against any Debtor held by any Non-Debtor Affiliate, (ii) any Claim against any Non-Debtor Affiliate held by any Debtor, or (iii) any Claim against any Debtor held by any other Debtor; *provided, however*, the MFOC Note Claim is not an Intercompany Claim.

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(vv) "Interests" means the equity interests issued by each of the Debtors, including, without limitation, the MFOC Equity Interests, MFOC Subsidiary Interests, and MFFB Subsidiary Interests and any options, warrants, puts, calls, subscriptions, or other similar rights or other agreements, commitments, or outstanding securities obligating any of the Debtors to issue, transfer, purchase, redeem, or sell any shares of capital stock or other securities, any claims arising out of any appraisal or dissenter's rights, any claims arising from rescission of a purchase, sale or other acquisition of any common stock or other equity security (or any right, claim, or interest in and to any common stock or equity security) of any of the Debtors, and any claims for damages or any other relief arising from any such purchase, sale, or other acquisition of such common stock or other equity security.

(ww) "Lien" has the meaning set forth in section 101(37) of the Bankruptcy Code.

(xx) "Management Incentive Plan" means the management incentive plan, as more fully described in Section 6.4, that shall be implemented as soon as practicable after the Effective Date for the benefit of designated members of senior management of the Reorganized Debtors.

(yy) "MFFB" means Mrs. Fields Famous Brands, LLC.

(zz) "MFFB Subsidiary Interests" means the equity interests in the subsidiaries of MFFB that are directly or indirectly wholly owned by MFFB.

(aaa) "MFFC" means Mrs. Fields Financing Company, Inc.

(bbb) "MFH" means Mrs. Fields' Holding Company, Inc.

(ccc) "MFOC" means Mrs. Fields' Original Cookies, Inc.

(ddd) "MFOC Equity" means the equity in MFOC, which equity is wholly owned by MFH, the sole shareholder of MFOC.

(eee) "MFOC Equity Interests" means the equity interests in MFOC that are wholly owned by MFH.

(fff) "MFOC Note" means that certain 16.5% Amended and Restated Promissory Note issued by Mrs. Fields' Original Cookies, Inc. to Capricorn.

(ggg) "MFOC Note Claims" means the Claims against MFOC arising under the MFOC Note, plus applicable fees, charges, costs and interest accrued but unpaid as of the Filing Date.

(hhh) "MFOC Subsidiary Interests" means the equity interests in subsidiaries of MFOC that are wholly owned by MFOC, the sole member of MFFB.

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(iii) "Net Cash Proceeds" means, as of the Filing Date, the approximately $90 million in net cash held by the Old Notes Trustee, with such net cash derived from the Asset Sales.

(jjj) "New Common Equity" means newly issued shares of common stock of MFOC, par value $0.01 per share, to be issued on the Effective Date. Holders of Allowed Secured Notes Claims will receive, in the aggregate, an amount equal to 87.5% of the New Common Equity issued and outstanding on the Effective Date, subject to dilution on account of the Management Incentive Plan and the Warrant. The Holder of the MFOC Note Claim will receive, in the aggregate, an amount equal to 12.5% of the New Common Equity issued and outstanding on the Effective Date, subject to dilution on account of the Management Incentive Plan and the Warrant.

(kkk) "New Notes Indenture" means that certain indenture dated as of the Effective Date, by and among MFFB and MFFC, as issuers, the Guarantors as guarantors, the Old Notes Trustee, as trustee, as such indenture may be amended, supplemented, or otherwise modified from time to time, and all related agreements and documents. A form of New Notes Indenture is annexed hereto as Exhibit 4.

(lll) "New Notes" means the secured notes to be issued on the Effective Date in the aggregate principal amount of $50 million, plus the amount by which the Noteholder Cash is less than $90 million.

(mmm)"NexCen Shares" means the shares of NexCen Brands, Inc. transferred to MFFB as part of the consideration for the Asset Sales. Of the aggregate 2,096,961 shares of NexCen Shares received from such sales, only 1,699,840 shares remain in an escrow for possible use to satisfy indemnity claims arising out of the sales, valued at $7.35 per share for the shares received in the pretzel business sale and valued at $4.23 per share for the shares received from the sale of the Great American Cookies business. The closing sale price per share of a NexCen Brands common stock on August 12, 2008 was $0.42 per share.

(nnn) "Non-Debtor Affiliates" means MFH, Mrs. Fields' Companies, Inc., and any other non-Debtor direct or indirect subsidiaries of MFOC and MFFB.

(ooo) "Noteholder" or "Noteholders" means, individually, a holder of an Old Note and, collectively, all of the Holders of the Old Notes.

(ppp) "Noteholder Cash" means $90 million, less the amount by which the Restructuring Fees exceed $3.5 million in the aggregate; *provided, however*, that Capricorn shall be responsible for payment of any Debtor Restructuring Fees to the extent that the Debtor Restructuring Fees exceed $3.7 million in the aggregate; *provided, further, however*, that fees and expenses of Skadden and Akin Gump accrued through June 2, 2008, the expenses of Skadden through the Effective Date, and the fees and expenses of MMWR accruing beginning on the Filing Date shall not be counted toward either cap. The Noteholders shall receive on the Effective Date the Noteholder Cash on a *pro rata* basis.

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(qqq) "Noteholder Committee" means the ad hoc committee of certain holders of Old Notes who, collectively, hold in excess of 78% of the Old Notes and each of whom executed the Term Sheet and Restructuring Support Agreements.

(rrr) "Old Notes" means the 9.00% and 11.50% Senior Secured Notes due 2011 issued pursuant to the Old Notes Indenture.

(sss) "Old Notes Indenture" means that certain indenture dated as of March 16, 2004, by and among MFFB and MFFC, as issuers, the Guarantors as guarantors, the Old Notes Trustee, as trustee, as such indenture may have been amended, supplemented, or otherwise modified from time to time, and all related agreements and documents.

(ttt) "Old Notes Trustee" means The Bank of New York Mellon Trust Company, N.A., as trustee, or any successor trustee, under the Old Notes Indenture.

(uuu) "Other Secured Claim" means a Secured Claim other than a Secured Notes Claim.

(vvv) "Person" means an individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited liability partnership, trust, estate, unincorporated organization, governmental unit (as defined in section 101(27) of the Bankruptcy Code) or other entity.

(www) "Plan" means this joint pre-packaged plan of reorganization as the same may hereafter be amended, modified or supplemented.

(xxx) "Plan Proponents" means the Debtors and the Noteholder Committee.

(yyy) "Plan Supplement" means the document containing the information specified in Section 14.3 of this Plan.

(zzz) "Priority Claim" means a Claim entitled to priority under the provisions of section 507(a) of the Bankruptcy Code other than an Administrative Expense Claim or a Priority Tax Claim.

(aaaa) "Priority Tax Claim" means a Claim against the Debtors that is of a kind specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code.

(bbbb) "Professional Compensation" means (i) any amounts that the Bankruptcy Court allows pursuant to section 330 of the Bankruptcy Code as compensation earned, and reimbursement of expenses incurred, by professionals employed by the Debtors and the Creditors' Committee, if any, and (ii) any amounts the Bankruptcy Court allows pursuant to sections 503(b)(3) and (4) of the Bankruptcy Code in connection with the making of a substantial contribution to the Bankruptcy Cases.

(cccc) "Pro Rata" means with respect to any Claim or Interest, at any time, the proportion that the amount of the Claim or Interest in a particular Class bears to the aggregate

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amount of all Claims or Interests (including Disputed Claims or Interests) in such Class, or, as appropriate, other Classes, unless in each case this Plan provides otherwise.

(dddd) "Record Date" means August 6, 2008, the date for determining the identity of Holders of Allowed Claims or Interests entitled to vote to accept or reject this Plan.

(eeee) "Record Holder" means the Holder of a Claim or Interest as of the Distribution Record Date.

(ffff) "Rejected Contracts" means all Executory Contracts and Unexpired Leases on Schedule 6.1 as Executory Contracts or Unexpired Leases to be rejected on the Effective Date.

(gggg) "Reorganized Debtor" or "Reorganized Debtors" means, individually, any Debtor and, collectively, all of the Debtors, in each case on and after the Effective Date.

(hhhh) "Reorganized MFFB" means MFFB on and after the Effective Date.

(iiii) "Reorganized MFFC" means MFFC on and after the Effective Date.

(jjjj) "Reorganized MFOC" means MFOC on and after the Effective Date.

(kkkk) "Reorganized Subsidiaries" means, collectively, the Subsidiary Debtors on and after the Effective Date.

(llll) "Restructuring" means the proposed restructuring through this Plan of the Debtors' obligations under the Old Notes and the Debtors' other obligations.

(mmmm) "Restructuring Fees" refers to the aggregate amount of professional fees (but not reasonable charges and disbursements) incurred in connection with the Restructuring.

(nnnn) "Restructuring Support Agreements" means the letter agreements, dated June 3, 2008, as amended by the letter agreements dated August 13, 2008, by and among Capricorn, MFFB, MFFC, and MFOC, on the one hand, and the members of the Noteholder Committee listed on the signature pages thereto, on the other hand.

(oooo) "Retained Actions" means all claims, Causes of Action, rights of action, suits and proceedings, whether in law or in equity, whether known or unknown, which any Debtor or any Debtor's Estate may hold against any Person, including, without limitation, (i) claims and Causes of Action brought prior to the Effective Date, (ii) claims and Causes of Action against any Persons for failure to pay for products or services provided or rendered by any of the Debtors, (iii) claims and Causes of Action relating to strict enforcement of any of the Debtors' intellectual property rights, including patents, copyrights and trademarks, (iv) claims and Causes of Action seeking the recovery of any of the Debtors' or the Reorganized Debtors' accounts receivable or other receivables or rights to payment created or arising in the ordinary course of any of the Debtors' or the Reorganized Debtors' businesses, including, without limitation, claim

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overpayments and tax refunds, and (v) all Avoidance Actions; *provided, however*, that Retained Actions shall not include those claims, Causes of Action, rights of action, suits and proceedings, whether in law or in equity, whether known or unknown, released under Section 11.3 herein. Schedule 7.9 to the Plan contains a non-exclusive list of Retained Actions. The Debtors reserve their right to modify Schedule 7.9 to the Plan to add or delete parties or Causes of Action, but disclaim any obligation to do so.

