

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

In re:

RELATIVITY FASHION, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 15-11989 (MEW)

(Jointly Administered)

**PLAN PROPONENTS' PLAN OF REORGANIZATION
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

Nothing contained herein shall constitute an offer, acceptance, or a legally binding obligation of the Debtors or any other party in interest. This Plan is subject to approval of the Bankruptcy Court and other customary conditions. This Plan is not an offer with respect to any securities. Acceptances or rejections with respect to this Plan may not be solicited until a disclosure statement has been approved by the Bankruptcy Court in accordance with Bankruptcy Code § 1125. Such a solicitation will only be made in compliance with applicable provisions of securities and bankruptcy laws. YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY COURT.

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Dated: November 18, 2015

¹

The Debtors in these chapter 11 cases are as set forth on Exhibit A.

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Exhibit A – List of Debtors

Exhibit B – Revised Relativity Holdings Certificate of Formation – to be filed with the Plan Supplement

Exhibit C – Revised Relativity Holdings Operating Agreement – to be filed with the Plan Supplement

Exhibit D – New Board of Managers of Reorganized Relativity Holdings – to be filed with the Plan Supplement

Exhibit E – Executory Contracts and Unexpired Leases to be Rejected – to be filed before December 16, 2015 Disclosure Statement Hearing, and amended as necessary

Exhibit F – New P&A/Ultimates Facility – to be filed with the Plan Supplement

Exhibit G – Litigation Trust Agreement – to be filed with the Plan Supplement

Exhibit H – Warrant Agreements – to be filed with the Plan Supplement

Exhibit I – Retained Claim Term Sheet

² The Exhibits not initially appended to the Plan will be Filed as part of the Plan Supplement. All Exhibits will be made available, free of charge, on the Document Website once they are filed. Copies of all Exhibits may be obtained from the Notice and Claims Agent by calling 212.771.1128. The Debtors reserve the right to modify, amend, supplement, restate or withdraw any of the Exhibits after they are Filed and shall promptly make such changes available on the Document Website.

INTRODUCTION

Relativity Fashion, LLC and the other Debtors in the above-captioned Chapter 11 Cases together with Ryan C. Kavanaugh, as the Plan Proponents, respectfully propose the following plan for the resolution of outstanding claims against, and interests in, the Debtors pursuant to the Bankruptcy Code (each undefined term, as defined herein). Holders of claims and interests may refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, liabilities, results of operations, historical financial information, accomplishments during the Chapter 11 Cases, and projections of future operations, as well as a description and summary of the Plan and the distributions to be made thereunder and certain related matters. The Debtors are proponents of this Plan within the meaning of Bankruptcy Code § 1129.

Other agreements and documents supplementing the Plan are appended as Exhibits hereto and have been or will be Filed with the Bankruptcy Court. These supplemental agreements and documents are referenced in this Plan and the Disclosure Statement and will be available for review.

ALL CREDITORS ENTITLED TO VOTE ON THIS PLAN ARE ENCOURAGED TO READ THE DISCLOSURE STATEMENT IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THIS PLAN. SUBJECT TO CERTAIN RESTRICTIONS AND REQUIREMENTS SET FORTH IN BANKRUPTCY CODE § 1127, IN BANKRUPTCY RULE 3019 AND IN THE PLAN, THE PLAN PROPONENTS RESERVE THE RIGHT TO ALTER, AMEND, MODIFY, REVOKE OR WITHDRAW THE PLAN PRIOR TO ITS SUBSTANTIAL CONSUMMATION.

I. DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

A. Defined Terms

Capitalized terms used in the Plan and not otherwise defined shall have the meanings set forth below. Any term that is not defined in this Plan, but that is used in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning given to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

1. **"Administrative Claim"** means a Claim against a Debtor or its Estate arising on or after the Petition Date and prior to the Effective Date for a cost or expense of administration in the Chapter 11 Cases that is entitled to priority or superpriority under Bankruptcy Code §§ 364(c)(1), 503(b), 503(c), 507(b) or 1114(e)(2), including: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Debtors; (b) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses awarded or allowed under Bankruptcy Code §§ 330(a) or 331, including Fee Claims; and (c) all fees and charges assessed against the Estates under chapter 123 of title 28, United States Code, 28 U.S.C. §§ 1911-1930.

2. **"Administrative Claims Bar Date"** means the date that is forty-five (45) days after the Effective Date.

3. **"Administrative Claims Objection Deadline"** means the date that is ninety (90) days after the Effective Date.

4. **"Affiliate"** has the meaning set forth in Bankruptcy Code § 101(2).

5. **"AFM"** means the American Federation of Musicians.

6. **"Allowed"** means with respect to Claims: (a) any Claim (i) for which a Proof of Claim has been timely filed on or before the applicable Claims Bar Date (or that by the Bankruptcy Code or Final Order is not or shall not be required to be filed) or (ii) that is listed in the Schedules as of the Effective Date as not disputed, not contingent and not unliquidated, and for which no Proof of Claim has been timely filed; provided that, in each case, any such Claim shall be considered Allowed only if and to the extent that no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the

Bankruptcy Rules or the Bankruptcy Court or such an objection has been interposed and the Claim has been thereafter Allowed by a Final Order; or (b) any Claim Allowed pursuant to the Plan, a Final Order of the Bankruptcy Court (including pursuant to any stipulation approved by the Bankruptcy Court) and any Stipulation of Amount and Nature of Claim; provided, further, that the Claims described in clauses (a) and (b) above shall not include any Claim on account of a right, option, warrant, right to convert or other right to purchase an Equity Interest. Claims allowed solely for the purpose of voting to accept or reject the Plan pursuant to an order of the Bankruptcy Court shall not be considered "Allowed Claims" hereunder.

7. **"Armored Car Loan and Security Agreement"** means the Amended and Restated Loan and Security Agreement, dated August 5, 2014, among Debtor Armored Car Productions, LLC, as borrower, CIT Bank, as agent, and Surefire Entertainment Capital, LLC, as lender, for loans up to approximately \$21,586,243 as of October 4, 2015 for the purpose of acquiring, producing, completing, and delivering a motion picture prior to release, and the payment of related financing costs. CIT asserts a different amount outstanding as of the date shown, and the amount is also subject to reconciliation for other obligations under the LSA including, without limitation, attorneys' fees.

8. **"Avoidance Claims"** means any and all actual or potential claims and causes of action to avoid a transfer of property or an obligation incurred by the Debtors pursuant to any applicable section of the Bankruptcy Code, including Bankruptcy Code §§ 502, 510, 542, 544, 545, and 547-553 or under similar or related state or federal statutes and common law, including fraudulent transfer laws.

9. **"Ballot"** means the applicable form or forms of ballot(s) distributed to Holders of Claims entitled to vote on the Plan and on which the acceptance or rejection of the Plan is to be indicated.

10. **"Balloting Agent"** means Donlin, Recano & Company, Inc., the Bankruptcy-Court appointed balloting agent for the Debtors.

11. **"Bankruptcy Code"** means title 11 of the United States Code, as now in effect or hereafter amended.

12. **"Bankruptcy Court"** means the United States Bankruptcy Court for the Southern District of New York having jurisdiction over the Chapter 11 Cases, and, to the extent of the withdrawal of any reference, the United States District Court for the Southern District of New York.

13. **"Bankruptcy Rules"** means, collectively, the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, as now in effect or hereafter amended.

14. **"Bar Date"** means the bar date by which a Proof of Claim must be or must have been Filed, as established by (a) the Bar Date Order or (b) a Final Order of the Bankruptcy Court.

15. **"BidCo Note"** means a note to be issued by Reorganized Relativity Media, LLC, guaranteed by all of the reorganized subsidiaries (subject to certain customary exceptions), to Buyer in the principal amount of \$60 million to be issued on the Effective Date, which shall, among other things, (i) have a maturity date of two (2) years, (ii) bear interest at a rate of 8.5% per annum payable quarterly in cash, (iii) bear an additional interest of 2% during the occurrence and continuation of an event of default; (iv) be required to be repaid out of the proceeds of any indebtedness without exception (including the New P&A/Ultimates Facility) until the outstanding principal amount thereof is not greater than \$30 million; and (v) be on terms acceptable to the Holders of the Allowed TLA/TLB Secured Claims, excluding Kavanaugh and Nicholas. The principal terms of the BidCo Note are set forth in Exhibit I attached hereto.

16. **"BidCo Note Obligors"** means each Subsidiary Debtor, excluding (i) Relativity Fashion, LLC, (ii) Yuma, Inc., (iii) J & J Project, LLC and (iv) any of the Subsidiary Debtors whose assets were sold as part of the sale of the Debtors' television business.

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

18. **“Buyer”** means RM Bidder, LLC, purchaser of certain assets of the TV Business.

19. **“Cash”** means the lawful currency of the United States of America and equivalents thereof.

20. **“CBA Assumption Agreements”** means the assumption agreements for the Covered Picture to be entered into by the Reorganized Debtors on the Effective Date which shall obligate the Reorganized Debtors for all obligations thereunder that accrue after the Effective Date, which assumption agreements shall be in the standard form found in the collective bargaining agreement of: (i) each applicable Guild, (ii) the AFM, and (iii) the Equity (UK).

21. **“Chapter 11 Cases”** means the cases commenced under chapter 11 of the Bankruptcy Code by the Debtors in the Bankruptcy Court.

22. **“CIT Bank”** means CIT Bank, N.A., formerly known as OneWest Bank, N.A.

23. **“Claim”** means a claim, as such term is defined in Bankruptcy Code § 101(5), against a Debtor.

24. **“Claims Bar Date”** means, as applicable, the Administrative Claims Bar Date and any other date or dates to be established by an Order of the Bankruptcy Court by which Proofs of Claim must be filed, including the general bar date of December 9, 2015 at 5:00 p.m. (ET) as set forth in the Court’s *Order Pursuant to 11 U.S.C. §§ 501 and 502(b)(9), Fed. R. Bankr. P. 2002 and 3003(c)(3), and Local Rule 3003-1 (I) Establishing Deadline For Filing Proofs of Claim and Procedures Relating Thereto and (II) Approving Form and Manner of Notice Thereof* [Docket No. 927].

25. **“Class”** means a class of Claims or Interests, as described in Section II of this Plan.

26. **“Committee DIP Proceeds”** means the allocation of \$275,000 in aggregate proceeds from the Debtors’ debtor in possession financing to be used to pay fees and expenses of the professionals retained by the Creditors’ Committee that are incurred in connection with investigation of certain specified matters pursuant to Paragraph 4(b) of the Initial Final DIP Order.

27. **“Confirmation”** means the entry of the Confirmation Order on the docket of the Bankruptcy Court.

28. **“Confirmation Date”** means the date on which the Bankruptcy Court enters the Confirmation Order on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

29. **“Confirmation Hearing”** means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan, as such hearing may be continued from time to time.

30. **“Confirmation Order”** means the order of the Bankruptcy Court confirming the Plan pursuant to Bankruptcy Code § 1129.