(pppp) "Schedule 6.1" means the schedule to be provided in accordance with Section 6.1 of this Plan (the contents of which shall be acceptable to the Plan Proponents, each in their sole discretion), which shall contain a list of all Executory Contracts and Unexpired Leases to be rejected under this Plan.

(qqqq) "Section 510(b) Claims" means any claims against a Debtor that ~~is~~are subordinated, or subject to subordination, pursuant to section 510(b) of the Bankruptcy Code, including Claims arising from the recission of a purchase or sale of a security of a Debtor, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such Claim. Any Claim against the Debtors that is described in section 510(b) of the Bankruptcy Code shall not receive a distribution under this Plan and shall be extinguished.

(rrrr) "Secured Claim" means a claim (as defined in section 101(5) of the Bankruptcy Code) that is secured by a valid, perfected and non-avoidable lien on collateral against any obligor or guarantor to such indebtedness (including any Lien on collateral) to the extent of the value of the holder of the Claim's interest in such collateral as provided in section 506(a) of the Bankruptcy Code.

(ssss) "Secured Notes Claim" means the Secured Claims against the Debtors arising under the Old Notes and Old Notes Indenture, plus applicable fees, charges, costs and interest accrued but unpaid as of the Filing Date.

(tttt) "Secured Notes Deficiency Claim" means the portion, if any, of the Secured Notes Claim that exceeds the value of any Lien securing such indebtedness, including any Lien on collateral. Solely for the purposes of this Plan and assuming Classes 3, 5 and 8A vote to accept this Plan, the Holders of the Secured Notes Deficiency Claim, if any, have agreed to waive such Claim. In the event this Plan is not confirmed by the Bankruptcy Court, the Holders of the Secured Notes Deficiency Claim, if any, shall retain all rights to assert such Claims with respect to any other proposed plan or reorganization.

(uuuu) "Securities Act" means the Securities Act of 1933, as amended.

(vvvv) "SEC" means the United States Securities and Exchange Commission.

(wwww) "Stockholders Agreement" means the agreement described in Section 8.4 of this Plan.

(xxxx) "Subsidiary Debtors" means MFFB, MFFC, Mrs. Fields Franchising, LLC, TCBY Systems, LLC, Mrs. Fields Gifts, Inc., The Mrs. Fields' Brand, Inc., Mrs. Fields

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Cookies Australia, TCBY International, Inc., TCBY of Texas, Inc., PTF, LLC, PMF, LLC, GACCF, LLC, and GAMAN, LLC.

(yyyy) "Term Sheet" means the term sheet, dated June 2, 2008, as amended on July 11, 2008, and August 13, 2008, the form of which was annexed to the Restructuring Support Agreements as Exhibit A, setting forth the principal terms of the Restructuring, by and between MFOC, MFFB, and MFFC, on the one hand, and those Noteholders who are listed on the signature pages thereto, on the other hand.

(zzzz) "Unimpaired" means, with respect to a Class of Claims or Interests, any Class that is not Impaired.

(aaaaa) "Unsecured Claim" means any Claim other than an Other Secured Claim, a Secured Note Claim, an Administrative Expense Claim, a Priority Tax Claim, ~~or~~ a Priority Claim or a Section 510(b) Claim.

(bbbbb) "Warrant" means that certain warrant to be issued to Capricorn, as the Holder of the MFOC Note, with such warrant entitling Capricorn to purchase an additional number of shares of the New Common Equity so that, after giving effect to the exercise of the Warrant, Capricorn would hold 30% of the outstanding New Common Equity. The foregoing percentage is subject to dilution on the same basis as the New Common Equity to be issued to the Noteholders. The Warrant will be exercisable in whole or in part, at any time or from time to time, for a period of 24 months, beginning on the Effective Date. The aggregate exercise price of the Warrant is determined by first determining the sum of principal plus accrued and unpaid interest on the Old Notes through the Effective Date, less $140 million, divided by 18.875%, then divided by the aggregate number of shares of common stock initially issuable upon exercise of the Warrant (the "*Initial Sum*"). Next, an implied rate of interest equal to 10.47% compounded semi-annually, will be applied to the Initial Sum and computed from the Effective Date through the date of exercise. A form of warrant is annexed to this Plan as Exhibit 3, the terms of which are incorporated herein.

(ccccc) "Working Capital Facility" means that certain senior secured credit facility in an amount not to exceed $10 million to be entered into by certain of the Reorganized Debtors.

Section 1.2 *Time.* Whenever the time for the occurrence or happening of an event as set forth in this Plan falls on a day which is a Saturday, Sunday, or legal holiday under the laws of the United States of America or the State of Delaware, then the time for the next occurrence or happening of said event shall be extended to the next day following which is not a Saturday, Sunday, or legal holiday.

Article II
CLASSIFICATION OF CLAIMS AND INTERESTS; IMPAIRMENT

Section 2.1 *Summary.* The categories of Claims and Interests set forth below classify all Claims against and Interests in the Debtors for all purposes of this Plan. This Plan is premised upon the substantive consolidation of the Debtors for Plan purposes only. Accordingly, for Plan purposes, the assets and liabilities of the Debtors are deemed the assets and

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liabilities of a single, consolidated entity and any Intercompany Claims are eliminated. A Claim or Interest shall be deemed classified in a particular Class only to the extent the Claim or Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such different Class. The treatment with respect to each Class of Claims and Interests provided for in this Article II shall be in full and complete satisfaction, release, and discharge of such Claims and Interests.

The classification of Claims under this Plan is as follows:

Class	Designation	Impairment	Entitled to Vote
1	Other Secured Claims	Unimpaired	No
2	Priority Claims	Unimpaired	No
3	Secured Notes Claims	Impaired	Yes
4	General Unsecured Claims	Unimpaired	No
5	MFOC Note Claim	Impaired	Yes
6	Intercompany Claims	Impaired	No
7	Section 510(b) Claims	Impaired	No

The classification of Interests under this Plan is as follows:

Class	Designation	Impairment	Entitled to Vote
8A	MFOC Equity Interests	Impaired	Yes
8B	MFOC Subsidiary Interests	Unimpaired	No
8C	MFFB Subsidiary Interests	Unimpaired	No

Section 2.2 *Deemed Acceptance of Plan.* Classes 1, 2, 4, 8B and 8C are Unimpaired under this Plan. Accordingly, pursuant to section 1126(f) of the Bankruptcy Code, Classes 1, 2, 4, 8B and 8C are deemed to accept this Plan and are not entitled to vote to accept or reject this Plan.

Section 2.3 *Deemed Rejection of Plan.* Classes 6 and 7 are Impaired under this Plan. Accordingly, pursuant to section 1126(g) of the Bankruptcy Code, Classes 6 and 7 are deemed to reject this Plan and are not entitled to accept or reject this Plan.

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Article III
TREATMENT OF CLAIMS AND INTERESTS

Section 3.1 *Class 1 -- Other Secured Claims.*

(a) Classification: Class 1 consists of all Other Secured Claims.

(b) Treatment: The legal, equitable, and contractual rights of the Holders of Class 1 Other Secured Claims are unaltered by this Plan. Unless the Holder of such Claim and the Plan Proponents agree to a different treatment, each Holder of an Allowed Class 1 Other Secured Claim shall receive, in full and final satisfaction of such Allowed Class 1 Other Secured Claim, one of the following alternative treatments:

1. the legal, equitable and contractual rights to which such Claim entitles the Holder thereof shall be reinstated and the Holder paid in accordance with such legal, equitable, and contractual rights;

2. the Debtors shall surrender all collateral securing such Claim to the Holder thereof, in full satisfaction of such Holder's Allowed Class 1 Other Secured Claim, without representation or warranty by or recourse against the Debtors or Reorganized Debtors; or

3. such Allowed Class 1 Other Secured Claim will be otherwise treated in a manner so that such Claim shall be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

The proposed treatment of each Class 1 Other Secured Claim shall be selected by the Plan Proponents. Any default with respect to any Class 1 Other Secured Claim that occurred prior to the Effective Date shall be deemed cured upon the Effective Date.

(c) Voting: Class 1 is an Unimpaired Class, and the Holders of Allowed Class 1 Other Secured Claims are conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 1 Other Secured Claims are not entitled to vote to accept or reject this Plan.

Section 3.2 *Class 2 -- Priority Claims.*

(a) Classification: Class 2 consists of all Priority Claims.

(b) Treatment: The legal, equitable, and contractual rights of the Holders of Class 2 Priority Claims are unaltered by this Plan. Unless the Holder of such Claim and the Plan Proponents agree to a different treatment, each Holder of an Allowed Class 2 Priority Claim shall receive, in full and final satisfaction of such Allowed Class 2 Priority Claim, one of the following alternative treatments:

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1. to the extent then due and owing on the Effective Date, such Allowed Class 2 Priority Claim will be paid in full in Cash by the Debtors or the Reorganized Debtors on, or as soon as practical after, the Effective Date;

2. to the extent not due and owing on the Effective Date, such Allowed Class 2 Priority Claim will be paid in full in Cash by the Debtors or the Reorganized Debtors when and as such Allowed Class 2 Priority Claim becomes due and owing in the ordinary course of business; or

3. such Allowed Class 2 Priority Claim will be otherwise treated in a manner so that such Allowed Class 2 Priority Claim shall be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

The proposed treatment of each Class 2 Priority Claim shall be selected by the Plan Proponents.

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

Section 3.3 *Class 3 -- Secured Note Claims.*

(a) Classification: Class 3 consists of all Secured Notes Claims. The Secured Notes Claims are Allowed in full and shall not be subject to any avoidance, reductions, set off, offset, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaims, cross-claims, defenses, disallowance, impairment, or any other challenges under any applicable law or regulation by any person or entity. The Secured Notes Claims are Allowed in an amount not less than $195,747,000 plus applicable fees, charges, costs, and interest accrued but unpaid as of the Filing Date.

(b) Treatment: On the Effective Date, in exchange for their Allowed Secured Notes Claims against each of the Debtors, Holders of Allowed Secured Notes Claims shall receive, on a Pro Rata basis, (i) the Noteholder Cash, (ii) the New Notes, and (iii) 87.5% of the New Common Equity issued and outstanding as of the Effective Date. The Holders of Allowed Secured Notes Claims shall be deemed to waive their Secured Notes Deficiency Claim on the Effective Date.

(c) Voting: Class 3 is Impaired. Pursuant to section 1126 of the Bankruptcy Code, each Holder of Class 3 Allowed Secured Notes Claims is entitled to vote to accept or reject this Plan.

Section 3.4 *Class 4 -- General Unsecured Claims.*

(a) Classification: Class 4 consists of all General Unsecured Claims.

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(b) Treatment: On the later of the Effective Date and the date on which such Claims are Allowed, or, in each case, as soon thereafter as practicable, each Holder of an Allowed General Unsecured Claim in Class 4 shall be paid in full and final satisfaction of such Holder's Allowed General Unsecured Claim ~~in Cash~~the allowed and undisputed amount of such Claim in Cash; *provided, however*, that the Debtors do not waive their rights to contest the amount and validity of any disputed, contingent or unliquidated Claim in the manner and venue in which such Claim would have been determined, resolved or adjudicated if the Bankruptcy Cases had not been commenced. A General Unsecured Claim that is not due and payable on or before the Effective Date shall be paid thereafter (i) in the ordinary course of business in accordance with the terms of any agreement that governs such General Unsecured Claim, or (ii) in accordance with the course of practice between the Debtors and such Holder with respect to such General Unsecured Claim.

(c) Voting: Class 4 is an Unimpaired Class and the Holders of Class 4 General Unsecured Claims are conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Allowed Class 4 General Unsecured Claims are not entitled to vote to accept or reject this Plan.

Section 3.5 *Class 5 -- MFOC Note Claim.*

(a) Classification: Class 5 consists of the MFOC Note Claim. The MFOC Note Claim is Allowed in full and shall not be subject to any avoidance, reductions, set off, offset, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaims, cross-claims, defenses, disallowance, impairment, or any other challenges under any applicable law or regulation by any person or entity. The MFOC Note Claim is Allowed in an amount not less than $6,478,030 plus applicable fees, charges, costs and interest accrued but unpaid as of the Filing Date.

(b) Treatment: On the Effective Date, the Holder of the Allowed MFOC Note Claim in Class 5 shall receive, (i) 12.5% of the New Common Equity issued and outstanding as of the Effective Date, (ii) the Warrant, and (iii) $1.049 million in cash.

(c) Voting: Class 5 is Impaired. Pursuant to section 1126 of the Bankruptcy Code, the Holder of the Class 5 MFOC Note Claim is entitled to vote to accept or reject this Plan.

Section 3.6 *Class 6 -- Intercompany Claims.*

(a) Classification: Class 6 consists of the Intercompany Claims.

(b) Treatment: The Intercompany Claims will be discharged on the Effective Date and the Holders of such Claims shall receive no recovery under this Plan.

(c) Voting: Class 6 is an Impaired Class and pursuant to section 1126(g) of the Bankruptcy Code, the Holders of the Class 6 Intercompany Claim are conclusively deemed to reject this Plan.

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Section 3.7 *Class 7 – Section 510(b) Claims.*

(a) Classification: Class 7 consists of the Section 510(b) Claims.

(b) Treatment: The Section 510(b) Claims shall be deemed canceled and extinguished and shall be discharged on the Effective Date and the Holders of such Claims shall receive no recovery under this Plan.

(c) Voting: Class 7 is an Impaired Class and pursuant to section 1126(g) of the Bankruptcy Code, the Holders of the Class 7 Section 510(b) Claims are conclusively deemed to reject this Plan.

Section 3.8 *Classes 8A -- 8C Interests.*

(a) Classification: Class 8A consists of the MFOC Equity Interests, Class 8B consists of the MFOC Subsidiary Interests, and Class 8C consists of the MFFB Subsidiary Interests.

(b) Treatment: MFH, as the Holder of the MFOC Equity ~~Interest~~Interests in Class 8A, shall receive no recovery under this Plan other than the releases and injunctive relief described in Sections 11.3 and 11.6 of this Plan. MFOC, as the Holder of the MFOC Subsidiary Interests in Class 8B, shall have such Interests reinstated on the Effective Date and remain the 100% parent company of MFFB. MFFB, as the Holder of the MFFB Subsidiary Interests in Class 8C, shall have such Interests reinstated on the Effective Date and remain the 100% parent company of each of its subsidiaries who are Debtors.

(c) Voting: Class 8A is an Impaired Class. Pursuant to section 1126 of the Bankruptcy Code, the Holder of Class 8A MFOC Equity Interests is entitled to vote to accept or reject this Plan. Classes 8B and 8C are Unimpaired Classes and the Holders of Class 8B MFOC Subsidiary Interests and 8C MFFB Subsidiary Interests are conclusively deemed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Allowed Class 8B MFOC Subsidiary Interests and Class 8C MFFB Subsidiary Interests are not entitled to vote to accept or reject this Plan.

Section 3.9 *Special Provision Governing Unimpaired Claims.* Except as otherwise provided in this Plan, nothing under this Plan is intended to or shall affect the Debtors' or Reorganized Debtors' rights and defenses in respect of any Claim that is Unimpaired under this Plan, including, without limitation, all rights in respect of legal and equitable defenses to or setoffs or recoupment against or counter-claims with respect to such Unimpaired Claims.

Article IV
TREATMENT OF UNCLASSIFIED CLAIMS

Section 4.1 *Summary.* Pursuant to section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims against the Debtors are not classified for purposes of voting on, or receiving Distributions under, this Plan. Holders of such Claims are not entitled to vote on this Plan. All such Claims are instead treated

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separately in accordance with this Article IV and in accordance with the requirements set forth in section 1129(a)(9) of the Bankruptcy Code.

Section 4.2 *Administrative Expense Claims.*

(a) Subject to the provisions of sections 328, 330(a) and 331 of the Bankruptcy Code, each Holder of an Allowed Administrative Expense Claim will be paid the full unpaid amount of such Allowed Administrative Expense Claim in Cash on the latest of (i) on, or as soon as reasonably practical after, the Effective Date, (ii) as soon as practicable after the date on which such Claim becomes an Allowed Administrative Expense Claim, (iii) upon such other terms as may be agreed upon by such Holder and the Noteholder Committee or the Reorganized Debtors, or (iv) as otherwise ordered by the Bankruptcy Court; *provided, however*, that Allowed Administrative Expense Claims representing obligations incurred by the Debtors in the ordinary course of business, or otherwise assumed by the Debtors on the Effective Date pursuant to this Plan, including any tax obligations arising after the Filing Date, will be paid or performed by the Reorganized Debtors when due in accordance with the terms and conditions of the particular agreements or non-bankruptcy law governing such obligations.

(b) Except as otherwise provided in this Plan, any Person asserting an Administrative Expense Claim, other than an Administrative Expense Claim (i) arising from the operation by the Debtors of their business in the ordinary course of business, or (ii) to the extent permitted by law, with respect to the fees and expenses of the Noteholder Committee and its professionals, and the fees and expenses of the Old Notes Trustee and its counsel, shall file a request for payment of such Administrative Expense Claim with the clerk of the Bankruptcy Court within thirty days after the occurrence of the Effective Date. At the same time any Person files a request for payment of an Administrative Expense Claim, such Person shall also serve a copy of the request for payment of an Administrative Expense Claim upon counsel for the Reorganized Debtors. Any Person who fails to timely file and serve a request for payment of such Administrative Expense Claim shall be forever barred from seeking payment of such Administrative Expense Claim by the Debtors, the Estates, or the Reorganized Debtors.

(c) Any Person seeking an award by the Bankruptcy Court of Professional Compensation shall file a final application with the Bankruptcy Court for allowance of Professional Compensation for services rendered and reimbursement of expenses incurred through the Effective Date within thirty days after the occurrence of the Effective Date.

Section 4.3 *Priority Tax Claims.* With respect to any Allowed Priority Tax Claims not paid pursuant to prior Bankruptcy Court order, except to the extent that a holder of an Allowed Priority Tax Claim agrees to different treatment, each holder of an Allowed Priority Tax Claim will receive, at the option of the Plan Proponents, (i) on the Effective Date, Cash in an amount equal to such Allowed Priority Tax Claim, or (ii) commencing on the first anniversary of the Effective Date and continuing on each anniversary thereafter over a period not exceeding five years after the Filing Date, equal annual Cash payments in an aggregate amount equal to such Allowed Priority Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the option of the Plan Proponents, to prepay the entire remaining amount of the Allowed Priority Tax Claim at any time, or (iii) upon such other terms determined

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by the Bankruptcy Court to provide the Holder of such Allowed Priority Tax Claim deferred Cash payments having a value, as of the Effective Date, equal to such Allowed Priority Tax Claim. All Allowed Priority Tax Claims which are not due and payable on or before the Effective Date will be paid in the ordinary course of business as such obligations become due.

Article V
ACCEPTANCE OR REJECTION OF THIS PLAN

Section 5.1 *Voting Classes.* Each Holder of an Allowed Claim or Interest, as applicable, in Classes 3, 5, and 8A shall be entitled to vote to accept or reject this Plan.

Section 5.2 *Acceptance by Voting Classes.* Holders of Allowed Claims or Interests in Classes 3, 5, and 8A shall have accepted this Plan if (i) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount and one-half in number of the Allowed Claims actually voting in Classes 3 and 5 have voted to accept this Plan, and (ii) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Interests actually voting in Class 8A have voted to accept this Plan.

Section 5.3 *Presumed Acceptance of Plan.* Classes 1, 2, 4, 8B and 8C are Unimpaired under this Plan, and are therefore presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code.

Section 5.4 *Presumed Rejection of Plan.* Classes 6 and 7 are Impaired under this Plan, and are therefore presumed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code.

Section 5.5 *Non-Consensual Confirmation.* To the extent that any of Classes 3, 5 and 8A vote to reject this Plan, the Plan Proponents reserve the right to seek (i) Confirmation of this Plan under section 1129(b) of the Bankruptcy Code, and/or (ii) modify this Plan in accordance with Section 14.1 hereof.