31. **“Contributed Avoidance Claims”** means any and all Avoidance Claims that may be asserted by the Debtors, but specifically excluding any and all Avoidance Claims that could be asserted against any of the Released Parties.

32. **“Covered Pictures”** means those theatrical or television motion pictures of the Debtors that were produced subject to collective bargaining agreements with or on behalf of one or more Guilds, FMSMF, AFM or Equity (UK), for which rights are to be transferred to the Reorganized Debtors.

33. **“Creditors’ Committee”** shall mean the official committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to Bankruptcy Code § 1102.

34. **“days”** means calendar days.

35. **“Debtors”** means, collectively, the debtors listed on Exhibit A attached hereto.

36. **“Disclosure Statement”** means the *Disclosure Statement for Plan Proponents’ Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, of even date herewith (including all exhibits and schedules thereto or referenced therein), that has been prepared and distributed by the Plan Proponents, pursuant to Bankruptcy Code § 1125, as the same may be amended, modified or supplemented, and which is in form and substance reasonably acceptable to the Plan Proponents.

37. **“Disclosure Statement Order”** means an order entered by the Bankruptcy Court, which shall be a Final Order and which shall be in form and substance reasonably satisfactory to the Plan Proponents, approving, among other things, the Disclosure Statement as containing adequate information pursuant to Bankruptcy Code § 1125, authorizing solicitation of the Disclosure Statement and the Plan and approving related solicitation materials.

38. **“Disputed Claim”** means any portion of a Claim (a) that is neither an Allowed Claim nor a disallowed Claim, (b) that is listed as disputed, contingent or unliquidated on the Schedules or that is otherwise subject to an objection or (c) for which a Proof of Claim has been timely filed with the Bankruptcy Court or a written request for payment has been made, to the extent the Debtors have, or any party in interest entitled to do so has, interposed a timely objection or request for estimation, which objection or request for estimation has not been withdrawn or determined by a Final Order.

39. **“Distribution Record Date”** means the close of business on the day the Bankruptcy Court enters the order confirming this Plan pursuant to Bankruptcy Code § 1129.

40. **“Document Website”** means the internet site address <https://www.donlinrecano.com/Clients/rm/Index> at which all of the exhibits and schedules to the Plan and the Disclosure Statement will be available to any party in interest and the public, free of charge.

41. **“DR Loan and Security Agreement”** means a Loan and Security Agreement, dated September 5, 2014, entered into between Debtor DR Productions, LLC, as borrower, and CIT Bank, as agent and lender, for loans up to approximately \$12,272,477 as of October 4, 2015 for the purpose of acquiring, producing, completing, and delivering a motion picture prior to release, and the payment of related financing costs. CIT asserts a different amount outstanding as of the date shown, and the amount is also subject to reconciliation for other obligations under the LSA including, without limitation, attorneys’ fees.

42. **“Effective Date”** means the day selected by the Debtors that is a Business Day as soon as reasonably practicable after the Confirmation Date on which all conditions to the Effective Date in Section VII.A shall have been satisfied or waived in accordance with Section VII.B and, if a stay of the Confirmation Order is in effect, such stay shall have expired, dissolved, or been lifted.

43. **“Entity”** shall have the meaning set forth in Bankruptcy Code § 101(15).

44. **“Equity (UK)”** means Equity of Guild House.

45. **“Estate”** means, as to each Debtor, the estate created for such Debtor in its Chapter 11 Case pursuant to Bankruptcy Code § 541.

46. **“Exculpated Parties”** (i) the Plan Proponents; (ii) the Debtors’ respective officers, boards of managers and the members thereof; (iii) the Creditors’ Committee; and (iv) with respect to each of the

foregoing entities in clauses (i) through (iii), only on or after the Petition Date, their respective Representatives (in their capacities as such).

47. **“Exculpation”** means the exculpation provision set forth in Section X.D.

48. **“Executory Contract” or “Unexpired Lease”** means a contract or lease to which a Debtor is a party that is subject to assumption, assumption and assignment or rejection under Bankruptcy Code § 365, including any modifications, amendments, addenda or supplements thereto or restatements thereof.

49. **“Exhibit”** means an exhibit attached to this Plan or included in the Plan Supplement.

50. **“Fee Claim”** means a Claim under Bankruptcy Code §§ 328, 330(a), 331, 503 or 1103 for compensation of a Professional or other Entity for services rendered or expenses incurred in the Chapter 11 Cases.

51. **“Fee Order”** means any order establishing procedures for interim compensation and reimbursement of expenses of Professionals that may be entered by the Bankruptcy Court.

52. **“File,” “Filed” or “Filing”** means file, filed or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

53. **“Final Order”** means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Chapter 11 Cases or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move for a new trial, reargument, reconsideration or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument, reconsideration or rehearing 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 withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, reconsideration or rehearing shall have been denied or resulted in no modification of such order.

54. **“FMSMF”** means Film Musicians Secondary Markets Fund, which operates pursuant to American Federation of Musicians collective bargaining agreements, to collect and distribute residuals under the collective bargaining agreements.

55. **“General Unsecured Claim”** means any Claim that is not a (i) Administrative Claim, (ii) Professional Fee Claim, (iii) Plan Co-Proponent Fee/Expense Claim, (iv) Priority Tax Claim, (v) Priority Non-Tax Claim, (vi) TLA/TLB Secured Claim, (vii) Pre-Release P&A Secured Claim, (viii) Post-Release P&A Secured Claim, (ix) Production Loan Secured Claim, (x) Ultimates Secured Claim, (xi) Secured Guilds Claim, (xii) Vine/Verite Secured Claim, (xiii) Other Secured Claim, or (xiv) Subordinated Claim.

56. **“Guaranteed GUC Distributable Value”** means the \$2,000,000 Television Sale Committee Allocation and an additional \$2,000,000 payment within 12 – 24 months of the Effective Date, timing of which is subject to certain performance metrics.

57. **“GUC Litigation Trust Interest”** means the beneficial interests in the Litigation Trust.

58. **“Guilds”** means Secured Guilds together with the Unsecured Guilds.

59. **“Holder”** means an Entity holding a Claim or Interest, as the context requires.

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

61. “Initial DIP Agent” means Cortland Capital Market Services LLC, in its capacity as administrative agent and collateral agent under the Initial DIP Credit Agreement.

62. “Initial DIP Claims” means any Claim of the Initial DIP Agent or the Initial DIP Lenders against a Debtor under or evidenced by (a) the Initial DIP Credit Agreement and (b) the Initial Final DIP Order.

63. “Initial DIP Credit Agreement” means that certain debtor in possession financing Agreement, dated as of July 30, 2015 (Docket No. 48, Ex. 2, as the same was subsequently, amended, supplemented or otherwise revised by the Court’s Initial Final DIP Order and previously entered interim orders related thereto), among Relativity Media, LLC and each subsidiary thereof (as borrower), Relativity Holdings (as Guarantor), the Initial DIP Agent and the Initial DIP Lenders party thereto.

64. “Initial DIP Lenders” means, collectively, those entities identified as “Lenders” in the Initial DIP Credit Agreement and their respective permitted successors and assigns (solely in their capacity as “DIP Lenders” under the DIP Credit Agreement).

65. “Initial Final DIP Order” means the *Final Order Pursuant to Sections 105, 361, 362, 363, 364 and 507 of the Bankruptcy Code (I) Authorizing Debtors to Obtain Superpriority Secured Debtor-In-Possession Financing, (II) Authorizing Debtors to Use Cash Collateral, (III) Granting Adequate Protection to the Cortland Parties, and (IV) Granting Related Relief* (Docket No. 342).

66. “Intercompany Claim” any Allowed Claim of any Debtor against another Debtor.

67. “Intercompany Interest” any Interest (a) of any Debtor in another Debtor or (b) of any Non-Debtor Affiliate in a Debtor, in each case, that arose prior to the Petition Date.

68. “Interest” means the rights of the Holders of stock, membership interests or partnership interests issued by a Debtor and outstanding immediately prior to the Petition Date, and any options, warrants or other rights with respect thereto, or any other instruments evidencing an ownership interest in a Debtor and the rights of any Entity to purchase or demand the issuance of any of the foregoing, including: (a) redemption, conversion, exchange, voting, participation and dividend and other distribution rights (including any rights in respect of accrued and unpaid dividends or other distributions); (b) liquidation preferences; (c) stock options and warrants; (d) interests in profit and loss; and (e) rights to information concerning the business and affairs of a Debtor.

69. “Kavanaugh” means Ryan C. Kavanaugh, as CEO of the Debtors, and as Plan Proponent.

70. “Liabilities” means any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, Recovery Actions, causes of action and liabilities, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, arising in law, equity or otherwise, that are based in whole or in part on any act, event, injury, omission, transaction or agreement.

71. “Litigation Trust” means the litigation trust to be created on or after the Confirmation Date in accordance with the provisions of Article IX hereof and the Litigation Trust Agreement.

72. “Litigation Trust Agreement” means the Litigation Trust Agreement, substantially similar in form as Exhibit G attached hereto, pursuant to which the Litigation Trustee shall manage and administer the Litigation Trust Assets and distribute the net proceeds thereof, if any.

73. “Litigation Trust Assets” means initial funding of (a) __% interest in (i) the Contributed Avoidance Claims and (ii) such other Claims as may be contributed, and (b) an amount to be specified pursuant to an agreed budget whereby the Reorganized Debtors will fund pursuit of litigation claims by the Litigation Trust. For the avoidance of doubt, the Litigation Trust Assets shall not include any Claims against the Released Parties that are released pursuant to Section X.E of the Plan.

74. **“Litigation Trust Beneficiaries”** means the Holders of Allowed Claims in Class J.
75. **“Litigation Trust Claims Reserve”** means any Litigation Trust Assets allocable to or retained on account of, Disputed General Unsecured Claims, even if held in commingled accounts.
76. **“Litigation Trust Interests”** means the beneficial interests in the Litigation Trust allocable to certain Holders of Allowed Claims (and any transferee thereof) in accordance with the terms and conditions of Article IX of the Plan.
77. **“Litigation Trustee”** means the person or entity designated as the “Managing Trustee” of the Litigation Trust pursuant to the terms of the Litigation Trust Agreement.
78. **“Manchester Prepetition Credit Facility”** means indebtedness under the Second Amended and Restated Credit Agreement, dated as of May 30, 2012, between certain of the Debtors and Manchester Securities Corporation (as amended, supplemented, or modified from time to time) with an outstanding amount of approximately \$137.1 million.
79. **“Manchester DIP Claims”** means any Claim of the Modified DIP Agent or the Modified DIP Lenders against a Debtor under or evidenced by (a) the Modified DIP Credit Agreement and (b) the Modified DIP Order.
80. **“Modified DIP Agent”** means Heatherden Securities LLC (“**Heatherden**”), in its capacity as administrative agent and collateral agent under the Modified DIP Credit Agreement.
81. **“Modified DIP Credit Agreement”** means the Initial DIP Credit Agreement, dated as of July 30, 2015 as the same was subsequently, amended, supplemented or otherwise revised as set forth in the Modified DIP Order among Relativity Media, LLC and each subsidiary thereof (as borrower), Relativity Holdings (as Guarantor), the Modified DIP Agent and the Modified DIP Lenders party thereto.
82. **“Modified DIP Lenders”** means, collectively, those entities identified as “DIP Lenders” in the Modified DIP Credit Agreement and their respective permitted successors and assigns (solely in their capacity as “DIP Lenders” under the Modified DIP Credit Agreement).
83. **“Modified DIP Order”** means the *Amended and Restated Final Order Pursuant to Sections 105, 361, 362, 363, 364, And 507 of the Bankruptcy Code (I) Authorizing Debtors to Obtain Superpriority Secured Debtor-in-Possession Financing, (II) Authorizing Debtors to Use Cash Collateral, (III) Granting Adequate Protection to the Cortland Parties and Manchester Parties and (IV) Granting Related Relief* [Docket No. 931].
84. **“New Board of Managers”** means the board of managers of Reorganized Relativity Holdings composed of individuals as set forth in Section III.G.2 hereof.
85. **“New Exit Financing Documents”** means, collectively, the definitive documents, statements and filings that evidence the New P&A/Ultimates Facility.
86. **“New P&A/Ultimates Facility”** means a financing facility or debt issuance that is entered into or issued by one or more of the Reorganized Debtors on the Effective Date, substantially similar in form as Exhibit F attached hereto, the proceeds of which shall be utilized to fund the ongoing operations of the Reorganized Debtors and shall not, without the consent of BidCo, be utilized to refinance any existing indebtedness, including, without limitation, any indebtedness under the Modified DIP Credit Agreement.
87. **“New Securities and Documents”** means the Reorganized Relativity Holdings Preferred Units, Reorganized Relativity Holdings Common Units, the BidCo Note, New Exit Financing Documents, and any and all other securities, notes, stock, instruments, certificates, and other documents or agreements required to be issued, executed or delivered pursuant to or in connection with this Plan.

88. **“Nicholas”** means Joseph Nicholas.
89. **“Non-Debtor Affiliate”** means any direct or indirect subsidiary of Relativity Holdings that is not a Debtor.
90. **“Non-Debtor Affiliate Claim”** means any Claim held by a Non-Debtor Affiliate against a Debtor that arose prior to the Petition Date.
91. **“Notice and Claims Agent”** means Donlin Recano & Company, Inc., in its capacity as noticing, claims and solicitation agent for the Debtors.
92. **“Ordinary Course Professionals Order”** means any order entered by the Bankruptcy Court authorizing the Debtors to retain, employ and pay professionals and service providers, as specified in such order, which are not materially involved in the administration of the Chapter 11 Cases.
93. **“Other Secured Claim”** means a Secured Claim that is not a TLA/TLB Secured Claim, Post-Release P&A Secured Claim, Production Loan Secured Claim, Ultimates Secured Claim, Secured Guilds Claim, or Vine/Verite Secured Claim.
94. **“P&A Funding Agreement”** means the Second Amended and Restated Funding Agreement, dated June 30, 2014, among certain of the Debtors (as borrowers), Macquarie US Trading LLC (as post-release agent), Macquarie Investments US Inc. (as post-release lender by assignment from the original post-release lender), and RKA Film Financing, LLC (as pre-release lender and pre-release lender agent), as amended by the First Amendment, dated August 26, 2014.
95. **“Petition Date”** means July 30, 2015 for all of the Debtors.
96. **“Plan”** means this plan of reorganization for the Debtors, and all Exhibits attached hereto or referenced herein, supplements, appendices, schedules, and the Plan Supplement, as the same may be amended, modified or supplemented.
97. **“Plan Co-Proponents”** means Kavanaugh and the Debtors.
98. **“Plan Co-Proponent Fee/Expense Claims”** means all of the reasonable and documented fees, costs and expenses of Kavanaugh incurred in connection with the Chapter 11 Cases.
99. **“Plan Supplement”** means the compilation of documents and forms of documents as amended from time to time that constitute Exhibits to the Plan Filed with the Bankruptcy Court no later than seven days before the earlier of the (i) Voting Deadline and (ii) deadline for objections to Confirmation of this Plan (or such later date as may be approved by the Bankruptcy Court), including, without limitation, the following: (a) revised Relativity Holdings certificate of formation (or comparable constituent document); (b) Revised Relativity Holdings Operating Agreement (or comparable constituent document); (c) term sheet or agreement evidencing the New P&A/Ultimates Facility; (d) list of the new board of managers of Reorganized Relativity Holdings; (e) updated list of Executory Contracts and Unexpired Leases to be rejected by the Debtors; (f) Litigation Trust Agreement; (g) form of Warrant Agreements; and (h) Restructuring Transaction exhibit, if any.
100. **“Post-Release P&A Secured Claims”** means any Allowed Secured Claim of Macquarie US Trading LLC (as agent) and/or Macquarie Investments US Inc. (as post-release lender by assignment from the original post-release lender) against a Debtor (i) under or evidenced by the P&A Funding Agreement or (ii) any subsequent post-release print and advertising loans made thereunder or in connection therewith. As of October 31, 2015, the aggregate Post-Release P&A Secured Claim totaled \$26,818,821.
101. **“Pre-Release P&A Secured Claims”** means any Allowed Secured Claim of RKA Film Financing, LLC (as pre-release lender and pre-release lender agent) against a Debtor (i) under or evidenced by the P&A Funding Agreement or (ii) any subsequent pre-release print and advertising loans made thereunder or in

connection therewith. As of October 31, 2015, the amount of the Pre-Release P&A Secured Claim totaled \$88,224,682 which was comprised of \$29,742,387 against Armored Car Productions, LLC, \$19,382,492 against DR Productions, LLC, \$15,615,322 against RML Kidnap Films, LLC, \$22,175,266 against RML Somnia Films, LLC, and \$1,309,215 against RML Lazarus Films, LLC.

102. “Prepetition Intercompany Claim” means any Claim of any Debtor against any other Debtor that arose prior to the Petition Date.

103. “Priority Non-Tax Claim” means a Claim that is entitled to priority in payment pursuant to Bankruptcy Code § 507(a) that is not an Administrative Claim or a Priority Tax Claim.

104. “Priority Tax Claim” means a Claim that is entitled to priority in payment pursuant to Bankruptcy Code § 507(a)(8).

105. “Pro Rata” means, when used in reference to a distribution of property to holders of Allowed Claims in a particular Class, a proportionate distribution of property so that the ratio of (a)(i) the amount of property distributed on account of an individual Allowed Claim to (ii) the amount of such individual Allowed Claim is the same as the ratio of (b)(i) the amount of property distributed to all Allowed Claims in the applicable Class to (ii) the total amount of all Allowed Claims in the applicable Class.

106. “Production Loan Agreements” means, collectively, the Armored Car Loan and Security Agreement and the DR Loan and Security Agreement.

107. “Production Loan Secured Claims” means any Allowed Secured Claim of either (i) CIT Bank or (ii) Surefire Entertainment Capital, LLC against a Debtor under or evidenced by either of the Production Loan Agreements.

108. “Professional” means any professional employed in the Chapter 11 Cases pursuant to Bankruptcy Code §§ 327, 328, 363 or 1103 or any professional or other Entity seeking compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to Bankruptcy Code § 503(b)(4).

109. “Professional Fee Segregated Account” means an interest-bearing account to hold and maintain an amount of Cash equal to the Professional Fee Reserve Amount funded by the Debtors on the Effective Date solely for the purpose of paying all Allowed and unpaid Fee Claims.

110. “Professional Fee Reserve Amount” means the aggregate Fee Claims through the Effective Date as estimated in accordance with Section II.A.1.d(3) hereof.

111. “Proof of Claim” means a proof of claim filed with the Bankruptcy Court or the Notice and Claims Agent in connection with the Chapter 11 Cases.

112. “Reinstated” means, unless the Plan specifies a particular method pursuant to which a Claim or Interest shall be Reinstated, (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Interest so as to render such Claim or Interest Unimpaired; or (b) notwithstanding any contractual provisions or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default, (i) curing any such default that occurred before or after the commencement of the applicable Chapter 11 Case, other than a default of a kind specified in Bankruptcy Code § 365(b)(2) or of a kind that Bankruptcy Code § 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity of a Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of a Claim or Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim or Interest arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to Bankruptcy Code § 365(b)(1)(A), compensating the Holder of such Claim or Interest for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable or contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest.

113. “Released Parties” means (i) the Debtors; (ii) the Debtors’ respective boards of managers and the members thereof each as of the Petition Date; (iii) the Creditors’ Committee; (iv) Manchester Securities Corporation, (v) the lenders (the “**Cortland Lenders**”) party to the *Financing Agreement*, dated as of May 30, 2012, but solely in their capacity as lenders and, (vi) upon the prior written direction of the required lenders under the Initial DIP Credit Agreement and the TLA/TLB Facility, respectively, Cortland (not individually, but solely in its separate capacities as collateral agent and administrative agent under the Existing DIP Facility and collateral agent and administrative agent under the TLA/TLB Facility), and each of the foregoing’s Representatives to the extent permitted under applicable law; provided, however, on or before the date of the hearing for approval of the Disclosure Statement, the Creditors’ Committee shall file a list of parties against which the Creditors’ Committee (or the Litigation Trustee, or any successor post-confirmation committee organized under the Plan) may choose to initiate action, which parties on such list (the “**Excluded Release Parties**”) shall not be included in the definition of Released Parties.

114. “Relativity Holdings” means Relativity Holdings LLC, a Delaware limited liability company.

115. “Reorganized” means, (a) when used in reference to a particular Debtor, such Debtor on and after the Effective Date, and (b) when used in reference to the Debtors collectively, then all of the Debtors on and after the Effective Date.

116. “Reorganized Relativity Holdings Common Units” means Common Units of Reorganized Relativity Holdings having the rights set forth in the Revised Relativity Holdings Operating Agreement, such Common Units to be initially authorized pursuant to the Plan as of the Effective Date, including such Common Units to be issued pursuant to the Plan.

117. “Reorganized Relativity Holdings Preferred Units” means convertible Class A Units of Reorganized Relativity Holdings having the rights set forth in the Revised Relativity Holdings Operating Agreement, such Class A Units to be initially authorized pursuant to the Plan as of the Effective Date, including such Class A Units to be issued pursuant to the Plan.

118. “Reorganized Relativity Holdings Warrants” means warrants of Reorganized Relativity Holdings to acquire Reorganized Relativity Holdings Common Units having the rights set forth in the relevant Warrant Agreements, such Warrants to be issued to Joseph Nicholas and Heatherden (or their respective Affiliates) pursuant to the Plan.

119. “Representatives” means, with respect to any Entity, any successor, officer, director, partner, shareholder, manager, member, management company, investment manager, affiliate, employee, agent, attorney, advisor, investment banker, financial advisor, accountant or other Professional of such Entity, and committee of which such Entity is a member, in each case, solely in such capacity, serving on or after the Petition Date.