Article VI
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Section 6.1 *Assumption and Rejection of Executory Contracts and Unexpired Leases.* On the Effective Date, all Executory Contracts or Unexpired Leases of any of the Debtors will be deemed assumed in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, except those Executory Contracts or Unexpired Leases that (i) have been previously assumed or rejected by any Debtor (with the consent of the Noteholder Committee) pursuant to an order of the Bankruptcy Court, (ii) previously expired or terminated pursuant to its own terms, (iii) are the subject of a motion to assume or reject filed by any Debtor (with the consent of the Noteholder Committee) which is pending on the Effective Date, (iv) are identified as being Rejected Contracts on Schedule 6.1 to the Plan, or (v) are assumed or rejected pursuant to the terms of the Plan. An Executory Contract or Unexpired Lease that is deemed to be assumed pursuant to the foregoing sentence shall be

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referred to as an "*Assumed Contract*." The Plan Proponents shall file Schedule 6.1 (the contents of which shall be acceptable to the Plan Proponents each in their sole discretion) with the Bankruptcy Court and serve Schedule 6.1 on the non-Debtor parties under the agreements listed thereon no later than ten days prior to the last date for filing objections to confirmation of the Plan; *provided, however*, that the Plan Proponents may amend Schedule 6.1 at any time prior to the Confirmation Hearing; *provided, further*, that Claims arising from the rejection of Executory Contracts and Unexpired Leases shall not be deemed Allowed under the Plan unless and until a proof of claim has been filed pursuant to Section 6.2 of the Plan and the Claim is subsequently Allowed pursuant to Section 1.1(c) of the Plan.

Entry of the Confirmation Order by the Bankruptcy Court shall constitute findings by the Bankruptcy Court (1) approving the rejection of the Rejected Contracts and (2) with respect to the Assumed Contracts, that (i) the Reorganized Debtors had properly provided for the cure of any defaults that might have existed, (ii) each assumption was in the best interest of the Reorganized Debtors, their Estates, and all parties in interest in the Chapter 11 Cases and (iii) the requirements for assumption of any executory contract or unexpired lease to be assumed had been satisfied. Except as otherwise provided in the following sentence, all cure payments under any Assumed Contract ~~would~~will be made by the Reorganized Debtors on the Effective Date or as soon as practicable thereafter, *provided, however*, that any Claim arising on account of Cure Amounts shall be deemed to have been waived by any Non-Debtor Affiliate who is party to an Assumed Contract. In the event of a dispute, cure payments required by section 365(b)(1) of the Bankruptcy Code shall be paid upon entry of a Final Order resolving such dispute. Each Executory Contract or Unexpired Lease that is assumed by any Debtor (with the consent of the Noteholder Committee) under the Plan and pursuant to the Confirmation Order or pursuant to any other Final Order entered by the Bankruptcy Court shall be deemed to be assigned to the Reorganized Debtors on the later of (i) the Effective Date or (ii) the date of assumption.

All of the Debtors' programs, plans, agreements and arrangements relating to non-executive employee compensation and benefits, including, without limitation, all savings plans, retirement plans, healthcare plans, disability plans, severance plans, incentive plans, and life, accidental death and dismemberment insurance plans, entered into before the Filing Date and not since terminated, will be deemed to be, and will be treated as though they are, executory contracts that are assumed under this Section 6.1 of the Plan, and the Debtors' and Reorganized Debtors' obligations under such programs, plans, agreements and arrangements will survive confirmation of the Plan and will be fulfilled in the ordinary course of business.

Section 6.2 *Rejection Damages Claims.* All proofs of claim with respect to Claims arising from the rejection pursuant to this Plan of the Rejected Contracts, if any, must be filed with the clerk of the Bankruptcy Court and served upon counsel for the Reorganized Debtors within thirty days of the occurrence of the Effective Date. Any Claim arising from the rejection of Executory Contracts or Unexpired Leases that becomes an Allowed Claim is classified and shall be treated as a Class 4 General Unsecured Claim, as applicable; *provided, however*, that any Claim arising from a Rejected Contract shall be deemed to have been waived by any Non-Debtor Affiliate who is party to such a Rejected Contract. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not filed within the time

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required by this section will be forever barred from assertion against the Debtors, the Reorganized Debtors, the Estates, or property of the Debtors or Reorganized Debtors.

Section 6.3 *Employment Agreements.* Except as otherwise provided in this Plan, to the extent the Debtors had employment agreements with any of their executives and key employees as of the Filing Date, the Plan Proponents will disclose on Schedule 6.1 whether they intend to reject such contracts. Notwithstanding anything to the contrary in this Plan, the Reorganized Debtors shall maintain all of their existing rights, including, without limitation, any rights that they may have to amend, modify, or terminate, the employment agreements assumed pursuant to this article, subject to the existing contractual rights, if any, of the directors, officers or employees affected thereby. All employment agreements assumed pursuant to this Section 6.3 of this Plan shall be deemed modified such that transactions contemplated by this Plan shall not be a "change in control" as defined in the relevant employment agreements. Any Holder of a Claim arising from the rejection of an employment agreement must file a proof of claim with the Bankruptcy Court within thirty days of the deemed rejection. Any Claims arising from the rejection of an employment agreement not filed within the time required by this section will be forever barred from assertion against the Debtors, the Reorganized Debtors, the Estates or property of the Debtors or Reorganized Debtors.

Section 6.4 *Management Incentive Plan.* The Board of Directors of Reorganized MFOC shall have the authority to establish a Management Incentive Plan that shall be acceptable to the Noteholder Committee, as soon as practicable after the Effective Date, to provide designated members of senior management of the Reorganized Debtors with warrants and/or options for up to 10% of the equity of Reorganized MFOC, on a fully diluted basis, being reserved for issuance to senior management at the same strike price as the Warrant. The Management Incentive Plan will contain terms and conditions that shall be determined by the Board of Directors of Reorganized MFOC.

Article VII
MEANS FOR IMPLEMENTATION OF PLAN

Section 7.1 *Continued Legal Existence.* Except as otherwise provided in this Plan, each of the Debtors will continue to exist after the Effective Date as a separate legal entity, with all the powers of such an entity (whether a corporation, limited liability company or other entity, as appropriate) under applicable law in the jurisdiction in which each applicable Debtor is incorporated or otherwise formed and pursuant to its certificate or articles of incorporation and by-laws or other organizational documents in effect prior to the Effective Date, except to the extent such certificate or articles of incorporation and by-laws or other organizational documents are amended by this Plan, without prejudice to any right to terminate such existence (whether by merger or otherwise) under applicable law after the Effective Date.

Section 7.2 *Sources of Cash for Distribution.* All Cash necessary for the Reorganized Debtors to make payments required by this Plan shall be obtained from existing Cash balances, the Net Cash Proceeds held by the Old Notes Trustee, the operations of the Debtors or Reorganized Debtors or the Working Capital Facility.

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Section 7.3 *Entry into Working Capital Facility.* On or before the Effective Date, certain of the Reorganized Debtors (as borrowers or guarantors) and certain of the members of the Noteholder Committee (as lenders) shall enter into the Working Capital Facility on terms and conditions consistent with those contained in the term sheet describing the Working Capital Facility that was filed with the Plan Supplement.

In order to implement the Working Capital Facility, the New Notes Indenture shall contain the following provisions. Section 12.11 of the New Notes Indenture shall provide that (i) the liens securing the New Notes shall be (a) junior in priority to the liens securing the Working Capital Facility on Collateral (as defined in the New Notes Indenture) consisting of the accounts receivable and inventory of the Reorganized Debtors, and (b) *pari passu* in priority to the liens securing the Working Capital Facility on any additional Collateral and (ii) in the event of a subsequent bankruptcy or liquidation, proceeds in connection with any disposition of, or collection on, the Collateral shall be first applied to the balance of the Working Capital Facility, with any remaining proceeds applied to the New Notes. Similar changes shall be made in the definition of Senior Secured Facility. Section 3.07 of the New Notes Indenture shall provide that only Net Cash Proceeds (as defined in the New Notes Indenture) received from the exercise of the Warrants shall be applied as a mandatory prepayment on the New Notes. The Net Cash Proceeds from any other issuance of Capital Stock (as defined in the New Notes Indenture) may be utilized in any manner not prohibited by the New Notes Indenture.

Section 7.4 ~~**Section 7.3**~~ *Reinstatement of Interests.* There shall be no reinstatement or other recovery for the Interests held directly by MFH in MFOC in accordance with the terms of the Plan. The MFOC Subsidiary Interests held directly by MFOC and the MFFB Subsidiary Interests held by MFFB or its Subsidiary Debtors shall be reinstated in accordance with the terms of the Plan.

Section 7.5 ~~**Section 7.4**~~ *Cancellation of Existing Securities and Agreements/Discharge of Old Notes Trustee.* Except as set forth in the Plan, upon the Effective Date, the Existing Securities shall be cancelled and the holders thereof shall have no further rights or entitlements in respect thereof against the Debtors or Non-Debtor Affiliates except the rights to receive the distributions to be made to such holders under the Plan and all Liens against Non-Debtor Affiliates shall be automatically released. To the extent possible, distributions to be made under the Plan to the beneficial owners of the Old Notes shall be made through The Depository Trust Company ("*DTC*") and its participants. The Confirmation Order shall authorize and direct the Old Notes Trustee to take whatever action may be necessary or appropriate, in its reasonable discretion, to deliver the distributions, including, without limitation, obtaining an order of the Bankruptcy Court. On the Effective Date, the Old Notes Trustee and its agents shall be discharged of all ~~its~~their obligations associated with (i) the Old Notes, (ii) the Old Notes Indenture, and (iii) any related documents, and released from all Claims arising in the Bankruptcy Cases. As of the Effective Date, the Old Notes Indenture shall be deemed fully satisfied and cancelled, except that such cancellation shall not impair the rights of the Holders of the Old Notes to receive distributions under the Plan, or the rights of the Old Notes Trustee under the Indenture Trustee Charging Lien, to the extent that the Old Notes Trustee has not received payment as provided for in Section 7.5 of the Plan. On the Effective

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Date, all Liens in favor of the Old Notes Trustee for the benefit of the holders of the Old Notes or otherwise arising under the Old Notes Indenture shall be deemed released.

Section 7.6 ~~**Section 7.5**~~ *Old Notes Trustee and Noteholder Committee Expenses.* To the extent permitted by law, all outstanding fees and expenses of (i) the Old Notes Trustee and its counsel and (ii) the Noteholder Committee and its professionals shall be paid in Cash on the Effective Date by the Debtors or Reorganized Debtors as an Administrative Expense Claim, without the need for application to, or approval of, the Bankruptcy Court. To the extent that the Old Notes Trustee in its capacity as trustee under the Indenture provides services related to the Distributions pursuant to this Plan, the Old Notes Trustee will be paid by the Reorganized Debtors, without Bankruptcy Court approval, the reasonable compensation for such services and reimbursement of reasonable expenses incurred in connection therewith, with such payments to be made on terms agreed to between the Old Notes Trustee and the Reorganized Debtors.