120. “Restructuring Transactions” means, collectively, those mergers, consolidations, conversions, restructurings, dispositions, liquidations or dissolutions that the Debtors determine to be necessary or appropriate to effect an organizational restructuring of their business or otherwise to simplify the overall organizational structure of the Reorganized Debtors, as described in greater detail in Section III.E.

121. “Revised Relativity Holdings Certificate of Formation” means the certificate of formation, substantially similar in form as Exhibit B attached hereto.

122. “Revised Relativity Holdings Operating Agreement” means the operating agreement, substantially similar in form as Exhibit C attached hereto.

123. “RKA” means RKA Film Financing, LLC, a Delaware Limited Liability Company.

124. “Schedules” means, collectively, the (a) schedules of assets, Liabilities and Executory Contracts and Unexpired Leases and (b) statements of financial affairs, as each may be amended and supplemented from time to time, Filed by the Debtors pursuant to Bankruptcy Code § 521.

125. “Secured Claim” means a Claim that is secured by a lien on property in which an Estate has an interest or that is subject to a valid right of setoff under Bankruptcy Code § 553, to the extent of the value of the Claim Holder’s interest in such Estate’s interest in such property or to the extent of the amount subject to such valid right of setoff, as applicable, as determined pursuant to Bankruptcy Code § 506.

126. “Secured Guilds” means, collectively, (i) the Directors Guild of America, Inc.; (ii) the Screen Actors Guild, Inc.--American Federation of Television and Radio Artists; and (iii) the Writers Guild of America West, Inc. (and individually, each a “**Secured Guild**”).

127. “Secured Guilds Claims” means any Allowed Secured Claims of a Guild asserted against one or more of the Debtors.

128. “Secured Tax Claim” means an Allowed Secured Claim arising out of a Debtor’s liability for any Tax.

129. “Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

130. “Stipulation of Amount and Nature of Claim” means a stipulation or other agreement between the applicable Debtor or Reorganized Debtor and a Holder of a Claim or Interest establishing the allowed amount or nature of such Claim or Interest that is (a) entered into in accordance with any Claim settlement procedures established by order of the Bankruptcy Court in these Chapter 11 Cases, (b) expressly permitted by the Plan or (c) approved by order of the Bankruptcy Court.

131. “Subordinated Claim” means any Claim against a Debtor (a) arising from rescission of a purchase or sale of a security of the Debtors or an Affiliate, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under Bankruptcy Code § 502 on account of such a Claim, (b) any other claim subject to subordination under Bankruptcy Code § 510, or (c) any claim addressed by Bankruptcy Code § 726(a)(3) – (a)(4).

132. “Subsidiary Debtor” means any Debtor other than Relativity Holdings.

133. “Tax” means: (a) any net income, alternative or add-on minimum, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, profits, license, property, environmental or other tax, assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local or foreign taxing authority; or (b) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other Entity.

134. “Television Sale Committee Allocation” shall mean the \$2,000,000 held in a segregated account by counsel for the Creditor’s Committee funded upon the consummation of the sale of the Debtors’ television business.

135. “TLA/TLB Secured Claims” means any Allowed Secured Claim of the collateral and administrative agent or lenders against a Debtor under or evidenced by (a) the TLA/TLB Financing Agreement and (b) TLA/TLB Facility, as such TLA/TLB Secured Claim is now held collectively by (i) the Initial DIP Lenders in the amount of \$60 million and (ii) Kavanaugh and Joseph Nicholas in the approximate amount of \$175 million.

136. “TLA/TLB Facility” means secured indebtedness under the TLA/TLB Financing Agreement, consisting of a tranche A term loan and a tranche B term loan with an aggregate outstanding principal amount of approximately \$361,611,038 as of the Petition Date, plus accrued interest.

137. “TLA/TLB Financing Agreement” means the Financing Agreement, dated as of May 30, 2012, among certain of the Debtors, the lenders party thereto, Cortland Capital Market Services LLC, as Collateral and Administrative Agent, and CB Agency Services, LLC, as origination agent (as amended, supplemented, or modified from time to time).

138. “TV Debtors” means (i) Brant Point Productions, LLC, (ii) Cisco Beach Media, LLC, (iii) Cliff Road Media, LLC, (iv) Einstein Rentals, LLC, (v) English Breakfast Media, LLC, (vi) Great Point Productions, LLC, (vii) Hummock Pond Properties, LLC, (viii) Long Pond Media, LLC, (ix) Madaket Publishing, LLC (f/k/a Broad Street Publishing, LLC), (x) Madaket Road Music, LLC (f/k/a Broad Street Music, LLC), (xi) Miacomet Media, LLC, (xii) Orange Street Media, LLC, (xiii) Pocomo Productions, LLC, (xiv) Relativity REAL, LLC d/b/a Relativity Television, (xv) Relativity TV, LLC, (xvi) Smith Point Productions, LLC, (xvii) Straight Wharf Productions, LLC, (xix) Tuckernuck Music, LLC, (xx) Tuckernuck Publishing, LLC and (xxi) Zero Point Enterprises, LLC.

139. “Ultimates Secured Claims” means any Allowed Secured Claim of the administrative agent or lenders against a Debtor under or evidenced by the Ultimates Credit Documents.

140. “Ultimates Credit Documents” means the (a) the Credit, Security, Guaranty and Pledge Agreement, dated as of September 25, 2012 (as the same may have been amended, restated, supplemented, or otherwise modified) with certain of the Debtors as borrowers, CIT Bank, as administrative agent, and the lenders party thereto and (b) all other agreements, documents and instruments executed and/or delivered related thereto, including all security agreements, notes, guarantees, mortgages, Uniform Commercial Code financing statements, and all other related agreements, documents and instruments, including any fee letters, executed and/or delivered in connection therewith or related thereto.

141. “Unimpaired” means, when used in reference to a Claim or an Interest, a Claim or an Interest that is not Impaired within the meaning of Bankruptcy Code § 1124.

142. “Unsecured Guilds” means, collectively, (i) the Writers Guild of America, East, Inc.; (ii) the American Federation of Musicians, the Laborers’ International Union of North America; (iii) the Operative Plasterers’ and Cement Masons’ International Association; (iv) the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States, Its Territories and Canada; (v) the International Brotherhood of Teamsters; and (vi) the Secured Guilds to the extent any such Secured Guild has an Allowed Unsecured Claim against any of the Debtors (and individually, each an **“Unsecured Guild”**).

143. “U.S. Trustee” means the United States Trustee appointed under § 581 of title 28 of the United States Code to serve in the Southern District of New York.

144. “Vine/Verite Secured Claims” means any Allowed Secured Claim of Verite Capital Onshore Loan Fund LLC and/or Vine Film Finance Fund II LP against Yuma, Inc. and/or J & J Project, LLC under or evidenced by the Vine/Verite Loan Documents.

145. “Vine/Verite Loan Documents” means certain loan and security agreements entered into between Debtors Yuma, Inc. or J & J Project, LLC, as borrowers, and Verite Capital Onshore Loan Fund LLC, as lender, as were subsequently transferred to Vine Film Finance Fund II LP, in connection with the production of the films *3:10 To Yuma* and *The Forbidden Kingdom*.

146. “Voting Deadline” means 4:00 p.m. (Eastern time) on January __, 2016, which is the deadline for submitting Ballots to accept or reject the Plan in accordance with Bankruptcy Code § 1126.

147. “Warrant Agreements” means the form of warrant agreements, substantially similar in form as Exhibit H attached hereto.

B. Rules of Interpretation and Computation of Time

1. Rules of Interpretation

For purposes of the Plan, unless otherwise provided herein: (a) whenever it is appropriate from the context, each term, whether stated in the singular or the plural, includes both the singular and the plural; (b) unless otherwise provided in the Plan, any reference in the Plan to a contract, instrument, release or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (c) any reference in the Plan to an existing document or Exhibit Filed or to be Filed means such document or Exhibit, as it may have been or may be amended, modified or supplemented pursuant to the Plan, Confirmation Order or otherwise; (d) any reference to an Entity as a Holder of a Claim or Interest includes that Entity’s successors, assigns and affiliates; (e) all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the Plan; (f) the words “herein,” “hereunder” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (h) subject to the provisions of any contract, articles or certificates of formation, operating agreement, bylaws, codes of regulation, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and the Bankruptcy Rules; and (i) the rules of construction set forth in Bankruptcy Code § 102 shall apply to the extent not inconsistent with any other provision of this Section I.B.1.

2. Computation of Time

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

3. Reference to Monetary Figures

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

II. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

All Claims and Interests, except Administrative Claims and Priority Tax Claims, are placed in the Classes set forth below. In accordance with Bankruptcy Code § 1123(a)(1), Administrative Claims and Priority Tax Claims, as described in Section II.A, are not classified herein. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

A. Unclassified Claims

1. Administrative Claims

a. Administrative Claims in General

Except as specified in this Section II.A.1 and subject to the bar date provisions herein, unless otherwise agreed by the Holder of an Administrative Claim and the applicable Reorganized Debtor, or unless an order of the Bankruptcy Court provides otherwise, each Holder of an Allowed Administrative Claim (other than a Professional’s Fee Claim and a Plan Co-Proponent Fee/Expense Claim) shall receive, in full satisfaction of its Administrative Claim, Cash equal to the Allowed amount of such Administrative Claim on either (i) the latest to occur of (A) the Effective Date (or as soon thereafter as practicable), (B) the date such Claim becomes an Allowed Administrative

Claim, and (C) such other date as may be agreed upon by the Reorganized Debtors and the Holder of such Claim or (ii) on such other date as the Bankruptcy Court may order. For the avoidance of doubt, claims arising under the Modified DIP Credit Agreement are Administrative Claims.

b. Statutory Fees

All fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date shall be paid by the applicable Reorganized Debtor in accordance therewith until the earlier of the conversion or dismissal of the applicable Chapter 11 Case under Bankruptcy Code § 1112 or the closing of the applicable Chapter 11 Case pursuant to Bankruptcy Code § 350(a).

c. Ordinary Course Postpetition Administrative Liabilities

Administrative Claims based on liabilities incurred by a Debtor in the ordinary course of its business, including Administrative Claims arising from or with respect to the sale of goods or provision of services on or after the Petition Date, Administrative Claims of governmental units for Taxes (including Tax audit Claims related to Tax years or portions thereof ending after the Petition Date), and Administrative Claims arising under Executory Contracts and Unexpired Leases, shall be paid by the applicable Reorganized Debtor, pursuant to the terms and conditions of the particular transaction giving rise to those Administrative Claims, without further action by the Holders of such Administrative Claims or further approval by the Bankruptcy Court. Holders of the foregoing Claims shall not be required to File or serve any request for payment of such Administrative Claims.

d. Professional Compensation

(1) Final Fee Applications

Professionals or other Entities asserting a Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other Entities who are designated by the Bankruptcy Rules, the Fee Order, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than sixty (60) days after the Effective Date; provided, however, that any party who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date pursuant to the Ordinary Course Professionals Order without further Bankruptcy Court review or approval (except as provided in the Ordinary Course Professionals Order). To the extent necessary, the Confirmation Order shall amend and supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims.

(2) Professional Fee Segregated Account

In accordance with Section II.A.1.d(3) hereof, on the Effective Date, the Debtors shall establish and fund the Professional Fee Segregated Account with Cash equal to the aggregate Professional Fee Reserve Amount for all Professionals. The Professional Fee Segregated Account shall be maintained in trust for the Professionals. Such funds shall not be considered property of the Debtors' Estates. The amount of Fee Claims owing to the Professionals shall be paid in Cash to such Professionals from funds held in the Professional Fee Segregated Account when such Claims are Allowed by a Final Order. When all Allowed Professional Compensation Claims are paid in full in Cash, amounts remaining in the Professional Fee Segregated Account, if any, shall revert to the Reorganized Debtors.

(3) Professional Fee Reserve Amount

To receive payment for unbilled fees and expenses incurred through the Effective Date, the Professionals shall estimate their Fee Claims prior to and as of the Effective Date and shall deliver such estimate to the Debtors and counsel to the Creditors' Committee no later than five (5) days prior to the anticipated Effective Date; provided, that such estimate shall not be considered an admission with respect to the fees and expenses of such Professional. If a Professional does not provide an estimate, the Debtors may estimate the unbilled fees and expenses of such

Professional. The total amount so estimated as of the Effective Date shall comprise the Professional Fee Reserve Amount.

e. Plan Co-Proponent Fee/Expense Claims

The Reorganized Debtor shall reimburse the Plan Co-Proponent Fee/Expense Claims incurred in connection with the Chapter 11 Cases.

f. Post-Effective Date Professionals' Fees and Expenses

Except as otherwise specifically provided in the Plan, on and after the Effective Date, the Reorganized Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented fees and expenses of the Professionals or other fees and expenses incurred by the Reorganized Debtors on or after the Effective Date, in each case, related to implementation and consummation of the Plan. Upon the Effective Date, any requirement that Professionals comply with Bankruptcy Code §§ 327 - 331 and 1103 or any order of the Bankruptcy Court entered before the Effective Date governing the retention of, or compensation for services rendered by, Professionals after the Effective Date shall terminate, and the Reorganized Debtors may employ or pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

g. Bar Dates for Administrative Claims

Except as otherwise provided herein, requests for payment of Administrative Claims (other than Fee Claims, and Administrative Claims based on Liabilities incurred by a Debtor in the ordinary course of its business as described in Section II.A.1.c) must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be Filed and served on the Reorganized Debtors and the requesting party no later than the Administrative Claims Objection Deadline.

2. Payment of Priority Tax Claims

Pursuant to Bankruptcy Code § 1129(a)(9)(C), and unless otherwise agreed by the Holder of a Priority Tax Claim and the Plan Proponents, each Holder of an Allowed Priority Tax Claim shall receive at the option of the Debtors or the Reorganized Debtors, as applicable, in full satisfaction of its Allowed Priority Tax Claim, on account of and in full and complete settlement, release and discharge of such Claim, (i) Cash in an amount equal to the amount of such Allowed Priority Tax Claim payable on the Effective Date (or as reasonably practicable thereafter) or (ii) Cash in the aggregate amount of such Allowed Priority Tax Claim payable in annual equal installments commencing on the later of: (a) the Effective Date (or as soon as reasonably practicable thereafter) and (b) the date such Priority Tax Claim becomes an Allowed Priority Tax Claim (or as soon as practicable thereafter; and, in each case, ending no later than five (5) years from the Petition Date. Notwithstanding the foregoing, any Claim on account of any penalty arising with respect to or in connection with an Allowed Priority Tax Claim that does not compensate the Holder for actual pecuniary loss will be treated as a Subordinated Claim, and the Holder may not assess or attempt to collect such penalty from the Reorganized Debtors or their respective property.

B. Classification of Claims and Interests

1. General

Pursuant to Bankruptcy Code §§ 1122 and 1123, Claims and Interests are classified for voting and distribution pursuant to this Plan, as set forth herein. A Claim or Interest shall be deemed classified in a particular Class only to the extent that 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 other Class. Holders of Allowed Claims may assert such Claims against each Debtor obligated with respect to such Claim, and such Claims shall be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Debtor based upon the full Allowed amount of the Claim. Notwithstanding the foregoing, and except as otherwise specifically provided for herein, the Confirmation Order or other order of the Bankruptcy Court, or required by applicable bankruptcy law, in no event shall the aggregate value of all property received or retained under the Plan on account of an Allowed Claim exceed 100% of the underlying Allowed Claim.

Bankruptcy Code § 1129(a)(10) shall be satisfied for the purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims; *provided, however*, that in the event no Holder of a Claim with respect to a specific Class for a particular Debtor timely submits a Ballot in compliance with the Disclosure Statement Order indicating acceptance or rejection of this Plan, such Class will be deemed to have accepted this Plan. The Plan Proponents may seek Confirmation of this Plan pursuant to Bankruptcy Code § 1129(b) with respect to any rejecting Class of Claims or Interests.

For administrative convenience, the Plan assigns a number to each of the Debtors and a letter to each of the Classes of Claims against or Interests in the Debtors. For consistency, designated Classes of Claims or Interests are assigned the same letter across each of the Debtors. The numbers assigned to each Debtor are:

Debtor #	Debtor Name
1.	21 & Over Productions, LLC
2.	3 Days to Kill Productions, LLC
3.	A Perfect Getaway P.R., LLC
4.	A Perfect Getaway, LLC
5.	Armored Car Productions, LLC
6.	Best of Me Productions, LLC
7.	Black Or White Films, LLC
8.	Blackbird Productions, LLC
9.	Brant Point Productions, LLC
10.	Brick Mansions Acquisitions, LLC
11.	Brilliant Films, LLC
12.	Brothers Productions, LLC
13.	Brothers Servicing, LLC
14.	Catfish Productions, LLC
15.	Cine Productions, LLC
16.	CinePost, LLC
17.	Cisco Beach Media, LLC
18.	Cliff Road Media, LLC
19.	Den of Thieves Films, LLC
20.	Don Jon Acquisitions, LLC
21.	DR Productions, LLC
22.	Einstein Rentals, LLC
23.	English Breakfast Media, LLC
24.	Furnace Films, LLC
25.	Gotti Acquisitions, LLC
26.	Great Point Productions, LLC
27.	Guido Contini Films, LLC
28.	Hooper Farm Music, LLC
29.	Hooper Farm Publishing, LLC
30.	Hummock Pond Properties, LLC
31.	Hunter Killer La Productions, LLC
32.	Hunter Killer Productions, LLC
33.	In The Hat Productions, LLC
34.	J&J Project, LLC
35.	JGAG Acquisitions, LLC

Debtor #	Debtor Name
36.	Left Behind Acquisitions, LLC
37.	Long Pond Media, LLC
38.	Madaket Publishing, LLC
39.	Madaket Road Music, LLC
40.	Madvine RM, LLC
41.	Malavita Productions, LLC
42.	MB Productions, LLC
43.	Merchant of Shanghai Productions, LLC
44.	Miacomet Media LLC
45.	Miracle Shot Productions, LLC
46.	Most Wonderful Time Productions, LLC
47.	Movie Productions, LLC
48.	One Life Acquisitions, LLC
49.	Orange Street Media, LLC
50.	Out Of This World Productions, LLC
51.	Paranoia Acquisitions, LLC
52.	Phantom Acquisitions, LLC
53.	Pocomo Productions, LLC
54.	Relative Motion Music, LLC
55.	Relative Velocity Music, LLC
56.	Relativity Development, LLC
57.	Relativity Fashion, LLC
58.	Relativity Film Finance II, LLC
59.	Relativity Film Finance III, LLC
60.	Relativity Film Finance, LLC
61.	Relativity Films, LLC
62.	Relativity Foreign, LLC
63.	Relativity Holdings LLC
64.	Relativity India Holdings, LLC
65.	Relativity Jackson, LLC
66.	Relativity Media LLC
67.	Relativity Media Distribution, LLC
68.	Relativity Media Films, LLC
69.	Relativity Music Group, LLC
70.	Relativity Production LLC
71.	Relativity REAL, LLC
72.	Relativity Rogue, LLC
73.	Relativity Senator, LLC
74.	Relativity Sky Land Asia Holdings, LLC
75.	Relativity TV, LLC
76.	Reveler Productions, LLC
77.	RML Acquisitions I, LLC
78.	RML Acquisitions II, LLC
79.	RML Acquisitions III, LLC
80.	RML Acquisitions IV, LLC
81.	RML Acquisitions IX, LLC
82.	RML Acquisitions V, LLC
83.	RML Acquisitions VI, LLC
84.	RML Acquisitions VII, LLC
85.	RML Acquisitions VIII, LLC
86.	RML Acquisitions X, LLC
87.	RML Acquisitions XI, LLC

Debtor #	Debtor Name
88.	RML Acquisitions XII, LLC
89.	RML Acquisitions XIII, LLC
90.	RML Acquisitions XIV, LLC
91.	RML Acquisitions XV, LLC
92.	RML Bronze Films, LLC
93.	RML Damascus Films, LLC
94.	RML Desert Films, LLC
95.	RML Distribution Domestic, LLC
96.	RML Distribution International, LLC
97.	RML Documentaries, LLC
98.	RML DR Films, LLC
99.	RML Echo Films, LLC
100.	RML Escobar Films LLC
101.	RML Film Development, LLC
102.	RML Films PR, LLC
103.	RML Hector Films, LLC
104.	RML Hillsong Films, LLC
105.	RML IFWT Films, LLC
106.	RML International Assets, LLC
107.	RML Jackson, LLC
108.	RML Kidnap Films, LLC
109.	RML Lazarus Films, LLC
110.	RML Nina Films, LLC
111.	RML November Films, LLC
112.	RML Oculus Films, LLC
113.	RML Our Father Films, LLC
114.	RML Romeo and Juliet Films, LLC
115.	RML Scripture Films, LLC
116.	RML Solace Films, LLC
117.	RML Somnia Films, LLC
118.	RML Timeless Productions, LLC
119.	RML Turkeys Films, LLC
120.	RML Very Good Girls Films, LLC
121.	RML WIB Films, LLC
122.	RMLDD Financing, LLC
123.	Rogue Digital, LLC
124.	Rogue Games, LLC
125.	Roguelife LLC
126.	Safe Haven Productions, LLC
127.	Sanctum Films, LLC
128.	Santa Claus Productions, LLC
129.	Smith Point Productions, LLC
130.	Snow White Productions, LLC
131.	Spy Next Door, LLC
132.	Story Development, LLC
133.	Straight Wharf Productions, LLC
134.	Strangers II, LLC
135.	Stretch Armstrong Productions, LLC
136.	Studio Merchandise, LLC
137.	Summer Forever Productions, LLC
138.	The Crow Productions, LLC
139.	Totally Interns, LLC

Debtor #	Debtor Name
140.	Tribes of Palos Verdes Production, LLC
141.	Tuckernuck Music, LLC
142.	Tuckernuck Publishing, LLC
143.	Wright Girls Films, LLC
144.	Yuma, Inc.
145.	Zero Point Enterprises, LLC

2. Identification of Classes of Claims Against and Interests in the Debtors

The following table designates the Classes of Claims against and Interests in the Debtors and specifies which Classes are (a) Impaired or Unimpaired by this Plan, (b) entitled to vote to accept or reject this Plan in accordance with Bankruptcy Code § 1126 or (c) deemed to accept or reject this Plan.