Section 7.7 ~~**Section 7.6**~~ *Deferred Blackstone Fee.* The Reorganized Debtors will pay not later than December 31, 2008 or earlier, should there be available net proceeds from the sale of TCBY, if sold, or any of the NexCen Shares, the remainder of the fees and expenses payable to Blackstone for its financial advisory work for the Debtors. The Debtors estimate that the amount of such fees and expenses to be so paid will be approximately $1.0 million.

Section 7.8 ~~**Section 7.7**~~ *Corporate Action.* Each of the matters provided for under this Plan involving the corporate structure of any Debtor or Reorganized Debtor or any corporate action to be taken by or required of any Debtor or Reorganized Debtor, including, without limitation, the adoption of the certificates of incorporation and bylaws of each of the Reorganized Debtors as provided for in Section 8.1 of this Plan, shall be deemed to have occurred and be effective as provided herein, and shall be authorized, approved and, to the extent taken prior to the Effective Date, ratified in all respects without any requirement of further action by stockholders, members, creditors, directors, or managers of any of the Debtors or the Reorganized Debtors.

Section 7.9 ~~**Section 7.8**~~ *Preservation of Causes of Action.* In accordance with section 1123(b)(3) of the Bankruptcy Code the Reorganized Debtors will retain and may (but are not required to) enforce all Retained Actions. After the Effective Date, the Reorganized Debtors, in their sole and absolute discretion, shall have the right to bring, settle, release, compromise, or enforce such Retained Actions (or decline to do any of the foregoing), without further approval of the Bankruptcy Court. The Reorganized Debtors or any successors, in the exercise of their sole discretion, may pursue such Retained Actions so long as it is in the best interests of the Reorganized Debtors or any successors holding such rights of action. The failure of the Debtors to specifically list any claim, right of action, suit, proceeding or other Retained Action in this Plan does not, and will not be deemed to, constitute a waiver or release by the Debtors or the Reorganized Debtors of such claim, right of action, suit, proceeding or other Retained Action, and the Reorganized Debtors will retain the right to pursue such claims, rights of action, suits, proceedings and other Retained Actions in their sole discretion and, therefore, no preclusion doctrine, collateral estoppel, issue preclusion, claim preclusion, estoppel

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(judicial, equitable, or otherwise) or laches will apply to such claim, right of action, suit, proceeding, or other Retained Action upon or after the confirmation or consummation of this Plan.

Section 7.10 ~~**Section 7.9**~~ *Effectuating Documents; Further Transactions.* Each of the Debtors (subject to the consent of the Noteholder Committee) and Reorganized Debtors, and their respective officers and designees, is authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan, or to otherwise comply with applicable law.

Section 7.11 ~~**Section 7.10**~~ *Exemption From Certain Transfer Taxes and Recording Fees.* Pursuant to section 1146(a) of the Bankruptcy Code, any transfers from a Debtor to a Reorganized Debtor or to any other Person or entity pursuant to this Plan, or any agreement regarding the transfer of title to or ownership of any of the Debtors' real or personal property will not be subject to any document recording tax, stamp tax, conveyance fee, sales tax, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, or other similar tax or governmental assessment, and the Confirmation Order will direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

Section 7.12 ~~**Section 7.11**~~ *Further Authorization.* The Reorganized Debtors shall be entitled to seek such orders, judgments, injunctions, and rulings as they deem necessary to carry out the intentions and purposes, and to give full effect to the provisions, of this Plan.

Article VIII
PROVISIONS REGARDING CORPORATE GOVERNANCE OF REORGANIZED DEBTORS

Section 8.1 *Certificates of Incorporation and By-Laws.* The organizational documents of each Reorganized Debtor shall be amended to conform with the requirements of section 1123(a)(6) of the Bankruptcy Code.

Section 8.2 *Directors and Officers of Reorganized Debtors.*

(a) Directors. Pursuant to the Term Sheet, the initial Board of Directors of Reorganized MFOC shall consist of seven directors, four of whom shall be designated by the Noteholder Committee, and two of whom shall be designated jointly by Capricorn. The chief executive officer of Reorganized MFOC shall be the seventh director. The identities of the members of the initial Board of Directors to be designated by the Noteholder Committee and the identity of the chief executive officer have not been determined as of the date of this Plan and shall be disclosed in the Plan Supplement. The members of the initial Board of Directors to be designated by Capricorn are expected to be Don K. Rice and John D. Collins, each of whom is

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currently a director of MFFB, though it is possible that either or both of them may decline to be so designated prior to the Effective Date. The members of the initial Boards of Directors or equivalent governing bodies for the Reorganized Subsidiaries shall be selected by the initial Board of Directors for Reorganized MFOC and shall consist of officers or directors of the Reorganized Debtors. To the extent any such Person is an Insider (as defined in section 101(31) of the Bankruptcy Code), the nature of any compensation for such Person will also be disclosed prior to the Confirmation Hearing. Each of the Persons on the initial Boards of Directors of the respective Reorganized Debtors shall serve in accordance with the certificates of incorporation and bylaws of the respective Reorganized Debtor, as the same may be amended from time to time.

(b) Officers. The identities of the initial officers of the Reorganized Debtors have not been determined as of the date hereof and shall be disclosed in the Plan Supplement. To the extent any such Person is an Insider (as defined in section 101(31) of the Bankruptcy Code), the nature of any compensation for such Person will also be disclosed at such time. The initial officers shall serve in accordance with the certificates of incorporation and bylaws of the applicable Reorganized Debtor, as the same may be amended from time to time.

Section 8.3 *Issuance of New Securities*

(a) New Common Equity. On the Effective Date, Reorganized MFOC shall issue shares of New Common Equity pursuant to the Plan. The certificate of incorporation and by-laws for Reorganized MFOC, forms of which are annexed hereto as Exhibits 1 and 2 and are described in Appendix I to the Disclosure Statement, sets forth the rights of the New Common Equity. The New Common Equity shall be issued subject to the Stockholders Agreement, a form of which is annexed hereto as Exhibit 5 and described in Appendix III to the Disclosure Statement.

(b) Warrant. On the Effective Date, Reorganized MFOC shall (i) issue the Warrant, a substantially similar form of which is annexed hereto as Exhibit 3 and described in Appendix IV to the Disclosure Statement, and (ii) have authorized the issuance of New Common Equity issuable under the Warrant.

(c) New Notes. On the Effective Date, Reorganized MFFB and Reorganized MFFC, as co-issuers, shall issue $50 million in principal amount of New Notes (as described in Section 1.1, subject to an increase by the amount by which the Noteholder Cash is less than $90 million), which New Notes incorporate the terms and conditions set forth in the New Notes Indenture annexed hereto as Exhibit 4 and described in Appendix II to the Disclosure Statement. The "issue price" and "yield to maturity" of a New Note for U.S. federal income tax purposes shall be determined by the co-issuers and shall be binding on all holders and persons holding beneficial interests in the New Notes.

Section 8.4 *Stockholders Agreement.* All holders of the New Common Equity and Warrant will be subject to the Stockholders Agreement which will, among other things, govern each holder of New Common Equity's and Warrant's access to information with respect to the Reorganized Debtors and the ability to transfer such holder's New Common

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Equity and Warrant. Each certificate representing share(s) of New Common Equity or Warrant shall bear a legend indicating that the New Common Equity and Warrant are subject to the Stockholders Agreement. The Stockholders Agreement, a form of which is annexed hereto as Exhibit 5 and described in Appendix III to the Disclosure Statement, will be effective as of the Effective Date.

Article IX
DISTRIBUTIONS UNDER THE PLAN

Section 9.1 *Disbursing Agent.* Unless otherwise provided for herein, all Distributions under this Plan shall be made by the Reorganized Debtors or their agent. Notwithstanding the foregoing, all Distributions to the Holders of Allowed Secured Notes Claims shall be made by the applicable Reorganized Debtor to such Holders through the Old Notes Trustee.

Section 9.2 *Distributions of Cash.* Any Distribution of Cash made by the Reorganized Debtors pursuant to this Plan shall, at the Reorganized Debtor's option, be made by check drawn on a domestic bank or by wire transfer from a domestic bank.

Section 9.3 *Time Bar to Cash Payments.* Checks issued in respect of Allowed Claims shall be null and void if not negotiated within one hundred and eighty days after the date of issuance thereof. Requests for reissuance of any voided check shall be made directly to the Debtors or Reorganized Debtors by the holder of the Allowed Claim to whom such check was originally issued. Any Claim in respect of such a voided check shall be made on or before the later of (a) the first anniversary of the date on which such Distribution or payment was made and (b) one hundred and eighty days after the date of the issuance of such check. If no Claim is made as provided in the preceding sentence, all Claims in respect of void checks shall be discharged and forever barred and such unclaimed Distributions shall revert to the Debtors or Reorganized Debtors.

Section 9.4 *No Interest on Claims or Interests.* Unless otherwise specifically provided for in this Plan, the Confirmation Order, or a postpetition agreement in writing between the Debtors and a Holder, postpetition interest shall not accrue or be paid on Claims, and no Holder shall be entitled to interest accruing on or after the Filing Date on any Claim; *provided, however*, that in accordance with the Term Sheet, the Old Notes and MFOC Note shall accrue interest through the Effective Date. Additionally, and without limiting the foregoing, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a Final Distribution is made when and if such Disputed Claim becomes an Allowed Claim.

Section 9.5 *Delivery of Distributions.* The Distribution to a Holder of an Allowed Claim shall be made by the Reorganized Debtors (i) at the last known address of such Holder according to the Debtors' books and records; (ii) at the address set forth on any proof of Claim filed by such Holder or at the address set forth in any written notices of address change delivered to the Debtors or Reorganized Debtors after the date of any related proof of Claim, or (iii) in the case of Secured Notes Claims, to the Old Notes Trustee for ultimate

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distribution to the Holders of such Secured Notes Claims. If any Holder's Distribution is returned as undeliverable, no further Distributions to such Holder shall be made unless and until the Reorganized Debtors are notified of such Holder's then-current address, at which time all missed Distributions shall be made to such Holder without interest. All Distributions returned to the Reorganized Debtors and not claimed within six months of return shall be irrevocably retained by the Reorganized Debtors notwithstanding any federal or state escheat laws to the contrary. Upon such reversion, the claim of any Holder or their successors with respect to such property shall be discharged and forever barred notwithstanding any federal or state escheat laws to the contrary.