Class	Designation	Impairment	Entitled to Vote
A.	Priority Non-Tax Claims	Unimpaired	Deemed to Accept
B.	TLA/TLB Secured Claims	Impaired	Entitled to Vote
C.	Pre-Release P&A Secured Claims	Unimpaired	Deemed to Accept
D.	Post-Release P&A Secured Claims	Impaired	Entitled to Vote
E.	Production Loan Secured Claims	Unimpaired	Deemed to Accept
F.	Ultimates Secured Claims	Unimpaired	Deemed to Accept
G.	Secured Guilds Claims	Impaired	Entitled to Vote
H.	Vine/Verite Secured Claims	Unimpaired	Deemed to Accept
I.	Other Secured Claims	Unimpaired	Deemed to Accept
J.	General Unsecured Claim	Impaired	Entitled to Vote
K.	Subordinated Claims	Impaired	Deemed to Reject
L.	Interests	Impaired	Deemed to Reject

C. Treatment of Claims

1. Priority Non-Tax Claims (Class A)

a. *Classification:* Classes A1 – A145 consist of all Priority Non-Tax Claims against the respective Debtors.

b. *Treatment:* On the later of (a) the Effective Date and (b) the date on which such Priority Non-Tax Claim becomes an Allowed Priority Non-Tax Claim, except to the extent that a Holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each Holder of an Allowed Priority Non-Tax Claim against a Debtor shall receive on account and in full and complete settlement, release and discharge of such Claim, at the Debtors' election, (i) Cash in the amount of such Allowed Priority Non-Tax Claim in accordance with Bankruptcy Code § 1129(a)(9) and/or (ii) such other treatment required to render such Claim unimpaired pursuant to Bankruptcy Code § 1124. All Allowed Priority Non-Tax Claims against the Debtors that are not due and payable on or before the Effective Date shall be paid by the Reorganized Debtors when such Claims become due and payable in the ordinary course of business in accordance with the terms thereof.

c. *Voting:* Claims in Classes A1 – A145 are Unimpaired. Each Holder of an Allowed Claim in Classes A1 – A145 shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

2. TLA/TLB Secured Claims (Class B)

a. *Classification:* Classes B1 - B33, B35 - B56, B58 - B143, and B145 consist of all TLA/TLB Secured Claims against the respective Debtors.

b. *Treatment:* Except to the extent that a Holder of an Allowed TLA/TLB Secured Claim agrees to less favorable treatment, on the Effective Date, the Holders of Allowed TLA/TLB Secured Claims are entitled to receive 100% of the equity value of the Debtors. Holders of the Allowed TLA/TLB Secured Claims, excluding Kavanaugh and Nicholas, have agreed to less favorable treatment, and shall receive the BidCo Note in full and final satisfaction, release, and discharge of, and in exchange for, such TLA/TLB Secured Claim. For the avoidance of doubt, the BidCo Note, to the extent paid down to \$30 million out of the proceeds thereof, will be subordinated to the New P&A/Ultimates Facility. Kavanaugh and Nicholas have agreed to receive Reorganized Relativity Holdings Preferred Units and such other treatment on account of approximately \$175 million of their TLA/TLB Secured Claims described in the Revised Relativity Holdings Operating Agreement as set forth in Section III.B below.

c. *Voting:* Claims in Classes B1 - B33, B35 - B56, B58 - B143, and B145 are Impaired. Each Holder of an Allowed Claim in Classes B1 - B33, B35 - B56, B58 - B143, and B145 is entitled to vote.

3. Pre-Release P&A Secured Claims (Class C)

a. *Classification:* Classes C5, C21, C108, C109, and C117 consist of all Pre-Release P&A Secured Claims against the Debtors.

b. *Treatment:* Except to the extent that a Holder of an Allowed Pre-Release P&A Secured Claim agrees to less favorable treatment, on or as soon after the Effective Date as practicable, RKA, as the Holder of the Allowed Pre-Release P&A Secured Claim, shall receive the following treatment at the option of the Plan Proponents: (i) such Allowed Secured Claim shall be Reinstated; (ii) payment in full (in Cash) of any such Allowed Secured Claim; or (iii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim; provided, however, that if the Debtors and RKA conclude their currently pending settlement negotiations, the terms of any agreement shall dictate the treatment of RKA and Class C claims.

c. *Voting:* Claims in Classes C5, C21, C108, C109, and C117 are Unimpaired. Each Holder of an Allowed Claim in Classes C5, C21, C108, C109, and C117 shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

4. Post-Release P&A Claims Secured Claims (Class D)

a. *Classification:* Classes D8, D109, and D121 consist of all Post-Release P&A Secured Claims against the Debtors.

b. *Treatment:* On or as soon after the Effective Date as practicable, Reorganized Relativity Holdings shall Allow a claim in the approximately amount of \$26,818,821 (as of October 31, 2015 and as reduced in the ordinary course until the Effective Date), which such amount shall include, without limitation, additional accrued interest, legal fees, costs, expenses and other outstanding obligations of Reorganized Relativity Holdings under the P&A Funding Agreement subject to documentation of a replacement credit agreement, which shall provide among other things for an extension of the maturity dates as compared to the pre-petition terms. The obligation shall be secured by a first-priority security interest originally (i) cross-collateralized against Blackbird Productions, LLC and RML WIB Films, LLC and (ii) individually as against RML Lazarus Films, LLC; provided, however, that once amounts owing by RML Lazarus Films, LLC to RKA under the Pre-Release P&A Secured Claim are paid off in full, the obligation under this Class D shall be fully secured on a cross-collateralized basis against each of the three entities. Reorganized Relativity Holdings shall continue to distribute each Post-Release P&A Picture until the outstanding obligations are satisfied by payment in full in accordance with the terms of the replacement credit agreement which will make clear that the Classes D8, D109, and D121 lien shall apply only to the proceeds of the post-release films *Woman in Black 2*, *Lazarus* and *Beyond the Lights*, as applicable.

c. *Voting:* Claims in Classes D8, D109, and D121 are Impaired. Each Holder of an Allowed Claim in Classes D8, D109, and D121 is entitled to vote.

5. Production Loan Secured Claims (Class E)

- a. *Classification:* Classes E5 and E21 consists of all Production Loan Secured Claims against the Debtors.
- b. *Treatment:* Except to the extent that a Holder of an Allowed Production Loan Secured Claim agrees to less favorable treatment, on the Effective Date, such Allowed Production Loan Secured Claim shall be Reinstated. For the avoidance of doubt, nothing in this Plan is intended to affect or modify the Allowed Production Secured Claim Holder's rights under ¶ H(vi)(D) – (I) of Docket No. 931 in the Chapter 11 Cases.
- c. *Voting:* Claims in Classes E5 and E21 are Unimpaired. Each Holder of an Allowed Claim in Classes E5 and E21 shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

6. Ultimates Secured Claims (Class F)

- a. *Classification:* Classes F1, F2, F6, F7, F8, F10, F20, F24, F41, F47, F51, F77 - F83, F87, F95, F96, F99, F103, F109, F111, F112, F116, F119, F121 and F126 consists of all Ultimates Secured Claims against the Debtors.
- b. *Treatment:* Except to the extent that a Holder of an Allowed Ultimates Secured Claim agrees to less favorable treatment, on or as soon after the Effective Date as practicable, each Holder of a Ultimates Secured Claim shall receive the following treatment at the option of the Plan Proponents: (i) such Allowed Secured Claim shall be Reinstated or (ii) payment in full (in Cash) of any such Allowed Secured Claim.
- c. *Voting:* Claims in Classes F1, F2, F6, F7, F8, F10, F20, F24, F41, F47, F51, F77- F83, F87, F95, F96, F99, F103, F109, F111, F112, F116, F119, F121 and F126 are Unimpaired. Each Holder of an Allowed Claim in Classes F1, F2, F6, F7, F8, F10, F20, F24, F41, F47, F51, F77 - F83, F87, F95, F96, F99, F103, F109, F111, F112, F116, F119, F121 and F126 shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

7. Secured Guilds Claims (Class G)

- a. *Classification:* Classes G1, G2, G6, G7, G8, G10, G20, G24, G41, G47, G51, G77- G83, G87, G95, G96, G99, G103, G109, G111, G112, G116, G119, G121 and G126 consist of all Secured Guilds Claims against the Debtors.
- b. *Treatment:* Except to the extent that a Holder of an Allowed Secured Guilds Claim agrees to less favorable treatment, one (1) year after the Effective Date or as soon thereafter as practicable, each Holder of an Allowed Secured Guilds Claim shall receive payment in full (including applicable interest) on account of such Allowed Secured Guilds Claim. All payments to the Guilds in connection with the Allowed Secured Guilds Claims shall be payable to each applicable Guild for the benefit of each applicable Guild-represented employee. The Reorganized Debtors shall provide a designated payroll service (selected mutually by the Guilds and the Reorganized Debtors) with information concerning such payments. The payroll service shall prepare checks in the prescribed form, and the Reorganized Debtors shall fund the payroll process and applicable taxes. As an accommodation to the Reorganized Debtor, the Guilds shall forward such payments to the applicable Guild-represented employee.
- c. *Voting:* Claims in Classes G1, G2, G6, G7, G8, G10, G20, G24, G41, G47, G51, G77- G83, G87, G95, G96, G99, G103, G109, G111, G112, G116, G119, G121 and G126 are Impaired. Each Holder

of an Allowed Claim in Classes G1, G2, G6, G7, G8, G10, G20, G24, G41, G47, G51, G77-G83, G87, G95, G96, G99, G103, G109, G111, G112, G116, G119, G121 and G126 is entitled to vote.

8. Vine/Verite Secured Claims (Class H)

- a. *Classification:* Classes H34 and H144 and consists of all Vine/Verite Secured Claims against the Debtors.
- b. *Treatment:* Except to the extent that a Holder of an Allowed Vine/Verite Secured Claim agrees to less favorable treatment, on or as soon after the Effective Date as practicable, each Holder of a Vine/Verite Secured Claim shall receive the following treatment at the option of the Plan Proponents: (i) such Allowed Secured Claim shall be Reinstated; or (ii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim.
- c. *Voting:* Claims in Classes H34 and H144 are Unimpaired. Each Holder of an Allowed Claim in Classes H34 and H144 shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

9. Other Secured Claims (Class I)

- a. *Classification:* Classes I1 - I145 consists of all Other Secured Claims against the Debtors.
- b. *Treatment:* Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, on or as soon after the Effective Date as practicable, each Holder of an Allowed Other Secured Claim shall receive the following treatment at the option of the Plan Proponents: (i) such Allowed Secured Claim shall be Reinstated; (ii) payment in full (in Cash) of any such Allowed Secured Claim; or (iii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim.
- c. *Voting:* Claims in Classes I1 - I145 are Unimpaired. Each Holder of an Allowed Claim in Classes I1 - I145 shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

10. General Unsecured Claims (Class J)

- a. *Classification:* Classes J1 - J145 consist of all General Unsecured Claims against the Debtors.
- b. *Treatment:* Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, on the Effective Date, the Reorganized Debtors shall be deemed substantively consolidated for plan purposes only, and each Holder of an Allowed General Unsecured Claim in Classes J1 - J145 shall receive, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, interests representing its Pro Rata share of (i) the Guaranteed GUC Distributable Value and (ii) the GUC Litigation Trust Interests; *provided, however,* that the sum of the Guaranteed GUC Distributable Value and the GUC Litigation Trust Interests shall not exceed par. For the avoidance of doubt, all intercompany claims of the Debtors shall be disallowed and canceled as part of the deemed substantive consolidation of the Debtors. For the avoidance of doubt, claims arising under the Manchester Prepetition Credit Facility are General Unsecured Claims.
- c. *Voting:* Claims in Classes J1 - J145 are Impaired. Each Holder of an Allowed Claim in Classes J1 - J145 is entitled to vote.

11. Subordinated Claims (Class K)

- a. *Classification:* Classes K1 – K145 consist of all Subordinated Claims.

b. *Treatment:* No property shall be distributed to or retained by the Holders of Subordinated Claims, and such Claims shall be extinguished on the Effective Date. Holders of Subordinated Claims shall not receive any distribution pursuant to the Plan.

c. *Voting:* Claims in Classes K1 – K145 are Impaired. Each Holder of an Allowed Claim in Classes K1 – K145 shall be deemed to have rejected the Plan and, therefore, is not entitled to vote.

12. Interests in all Debtors (Class L)

a. *Classification:* Classes L1 - L145 consists of all Interests in the Debtors.

b. *Treatment:* Holders of Interests in the Debtors shall retain no property under this Plan.

c. *Voting:* Interests in Classes L1 - L145 are Impaired. Each Holder of an Other Interest in Relativity Holdings in Classes L1 - L145 shall be deemed to have rejected the Plan and, therefore, is not entitled to vote.

D. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' or the Reorganized Debtors' rights regarding any Unimpaired Claim, including all rights regarding legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claim.

E. Postpetition Interest on Claims

Except as required by applicable bankruptcy law, postpetition interest shall not accrue or be payable on account of any Claim.

F. Insurance

Notwithstanding anything to the contrary herein, if any Allowed Claim is covered by an insurance policy, such Claim shall first be paid from proceeds of such insurance policy, with the balance, if any, treated in accordance with the provisions of the Plan governing the Class applicable to such Claim.

III. MEANS OF IMPLEMENTATION

A. Issuance of Reorganized Relativity Holdings Preferred Units

On the Effective Date, Reorganized Relativity Holdings Preferred Units shall be authorized as set forth in the Operating Agreement. Reorganized Relativity Holdings shall issue, pursuant to the treatment provided for in this Plan, Reorganized Relativity Holdings Preferred Units to each Nicholas and Kavanaugh. The rights of holders of Reorganized Relativity Holdings Preferred Units shall be set forth in the Revised Relativity Holdings Operating Agreement.

Each distribution and issuance of the Reorganized Relativity Holdings Preferred Units under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

On the Effective Date, Reorganized Holdings will be authorized to and shall issue or execute and deliver, as applicable, the Reorganized Relativity Holdings Preferred Units and the New Securities and Documents (including, without limitation, in connection with a new equity raise), in each case, without further notice to or order

of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

The issuance or execution and delivery of the New Securities and Documents, as applicable, and the distribution thereof under this Plan shall be exempt from registration under applicable securities laws pursuant to Bankruptcy Code § 1145(a) and/or any other applicable exemptions. Without limiting the effect of Bankruptcy Code § 1145, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of this Plan shall become and shall remain effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by such applicable agreement).

B. Issuance of Reorganized Relativity Holdings Common Units

On the Effective Date, Reorganized Relativity Holdings Common Units shall be authorized as set forth in the Operating Agreement. Reorganized Relativity Holdings shall issue, pursuant to the treatment provided for in this Plan, Reorganized Relativity Holdings Common Units to each Nicholas and Kavanaugh. Any shares not necessary to satisfy obligations under the Plan shall have the status of authorized but not issued shares of Reorganized Relativity Holdings. The rights of holders of Reorganized Relativity Holdings Common Units shall be set forth in the Revised Relativity Holdings Operating Agreement.

Each distribution and issuance of the Reorganized Relativity Holdings Common Units under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

On the Effective Date, each of the applicable Reorganized Debtors will be authorized to and shall issue or execute and deliver, as applicable, the Reorganized Relativity Holdings Common Units and the New Securities and Documents (including, without limitation, in connection with a new equity raise), in each case, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

The issuance or execution and delivery of the New Securities and Documents, as applicable, and the distribution thereof under this Plan shall be exempt from registration under applicable securities laws pursuant to Bankruptcy Code § 1145(a) and/or any other applicable exemptions. Without limiting the effect of Bankruptcy Code § 1145, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of this Plan shall become and shall remain effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by such applicable agreement).

C. Issuance of Reorganized Relativity Holdings Warrants

On the Effective Date, Reorganized Relativity Holdings shall issue Reorganized Relativity Holdings Warrants to each of Nicholas and Heatherden (or their respective Affiliates) with such terms and conditions set forth in their respective Warrant Agreements.

On the Effective Date, Reorganized Relativity Holdings will be authorized to and shall issue or execute and deliver, as applicable, the Reorganized Relativity Holdings Warrants and the New Securities and Documents (including, without limitation, in connection with a new equity raise), in each case, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

The issuance or execution and delivery of the New Securities and Documents, as applicable, and the distribution thereof under this Plan shall be exempt from registration under applicable securities laws pursuant to

Bankruptcy Code § 1145(a) and/or any other applicable exemptions. Without limiting the effect of Bankruptcy Code § 1145, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of this Plan shall become and shall remain effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by such applicable agreement).

D. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors

Except as otherwise provided herein (including with respect to the Restructuring Transactions described in Section III.E.1: (1) as of the Effective Date, Reorganized Relativity Holdings shall exist as a separate legal entity, with all organizational powers in accordance with the laws of the state of Delaware and the certificates of formation and operating agreement, appended hereto as Exhibit B and Exhibit C, respectively; (2) subject to the Restructuring Transactions, each of the Debtors shall, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all of the powers of such a legal entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, conversion, dissolution or otherwise) under applicable law; and (3) on the Effective Date, all property of the Estate of a Debtor, and any property acquired by a Debtor or Reorganized Debtor under the Plan, shall vest, subject to the Restructuring Transactions, in the applicable Reorganized Debtors, free and clear of all Claims, liens, charges, other encumbrances, Interests and other interests. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire and dispose of property and compromise or settle any claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, each Reorganized Debtor may pay the charges that it incurs on or after the Effective Date for appropriate Professionals' fees, disbursements, expenses or related support services (including fees relating to the preparation of Professional fee applications) without application to, or the approval of, the Bankruptcy Court.

E. Restructuring Transactions

1. Restructuring Transactions Generally

On or after the Effective Date, the Reorganized Debtors shall undertake such Restructuring Transactions as may be necessary or appropriate to effect, in accordance with applicable non-bankruptcy law, a restructuring of the Debtors' or Reorganized Debtors' respective business or simplify the overall organizational structure of the Reorganized Debtors, all to the extent not inconsistent with any other terms of the Plan, including any such Restructuring Transactions described in any Restructuring Transaction documents, including the Restructuring Transactions Exhibit, if any, to be filed with the Plan Supplement within the Debtors' discretion.

Without limiting the foregoing, unless otherwise provided by the terms of a Restructuring Transaction, all such Restructuring Transactions will be deemed to occur on the Effective Date and may include one or more mergers, conversions, or consolidations, restructurings, dispositions, liquidations or dissolutions, as may be determined by the Debtors or the Reorganized Debtors to be necessary or appropriate.

The actions taken by the Debtors or the Reorganized Debtors, as applicable, to effect the Restructuring Transactions may include: (i) the execution, delivery, adoption, and/or amendment of appropriate agreements or other documents of merger, conversion, consolidation, restructuring, disposition, liquidation or dissolution containing terms that are consistent with the terms of this Plan, the Restructuring Transaction documents, and any ancillary documents and that satisfy the applicable requirements of applicable state law and any other terms to which the applicable Entities may agree; (ii) the execution, delivery, adoption, and/or amendment of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan, the Disclosure Statement, the Restructuring Transaction documents, and any ancillary documents and having other terms for which the applicable Entities may agree; (iii) the filing of appropriate certificates or articles of incorporation, reincorporation, formation, conversion, merger, consolidation, dissolution or change in corporate form pursuant to applicable state law; (iv) the cancellation of shares, membership interests and warrants; and (v) all other actions that the Debtors or the Reorganized Debtors, as applicable, determine to be necessary, desirable, or appropriate to implement, effectuate, and consummate the Plan

or the Restructuring Transactions contemplated hereby, including making filings or recordings that may be required by applicable state law in connection with the Restructuring Transactions. Any such transactions may be effected on or subsequent to the Effective Date without any further action by the equityholders or directors of any of the Debtors or the Reorganized Debtors.

2. Obligations of Any Successor Entity in a Restructuring Transaction

The Restructuring Transactions may result in substantially all of the respective assets, properties, rights, liabilities, duties, and obligations of certain of the Reorganized Debtors vesting in one or more surviving, resulting, or acquiring entities. In any case in which the surviving, resulting, or acquiring entity in any such transaction is a successor to a Reorganized Debtor, such surviving, resulting, or acquiring entity will perform the obligations of the applicable Reorganized Debtor pursuant to the Plan to pay or otherwise satisfy the Allowed Claims against such Reorganized Debtor, except as provided in the Plan or in any contract, instrument or other agreement or document effecting a disposition to such surviving, resulting or acquiring corporation, which may provide that another Reorganized Debtor will perform such obligations.