Section 9.6 *Distributions to Holders as of the Distribution Record Date.* All Distributions on Allowed Claims, except for distributions to Holders of Secured Notes Claims, shall be made to the Record Holders of such Claims. As of the close of business on the Distribution Record Date, there shall be no further changes in the Record Holder of any Claim. The Reorganized Debtors shall have no obligation to recognize any transfer of any Claim occurring after the Distribution Record Date. The Reorganized Debtors shall instead be entitled to recognize and deal for all purposes under this Plan with the Record Holders as of the Distribution Record Date. In the case of Secured Notes Claims, the distribution will be made to the Old Notes Trustee for ultimate distribution to the Holders of such Secured Notes Claims.

Section 9.7 *Fractional Securities; Fractional Dollars.* Any other provision of this Plan notwithstanding, payments of fractions of shares of New Common Equity will not be made and shall be deemed to be zero. Any other provision of this Plan notwithstanding, the Reorganized Debtors shall not be required to make Distributions or payments of fractions of dollars. Whenever any payment of a fraction of a dollar under this Plan would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

Section 9.8 *Withholding Taxes.* The Debtors or the Reorganized Debtors, as the case may be, shall comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all Distributions under this Plan shall be subject to any such withholding and reporting requirements.

Article X
PROCEDURES FOR TREATING AND RESOLVING DISPUTED CLAIMS

Section 10.1 *Objections to Claims.* The Reorganized Debtors shall be entitled to object to Claims, *provided, however*, that the Debtors and Reorganized Debtors shall not be entitled to object to Claims (i) that have been Allowed by a Final Order entered by the Bankruptcy Court prior to the Effective Date or (ii) that are Allowed by the express terms of this Plan. Any objections to Claims must be filed by the Claims Objection Deadline.

Section 10.2 *Estimation of Claims.* The Plan Proponents or the Reorganized Debtors, as the case may be, may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502 of the Bankruptcy Code regardless of whether the Plan Proponents or the Reorganized Debtors have previously objected

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to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and are not necessarily exclusive of one another.

Section 10.3 *Resolution of Claims Objections.* On and after the Effective Date, the Reorganized Debtors shall have the authority to compromise, settle, otherwise resolve, or withdraw any objections to Claims without approval of the Bankruptcy Court.

Section 10.4 *Distributions After Allowance.* On the first Distribution Date after a Disputed General Unsecured Claim becomes an Allowed General Unsecured Claim, the Holder of an Allowed General Unsecured Claim shall receive the Distribution to which such Holder is then entitled *plus* any Distribution such Holder would have received on a prior Distribution Date had such Holder's Claim been Allowed on such prior Distribution Date; *provided, however,* if the date such General Unsecured Claim becomes entitled to a Distribution is less than twenty Business Days prior to the next Distribution Date, the Distribution with respect to such Claim will be made on the first Distribution Date that occurs more than twenty Business Days after the Claim becomes entitled to a Distribution. All Distributions made under this article of this Plan will be made together with any dividends, payments, or other Distributions made on account of, as well as any obligations arising from, the distributed property as if such Claim had been an Allowed Claim on the dates Distributions were previously made to Allowed Holders included in the applicable Class.

Article XI
EFFECT OF PLAN ON CLAIMS AND INTERESTS

Section 11.1 *Revesting of Assets.* Except as otherwise explicitly provided in this Plan, on the Effective Date, all property comprising the Estates (including Retained Actions, but excluding property that has been abandoned pursuant to an order of the Bankruptcy Court) shall revest in the Reorganized Debtors, free and clear of all Claims, Liens, charges, encumbrances, rights and Interests of creditors and equity security holders, except as specifically provided in this Plan. As of the Effective Date, the Reorganized Debtors may operate their businesses and use, acquire, and dispose of property and settle and compromise Claims or Interests without supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by this Plan or the Confirmation Order.

Section 11.2 *Release and Discharge of the Debtors.* Pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise specifically provided in this Plan or in the Confirmation Order, the Distributions and rights that are provided in this Plan shall be deemed to and hereby unconditionally and irrevocably release and discharge the Debtors, the Reorganized Debtors or their Estates from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan),

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known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that relates to any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date.

Section 11.3 *Releases.*

(a) Debtor Releases. On the Effective Date, and to the greatest extent permissible by law, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtors and Reorganized Debtors, on behalf of themselves and their Estates shall be deemed to and hereby unconditionally and irrevocably release, waive and discharge all of the Debtors' respective officers serving on the Effective Date, current and former directors and managers, legal and financial advisors, and other representatives of the Debtors, in each case in their capacity as such, the Non-Debtor Affiliates, including the Holder of the MFOC Equity Interests as of the Filing Date, the shareholders of the Non-Debtor Affiliates, in their capacity as such, the current and former members of the Noteholder Committee including their legal and financial advisors, in each case in their capacity as such, and the Old Notes Trustee, including its legal and financial advisors, in each case in their capacity as such (collectively, the "*Debtor Released Parties*"), from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, the Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that ~~relates~~relate to any pre-Filing Date act, omission, transaction, event or other occurrence, in any way relating to the Debtors, the Reorganized Debtors, the Bankruptcy Cases, the Plan, or the Disclosure Statement, except that no Debtor Released Party shall be released from any act or omission that constitutes willful misconduct or fraud.

(b) Non-Debtor Affiliate Releases. On the Effective Date, and to the greatest extent permissible by law, for good and valuable consideration, the adequacy of which is hereby confirmed, the Non-Debtor Affiliates, including the Holder of the MFOC Equity Interests as of the Filing Date, and the shareholders of the Non-Debtor Affiliates, in their capacity as such, shall be deemed to and hereby unconditionally and irrevocably release, waive and discharge the Debtors, and each of its and their Estates, Reorganized Debtors, all of the Debtors' respective officers serving on the Effective Date, current and former directors and managers, legal and financial advisors, and other representatives of the Debtors, in each case in their capacity as such, the current and former members of the Noteholder Committee including their legal and financial advisors, in each case in their capacity as such, and the Old Notes Trustee, including its legal and financial advisors, in each case in their capacity as such (collectively, the "*Non-Debtor Affiliate Released Parties*"), from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, the Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that ~~relates~~relate to any pre-Filing Date act, omission, transaction, event or other occurrence, in any way relating to the Debtors, the Reorganized Debtors, the Bankruptcy Cases, the Plan, or the

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(c) Noteholder Committee and Old Notes Trustee Releases. On the Effective Date, and to the greatest extent permissible by law, for good and valuable consideration, the adequacy of which is hereby confirmed, the current and former members of the Noteholder Committee, in their capacity as such, and the Old Notes Trustee, in its capacity as such, shall be deemed to and hereby unconditionally and irrevocably release, waive and discharge the Debtors, and each of its and their Estates, Reorganized Debtors, all of the Debtors' respective officers serving on the Effective Date, current and former directors and managers, legal and financial advisors, and other representatives of the Debtors, in each case in their capacity as such, and the Non-Debtor Affiliates, including the Holder of the MFOC Equity Interests as of the Filing Date, and the shareholders of the Non-Debtor Affiliates, in their capacity as such, (collectively, the "*Noteholder Committee Released Parties*"), from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, the Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that ~~relates~~relate to any pre-Filing Date act, omission, transaction, event or other occurrence, in any way relating to the Debtors, the Reorganized Debtors, the Bankruptcy Cases, the Plan, or the Disclosure Statement, except that no Noteholder Committee Released Party shall be released from any act or omission that constitutes willful misconduct or fraud.

(d) Holder of Old Notes Releases. On the Effective Date, and to the greatest extent permissible by law, for good and valuable consideration, the adequacy of which is hereby confirmed, ~~the Holders~~each Holder of Old Notes, in ~~their~~its capacity as such, that has not affirmatively exercised its option to opt out of this release provision, shall be deemed to and hereby unconditionally and irrevocably release, waive and discharge the Debtors, and each of its and their Estates, Reorganized Debtors, all of the Debtors' respective officers serving on the Effective Date, current and former directors and managers, legal and financial advisors, and other representatives of the Debtors, in each case in their capacity as such, and the current and former members of the Noteholder Committee including their legal and financial advisors, in each case in their capacity as such, and the Non-Debtor Affiliates, including the Holder of the MFOC Equity Interests as of the Filing Date, and the shareholders of the Non-Debtor Affiliates, in their capacity as such, and the Old Notes Trustee, including its legal and financial advisors, in each case in their capacity as such (collectively, the "*Old Notes Released Parties*"), from any and all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce obligations under this Plan, the Confirmation Order, and the contracts, instruments, releases, agreements and documents delivered under this Plan), known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that ~~relates~~relate to any pre-Filing Date act, omission, transaction, event or other occurrence, in any way relating to the Debtors, the Reorganized Debtors, the Bankruptcy Cases, the Plan, or the Disclosure Statement, except that no Old Notes Released Party shall be released from any act or omission that constitutes willful misconduct or fraud.

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Section 11.4 *Setoffs.* The Debtors may, but shall not be required to, set off against any Claim, and the payments or other Distributions to be made pursuant to this Plan in respect of such Claim, claims of any nature whatsoever that the Debtors may have against such Holder; but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claim that the Debtors or the Reorganized Debtors may have against such Holder.

Section 11.5 *Exculpation and Limitation of Liability.* The Debtors, the Reorganized Debtors, the Noteholder Committee, the current and former members of the Noteholder Committee in their capacities as such, the Old Notes Trustee, in its capacity as such, and any of such parties' respective current and/or post-Filing Date and pre-Effective Date members, officers, directors, managers, employees, advisors, attorneys, representatives, financial advisors, investment bankers, or agents and any of such parties' successors and assigns, shall not have or incur, and are hereby released from, any claim, obligation, cause of action, or liability to any Holder of any Claim or Interest, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys, or Affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of the Bankruptcy Cases, the negotiation, solicitation, and filing of this Plan, the filing of the Bankruptcy Cases, the pursuit of confirmation of this Plan, the consummation of this Plan, or the administration of this Plan or the property to be distributed under this Plan, except for their willful misconduct or ~~fraud~~gross negligence, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

Section 11.6 ***Injunction.*** **Except as otherwise expressly provided herein or in the Confirmation Order, all Persons or entities who have held, hold, or may hold Claims against or Interests in the Debtors are permanently enjoined, from and after the Effective Date, from: (i) commencing or continuing in any manner any action or other proceeding of any kind on any such Claim or Interest against any of the Reorganized Debtors or the Non-Debtor Affiliates on account of such Claims or Interests; (ii) the enforcement, attachment, collection, or recovery by any manner or means of any judgment, award, decree, or order against any Reorganized Debtor or Non-Debtor Affiliate with respect to such Claim or Interest; (iii) creating, perfecting, or enforcing any lien or encumbrance of any kind against any Reorganized Debtor or Non-Debtor Affiliate or against the property or interests in property of any Reorganized Debtor or Non-Debtor Affiliate with respect to such Claim or Interest; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation owed to any Reorganized Debtor or Non-Debtor Affiliate or against the property or interest in property of any Reorganized Debtor or Non-Debtor Affiliate with respect to such Claim or Interest, *provided, however*, that nothing contained herein shall limit a Person's ability to assert a valid defense to any Cause of Action, or limit a Person's ability to exercise its valid setoff or recoupment rights with respect to such Person's post-Filing Date claims against the Debtors or Reorganized Debtors and post-Filing Date debts owed to the Debtors or Reorganized Debtors; and (v) pursuing any claim released pursuant to this Article XI of this Plan.**

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Section 11.7 *Effect of Effective Date.*

(a) Binding Effect. On the Effective Date, the provisions of this Plan shall be binding on the Debtors, the Estates, all Holders of Claims against or Interests in the Debtors, and all other parties in interest whether or not such Holders are Impaired and whether or not such Holders have accepted this Plan.

(b) Effect of Effective Date on Automatic Stay. Except as provided otherwise in this Plan, from and after the Effective Date, the automatic stay of section 362(a) of the Bankruptcy Code shall terminate.

(c) Filing of Reports. The Reorganized Debtors shall file all reports and pay all fees required by the Bankruptcy Code, Bankruptcy Rules, U.S. Trustee guidelines, and the rules and orders of the Bankruptcy Court.

(d) Post-Effective Date Retention of Professionals. Upon the Effective Date, any requirement that professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date will terminate, and the Reorganized Debtors will employ and pay professionals in the ordinary course of business.

Article XII
CONDITIONS PRECEDENT

Section 12.1 *Conditions to Confirmation.* The following are conditions precedent to confirmation of this Plan that may be satisfied or waived in accordance with Section 12.3 of this Plan:

(a) This Plan and Disclosure Statement shall be filed on the Filing Date;

(b) On the Filing Date (or as soon as practicable, but not later than one week, thereafter), the Debtors shall file any other pleadings necessary to effectuate the confirmation of this Plan on an expedited and efficient basis;

~~(c) The combined hearing seeking approval of the Disclosure Statement and confirmation of the Plan shall have occurred within thirty-five days of the Filing Date;~~

(c) ~~(d)~~ The Disclosure Statement and Plan, including any exhibits, appendices and related documents, that are not inconsistent with the terms set forth herein and acceptable to the Noteholder Committee, in its sole discretion, shall have been approved by a final, non-appealable order of the Bankruptcy Court, in form and substance acceptable to the Noteholder Committee, within forty-five days of the Filing Date;

(d) ~~(e)~~ The Effective Date shall have occurred within sixty days of the Filing Date;

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(e) ~~(f)~~ One or more of the Bankruptcy Cases shall not have been converted to a case under Chapter 7 of the Bankruptcy Code, unless such conversion is made with the prior written consent of the Noteholder Committee, which consent shall be provided or withheld in the Noteholder Committee's sole discretion;

(f) ~~(g)~~ There shall not have been the appointment of a trustee, receiver or examiner with expanded powers in one or more of the Bankruptcy Cases unless such appointment is made with the prior written consent of the Noteholder Committee, which consent shall be provided or withheld in the Noteholder Committee's sole discretion; and

(g) ~~(h)~~ The Debtors shall not have submitted any amendment, modification or filing seeking to amend or modify this Plan, Disclosure Statement or any documents related to the foregoing, including motions, notices, exhibits, appendices and orders, in any manner not acceptable to the Noteholder Committee, in its sole discretion.

Section 12.2 *Conditions to the Effective Date.* The following are conditions precedent to the occurrence of the Effective Date, each of which may be satisfied or waived in accordance with Section 12.3 of this Plan:

(a) The Confirmation Order in form and substance acceptable to the Plan Proponents each in their sole discretion shall have become a Final Order and shall not have been vacated or modified;

(b) It shall be no later than sixty days from the Filing Date;

(c) The Debtors shall not have experienced a material adverse effect (as defined in the Term Sheet) prior to the Effective Date and the holders of a majority of the Old Notes held by the members of the Noteholder Committee shall not have invoked such condition;

(d) All documents and agreements to be executed on the Effective Date or otherwise necessary to implement this Plan shall be effective on the Effective Date;

(e) The Debtors shall have received any authorization, consent, regulatory approval, ruling, letter, opinion, or document that may be necessary to implement this Plan or that is required by law, regulation, or order; and

(f) The New Common Equity, Warrant, and New Notes shall have been issued in accordance with this Plan.

Section 12.3 *Waiver of Conditions to Confirmation or Consummation.* The conditions set forth in Section 12.1 and Section 12.2 of this Plan may be waived, in whole or in part, by the Noteholder Committee without any notice to any other parties in interest or the Bankruptcy Court and without a hearing, other than the notice that shall be provided to the Debtors; *provided, however,* the conditions to the Effective Date in Section 12.2(a), 12.2(d), 12.2(e) and 12.2(f) of this Plan may only be waived, in whole or in part, by consent of both Plan Proponents, each in their sole discretion. The failure of the Noteholder Committee or, as applicable, the Plan Proponents, to exercise any of the foregoing rights shall not be deemed a

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waiver of any other rights, and each such right shall be deemed an ongoing right, which may be asserted at any time prior to the Confirmation Date for the conditions set forth in Section 12.1 or the Effective Date for the conditions set forth in Section 12.2.

Section 12.4 *Effect of Non-Occurrence of the Effective Date.* If the Effective Date shall not occur notwithstanding Section 12.3, this Plan shall be null and void and nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims against or Interests in a Debtor; (b) prejudice in any manner the rights of the Debtors, including without limitation, the right to seek a further extension of the exclusivity periods under section 1121(d) of the Bankruptcy Code; or (c) constitute an admission, acknowledgement, offer or undertaking by the Debtors.

Article XIII
RETENTION AND SCOPE OF JURISDICTION OF THE BANKRUPTCY COURT

Section 13.1 *Retention of Jurisdiction.* Subsequent to the Effective Date, the Bankruptcy Court shall have or retain jurisdiction for the following purposes:

(a) To adjudicate objections concerning the allowance, priority or classification of Claims or Interests and any subordination thereof, and to establish a date or dates by which objections to Claims must be filed to the extent not established herein;

(b) To liquidate the amount of any Disputed, contingent or unliquidated Claim, to estimate the amount of any Disputed, contingent or unliquidated Claim, and to establish the amount of any reserve required to be withheld from any Distribution under this Plan.

(c) To resolve all matters related to the rejection, and assumption and/or assignment of any Executory Contract or Unexpired Lease of the Debtors;

(d) To hear and rule upon all Retained Actions, Avoidance Actions and other Causes of Action commenced and/or pursued by the Debtors and/or the Reorganized Debtors;

(e) To hear and rule upon all applications for Professional Compensation;

(f) To remedy any defect or omission or reconcile any inconsistency in this Plan, as may be necessary to carry out the intent and purpose of this Plan;

(g) To construe or interpret any provisions in this Plan and to issue such orders as may be necessary for the implementation, execution and consummation of this Plan, to the extent authorized by the Bankruptcy Code;

(h) To adjudicate controversies arising out of the administration of the Estates or the implementation of this Plan;

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(i) To make such determinations and enter such orders as may be necessary to effectuate all the terms and conditions of this Plan, including the Distribution of funds from the Estates and the payment of Claims;

(j) To determine any suit or proceeding brought by the Debtors and/or the Reorganized Debtors to recover property under any provisions of the Bankruptcy Code;

(k) To hear and determine any tax disputes concerning the Debtors and to determine and declare any tax effects under this Plan;

(l) To determine such other matters as may be provided for in this Plan or the Confirmation Order or as may be authorized by or under the provisions of the Bankruptcy Code;

(m) To determine any controversies, actions or disputes that may arise under the provisions of this Plan, or the rights, duties or obligations of any Person under the provisions of this Plan; and

(n) To enter a final decree.

Section 13.2 *Alternative Jurisdiction.* In the event that the Bankruptcy Court is found to lack jurisdiction to resolve any matter, then the District Court shall hear and determine such matter. If the District Court does not have jurisdiction, then the matter may be brought before any court having jurisdiction with regard thereto.

Section 13.3 *Final Decree.* The Bankruptcy Court may, upon application of the Reorganized Debtors, at any time on or after one hundred twenty days after the Initial Distribution Date, enter a final decree in these cases, notwithstanding the fact that additional funds may eventually be distributed to parties in interest. In such event, the Bankruptcy Court may enter an Order closing these cases pursuant to section 350 of the Bankruptcy Code, *provided, however*, that: (i) the Reorganized Debtors shall continue to have the rights, powers, and duties set forth in this Plan; (ii) any provision of this Plan requiring the absence of an objection shall no longer be required, except as otherwise ordered by the Bankruptcy Court; and (iii) the Bankruptcy Court may from time to time reopen the Bankruptcy Cases if appropriate for any of the following purposes: (a) administering Assets; (b) entertaining any adversary proceedings, contested matters or applications the Debtors have brought or bring with regard to the liquidation of Assets and the prosecution of Causes of Action; (c) enforcing or interpreting this Plan or supervising its implementation; or (d) for other cause.

Article XIV
MISCELLANEOUS PROVISIONS

Section 14.1 *Modification of the Plan.* The Plan Proponents may modify this Plan pursuant to section 1127 of the Bankruptcy Code and as herein provided, to the extent applicable law permits; *provided, however*, that this Plan may not be modified in a manner inconsistent with the Restructuring Support Agreements and Term Sheet unless otherwise agreed by all the parties to such agreements. Subject to the limitations contained herein, the Plan Proponents may modify this Plan in accordance with this paragraph, before or after confirmation,

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without notice or hearing, or after such notice and hearing as the Bankruptcy Court deems appropriate, if the Bankruptcy Court finds that the modification does not materially and adversely affect the rights of any parties in interest which have not had notice and an opportunity to be heard with regard thereto. In the event of any modification on or before confirmation, any votes to accept or reject this Plan shall be deemed to be votes to accept or reject this Plan as modified, unless the Bankruptcy Court finds that the modification materially and adversely affects the rights of parties in interest which have cast said votes. The Plan Proponents reserve the right in accordance with section 1127 of the Bankruptcy Code to modify this Plan at any time before the Confirmation Date.

Section 14.2 *Securities Law Matters.* It is an integral and essential element of this Plan that the issuance of the New Common Equity, Warrant and New Notes pursuant to this Plan shall be exempt from registration under the Securities Act, pursuant to Section 1145 of the Bankruptcy Code and from registration under state securities laws. Any New Common Equity, the Warrant and New Notes issued to an "affiliate" of the Debtors within the meaning of the Securities Act or any Person the Debtors reasonably determine to be an "underwriter," and which does not agree to resell such securities only in "ordinary trading transactions," within the meaning of Section 1145(b)(1) of the Bankruptcy Code, shall be subject to such transfer restrictions and bear such legends as shall be appropriate to ensure compliance with the Securities Act. Nothing in this Plan is intended to preclude the SEC from exercising its police and regulatory powers relating to the Debtors or any other entity.

Section 14.3 *Plan Supplement.* The Plan Supplement which will contain schedules of the directors and officers of the Reorganized Debtors and information regarding the Working Capital Facility, shall be filed with the Bankruptcy Court no later than five days prior to the commencement of the hearing on confirmation of this Plan. Notwithstanding the foregoing, the Plan Proponents may amend the Plan Supplement and any attachments thereto, through and including the Confirmation Date.

Section 14.4 *Allocation of Plan Distributions Between Principal and Interest.* To the extent that any Allowed Claim entitled to a Distribution under this Plan is composed of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for United States federal income tax purposes to accrued but unpaid interest on the Claim first and then, to the extent the consideration exceeds such amount, to the portion of the Claim representing the principal amount thereof.

Section 14.5 *Creditors' Committee.* On the Effective Date, the Creditors' Committee, if any such committee is appointed in the Bankruptcy Cases, shall dissolve automatically, whereupon its members, professionals, and agents shall be released from any further duties and responsibilities in the Bankruptcy Cases and under the Bankruptcy Code, except for the limited purposes of filing applications for Professional Compensation in accordance with Section 4.2 of this Plan.

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Section 14.6 *Applicable Law.* Except to the extent that the Bankruptcy Code or the Bankruptcy Rules are applicable, the rights and obligations arising under this Plan shall be governed by the laws of the State of Delaware.

Section 14.7 *Preparation of Estates' Returns and Resolution of Tax Claims.* The Debtors or Reorganized Debtors shall file all tax returns and other filings with governmental authorities and may file determination requests under section 505(b) of the Bankruptcy Code to resolve any Disputed Claim relating to taxes with a governmental authority.

Section 14.8 *Notice.* Any notices, requests, and demands required or permitted to be provided under this Plan, in order to be effective, shall be in writing (including, without express or implied limitation, by facsimile transmission), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed to counsel listed on the first page of this Plan.

Section 14.9 *Headings.* The headings of the articles and the sections of this Plan have been used for convenience only and shall not limit or otherwise affect the meaning thereof.

Section 14.10 *Revocation of Plan.* The Plan Proponents collectively reserve the right, unilaterally and unconditionally, to revoke and/or withdraw this Plan at any time prior to entry of the Confirmation Order, and upon such revocation and/or withdrawal this Plan shall be deemed null and void and of no force and effect.

Section 14.11 *Severability of Plan Provisions.* If, prior to entry of the Confirmation Order, any term or provision of this Plan is held by the Bankruptcy Court to be illegal, unenforceable, impermissible, invalid, or void, or otherwise constitute grounds for denying confirmation of this Plan, the Bankruptcy Court shall, with the consent of the Plan Proponents, have the power to interpret, modify or delete such term or provision (or portions thereof) to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be illegal, unenforceable, impermissible, invalid, or void, and such term shall then be operative as interpreted, modified or deleted. Notwithstanding any such interpretation, modification or deletion, the remainder of the terms and provisions of this Plan shall in no way be affected, impaired, or invalidated by such interpretation, modification, or deletion.

Section 14.12 *No Admissions; Objection to Claims.* Nothing in this Plan shall be deemed to constitute an admission that any individual, corporation, partnership, trust, venture, governmental unit, or any other form of legal entity as being the Holder of a Claim is the Holder of an Allowed Claim, except as expressly provided in this Plan. The failure of the Plan Proponents to object to or examine any Claim for purposes of voting shall not be deemed a waiver of the Plan Proponents rights to object to or reexamine such Claim in whole or in part.

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Section 14.13 *No Bar to Suits.* Except as otherwise provided in Article ~~H~~XI of this Plan, neither this Plan nor confirmation hereof shall operate to bar or estop the Debtors or Reorganized Debtors from commencing any Cause of Action, or any other legal action against any Holder of a Claim or any individual, corporation, partnership, trust, venture, governmental unit, or any other form of legal entity, whether such Cause of Action, or any other legal action arose prior to or after the Confirmation Date and whether or not the existence of such Cause of Action, or any other legal action was disclosed in any disclosure statement filed by the Debtors in connection with this Plan or whether or not any payment was made or is made on account of any Claim.

Section 14.14 *Exhibits/Schedules.* All exhibits and schedules to this Plan and the Disclosure Statement, including the Plan Supplement, and all attachments thereto, are incorporated into and are a part of this Plan as if set forth in full herein.

Section 14.15 *Conflicts.* In the event that provisions of the Disclosure Statement and provisions of this Plan conflict, the terms of this Plan shall govern.

Dated: ~~August 15,~~October 2, 2008

Respectfully submitted,

Mrs. Fields' Original Cookies, Inc., et al.
(on behalf of itself, MFFB and the Subsidiary Debtors)

By: /s/ Michael R. Ward

Name: Michael R. Ward

Title: Executive Vice President and Chief Legal Officer

Ad Hoc Noteholder Committee
(by its counsel)

By: Akin Gump Strauss Hauer & Feld LLP
By: /s/ Fred S. Hodara

Name: Fred S. Hodara

Title: A Member of the Firm

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EXHIBIT C

Notice of Entry of Confirmation Order

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
Mrs. Fields' Original Cookies, Inc., *et al.*,	:	Case No. 08-11953 (PJW)
	:	Jointly Administered
Debtors.	:	

NOTICE OF (i) ENTRY OF CONFIRMATION ORDER AND (ii) DEADLINE FOR FILING REQUESTS FOR COMPENSATION OR REIMBURSEMENT OF COSTS AND EXPENSES FOR SERVICES RENDERED TO DEBTORS

PLEASE TAKE NOTICE that:

1. On August 24, 2008 (the "Petition Date"), Mrs. Fields' Original Cookies, Inc. ("MFOC"), Mrs. Fields Famous Brands, LLC ("MFFB"), Mrs. Fields Financing Company, Inc., Mrs. Fields Franchising, LLC, Mrs. Fields Gifts, Inc., The Mrs. Fields' Brand, Inc., Mrs. Fields Cookies Australia, TCBY Systems, LLC, TCBY International, Inc., TCBY of Texas, Inc., PTF, LLC (f/k/a Pretzel Time Franchising, LLC), PMF, LLC (f/k/a Pretzelmaker Franchising, LLC), GACCF, LLC (f/k/a Great American Cookie Company Franchising, LLC) and GAMAN, LLC (f/k/a Great American Manufacturing, LLC) (collectively, the "Debtors") filed voluntary petitions for reorganization relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

2. On October 2, 2008, the Bankruptcy Court approved the Findings of Fact, Conclusions of Law, and

Order Under 11 U.S.C. § 1129(a) and (b) and Fed. R. Bankr. P. 3020 (I) Confirming Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries, (II) Approving Disclosure Statement, and (III) Approving Solicitation Procedures (Docket No. ___) (the "Confirmation Order"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Amended Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of Mrs. Fields' Original Cookies, Inc. and Certain Subsidiaries (as may be amended, modified or supplemented, the "Plan").

3. Pursuant to Section 4.2 of the Plan, all final requests for compensation or reimbursement of costs and expenses pursuant to sections 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code for services rendered to the Debtors prior to the effective date of the Plan (all such claims, the "Fee Claims"), must be filed with the Bankruptcy Court, 824 Market Street, Wilmington, Delaware 19801, no later than thirty days after the effective date of the Plan (the "Filing Deadline") and served so as to be received no later than the Filing Deadline by the following parties (the "Fee Request Parties"): (i) Michael R. Ward, Esq., Co-Interim Chief Executive Officer and Chief Legal Officer, Mrs. Fields' Original Cookies, Inc., 2855 East Cottonwood Parkway, Suite 400, Salt Lake City, Utah 84121; (ii) Montgomery, McCracken, Walker & Rhoads, LLP, 1105 North Market Street, Suite 1500, Wilmington, Delaware 19801 (Attn: David R. Hurst, Esq., and Mark L. Desgrosseilliers, Esq.), counsel to the Debtors; and (iii) the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Richard L. Schepacarter, Esq.). Holders of Fee Claims that do not file and serve such requests within the time period set forth herein shall be forever barred from asserting such claims against the Debtors, the reorganized Debtors, and their respective property, and such Fee Claims shall be deemed discharged as of the date the Plan is consummated.

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4. Any party in interest wishing to obtain a copy of the Plan or Confirmation Order may request such copies at the Debtors' expense by contacting EPIQ Bankruptcy Solutions, LLC ("EBS"), 757 Third Avenue, Third Floor, New York, New York 10017 ((646) 282-2500) or IKON Office Solutions, 1105 North Market Street, Suite 310, Wilmington, Delaware 19801 ((302) 777-4500). Any party in interest wishing to review the Plan or Confirmation Order may (a) review such documents during regular business hours (9:00 a.m. to 4:30 p.m. Eastern time weekdays, except legal holidays) at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801 or (b) arrange to review such documents at the offices of counsel to the Debtors (at the address set forth below). Finally, parties may obtain a copy of the Plan or Confirmation Order online through the Debtors' website located at http://chapter11.epiqsystems.com /mrsfields.

Dated: Wilmington, Delaware
October ___, 2008

MONTGOMERY, MCCRACKEN, WALKER
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