F. Sources of Cash for Plan Distributions

The Debtors or Reorganized Debtors, as applicable, are authorized to execute and deliver any documents necessary or appropriate to obtain Cash for funding the Plan. All consideration necessary for the Reorganized Debtors to make payments or distributions pursuant hereto shall be obtained through a combination of one or more of the following: (a) Cash on hand of the Debtors, including Cash from business operations, or distributions from Non-Debtor Affiliates; (b) proceeds of the sale of assets; (c) the New P&A/Ultimates Facility; (d) the proceeds of any tax refunds and other causes of action; (e) the proceeds of any equity raise; and (f) any other means of financing or funding that the Debtors or the Reorganized Debtors determine is necessary or appropriate. Further, the Debtors and the Reorganized Debtors shall be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan. Except as set forth herein, any changes in intercompany account balances resulting from such transfers shall be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and shall not violate the terms of the Plan or any orders entered by the Bankruptcy Court with respect to the Debtors' cash management system.

G. Corporate Governance, Managers and Officers, Employment-Related Agreements and Compensation Programs; Other Agreements

1. Certificates of Formation and Operating Agreement

As of the Effective Date, the certificate of formation and the operating agreement (or comparable constituent documents) of Reorganized Relativity Holdings shall be substantially in the forms appended hereto as Exhibit B and Exhibit C, respectively. The certificate of formation and operating agreement (or comparable constituent documents) of each Reorganized Debtor, among other things, shall prohibit the issuance of nonvoting equity securities to the extent required by Bankruptcy Code § 1123(a)(6). After the Effective Date, each Reorganized Debtor may amend and restate its certificate of formation or operating agreement (or comparable constituent documents) as permitted by applicable non-bankruptcy law, subject to the terms and conditions of such constituent documents. On the Effective Date, or as soon thereafter as is practicable, each Reorganized Debtor shall file such certificate of formation (or comparable constituent documents) with the secretary of state or jurisdiction or similar office of the state or jurisdiction in which such Reorganized Debtor is incorporated or organized, to the extent required by and in accordance with the applicable corporate law of such state.

2. Managers and Officers of the Reorganized Debtors

In accordance with Bankruptcy Code § 1129(a)(5), from and after the Effective Date, the initial officers and directors of Reorganized Relativity Holdings shall be comprised of the individuals identified in a disclosure to be Filed as part of the Plan Supplement. The directors for the boards of managers/directors of the direct and indirect subsidiaries of Reorganized Relativity Holdings shall be identified and selected by the New Board of Managers.

3. Employment-Related Agreements and Compensation Programs

Except as otherwise provided herein, as of the Effective Date, each of the Reorganized Debtors shall have authority to: (i) maintain, reinstate, amend or revise existing employment, retirement, welfare, incentive, severance, indemnification and other agreements with its active and retired directors, officers and employees, subject to the terms and conditions of any such agreement and applicable non-bankruptcy law; and (ii) enter into new employment, retirement, welfare, incentive, severance, indemnification and other agreements for active and retired employees.

On the Effective Date, the Reorganized Relativity shall enter into new employment plans and execute new employment agreements as required; all existing plans and agreements shall be terminated and rejected pursuant to Bankruptcy Code § 365 and Section IV.A of this Plan.

On or after the Effective Date, the Reorganized Debtors shall continue to administer and pay the Claims arising before the Petition Date under the Debtors' workers' compensation programs in accordance with their prepetition practices and procedures.

4. Other Matters

Notwithstanding anything to the contrary in the Plan, no provision in any contract, agreement or other document with the Debtors that is rendered unenforceable against the Debtors or the Reorganized Debtors pursuant to Bankruptcy Code §§ 541(c), 363(l) or 365(e)(1), or any analogous decisional law, shall be enforceable against the Debtors or Reorganized Debtors as a result of this Plan.

5. Payment of Manchester Fees

If and to the extent Relativity shall not have paid, prior to the Effective Date, all of the fees, expenses, and other amounts payable to Manchester or Heatherden, whether incurred prepetition or postpetition, including without limitation all amounts paid for legal and other professional fees and expenses of Manchester and Heatherden for O'Melveny & Myers LLP, Ropes & Gray LLP, and Moelis & Company, then all such unpaid fees, expenses and other amounts shall be paid to Manchester and Heatherden on the Effective Date of the Plan; *provided* that such fees and expenses incurred between October 26, 2015 and January 31, 2016, shall be subject to a budget in an aggregate amount of \$3,750,000 for such period; provided, that the budget shall not limit fees and expenses related to a litigation or investigation of Manchester, Heatherden.

6. Transactions Effective as of the Effective Date

Pursuant to Bankruptcy Code § 1142 and the Delaware Limited Liability Company Act and any comparable provisions of the business corporation or limited liability company law of any other state or jurisdiction the following shall occur and be effective as of the Effective Date, if no such other date is specified in such other documents, and shall be authorized and approved in all respects and for all purposes without any requirement of further action by the members or managers of the Debtors or any of the Reorganized Debtors: (a) the Restructuring Transactions; (b) the adoption of new or amended and restated certificates of formation and operating agreements (or comparable constituent documents) for each Reorganized Debtor; (c) the initial selection of managers and officers for each Reorganized Debtor; (d) the distribution of Cash and other property pursuant to the Plan; (e) the authorization and issuance of Reorganized Relativity Holdings Common Units pursuant to the Plan; (f) the entry into and performance of the New Exit Financing Documents; (g) any amendments to any of the credit agreements; (h) the adoption, execution, delivery and implementation of all contracts, leases, instruments, releases and other agreements or documents related to any of the foregoing; (i) the adoption, execution and implementation of employment, retirement and indemnification agreements, incentive compensation programs, retirement income plans, welfare benefit plans and other employee plans and related agreements; and (j) any other matters provided for under the Plan involving the organizational structure of the Debtors or Reorganized Debtors or organizational action to be taken by or required of a Debtor or Reorganized Debtor.

H. New P&A/Ultimates Facility

On the Effective Date, one or more of the Reorganized Debtors shall be authorized to consummate the New P&A/Ultimates Facility and to execute, deliver and enter into the New Exit Financing Documents, and any related agreements or filings without the need for any further corporate or other organizational action and without further action by the Holders of Claims or Interests, and the New Exit Financing Documents and any related agreements or filings shall be executed and delivered and the applicable Reorganized Debtors shall enter into the New P&A/Ultimates Facility and be permitted to incur or issue the indebtedness available thereunder.

Any final material terms of the New P&A/Ultimates Facility shall be included in the Plan Supplement.

I. Preservation of Rights of Action

Except as provided in the Plan or in any contract, instrument, release, or other agreement entered into, or delivered in connection with, or assumed by the Plan, in accordance with Bankruptcy Code § 1123(b) and to the fullest extent possible under applicable law, the Reorganized Debtors will retain and may enforce, and will have the sole right to enforce, any claims, demands, rights, and causes of action that any Debtor or their respective estates may hold against any Entity including the Excluded Release Parties. The Reorganized Debtors or their successors may pursue, or not pursue, such retained claims, demands, rights or causes of action, as they deem appropriate in their discretion.

J. Reinstatement and Continuation of Insurance Policies

From and after the Effective Date, each of the Debtors' insurance policies in existence as of the Effective Date shall be reinstated and continued in accordance with their terms and, to the extent applicable, shall be deemed assumed by the applicable Reorganized Debtor pursuant to Bankruptcy Code § 365 and Section IV.A of the Plan. Nothing in the Plan shall affect, impair or prejudice the rights of the insurance carriers or the Reorganized Debtors under the insurance policies in any manner, and such insurance carriers and Reorganized Debtors shall retain all rights and defenses under such insurance policies, and such insurance policies shall apply to, and be enforceable by and against, the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Debtors, as existed prior to the Effective Date.

K. Entry into CBA Assumption Agreements

On the Effective Date, the applicable Reorganized Debtors shall enter into the CBA Assumption Agreements.

L. Cancellation and Surrender of Instruments, Securities and Other Documentation

On the Effective Date and except as otherwise specifically provided for in the Plan, (i) the obligations of the Debtors under any other certificate, share, note, purchase right, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of, or ownership interest, equity, or profits interest in, the Debtors or any warrants, options, or other securities exercisable or exchangeable for, or convertible into, debt, equity, ownership, or profits interests in the Debtors giving rise to any Claim or Interest (except the Intercompany Interests), will be cancelled as to the Debtors, and the Reorganized Debtors will have no continuing obligations thereunder; (ii) the obligations of the Debtors under the Modified DIP Credit Agreement will be fully released, settled, and compromised as to the Debtors, and the Reorganized Debtors will have no continuing obligations thereunder; and (iii) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation/formation or similar documents governing the shares, units, certificates, notes, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors will be fully released, settled, and compromised except as expressly provided herein.

With respect to any agreement (including, without limitation, any applicable credit agreement) that governs the rights of the Holder of a Claim or Interest and will be cancelled hereunder, and notwithstanding the occurrence

of the Effective Date, such agreement will continue in effect solely for purposes of allowing such Holders to receive distributions under the Plan as provided herein.

M. Release of Liens

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and consistent with the treatment provided for Claims and Interests in Section II, all mortgages, deeds of trust, liens or other security interests, including any liens granted as adequate protection against the property of any Estate, shall be fully released and discharged, and all of the right, title and interest of any Holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, shall revert to the applicable Reorganized Debtor and its successors and assigns. As of the Effective Date, the Reorganized Debtors shall be authorized to execute and file on behalf of creditors Form UCC-3 termination statements, mortgage releases or such other forms as may be necessary or appropriate to implement the provisions of this Section III.M.

N. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of managers or directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan, the Restructuring Transactions, the Reorganized Relativity Holdings Preferred Units, the Reorganized Relativity Holdings Common Units issued pursuant to the Plan, the New P&A/Ultimates Facility authorized pursuant to the Plan (including, but not limited to, the New Exit Financing Documents), and any amendments to any of the Debtors' credit agreements, in each case, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except those expressly required pursuant to the Plan.

IV. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, except as otherwise provided herein, each of the Debtors' Executory Contracts and Unexpired Leases not previously assumed or rejected pursuant to an order of the Bankruptcy Court shall be deemed assumed as of the Effective Date in accordance with the provisions and requirements of Bankruptcy Code §§ 365 and 1123 except any Executory Contract or Unexpired Lease (1) identified on Exhibit F to this Plan (which shall be Filed as part of the Plan Supplement, and as may be amended) as an Executory Contract or Unexpired Lease designated for rejection, (2) which is the subject of a pending objection as to cure or assumability of such Executory Contract(s) or Unexpired Lease(s), (3) which is the subject of a separate motion or notice to assume or reject Filed by the Debtors and pending as of the Effective Date, (3) that previously expired or terminated pursuant to its own terms, or (4) that was previously assumed by any of the Debtors. In the event that an Executory Contract or Unexpired Lease is the subject of a pending objection, at any time (i) on or before the Effective Date, the Debtors reserve the right to supplement the list of rejected contracts on Exhibit F or (ii) after the Effective Date, the Reorganized Debtors reserve the right to supplement the list of rejected contracts on Exhibit F.

Entry of the Confirmation Order by the Bankruptcy Court shall constitute an order approving the assumptions or rejections of such Executory Contracts and Unexpired Leases as set forth in the Plan, all pursuant to Bankruptcy Code §§ 365(a) and 1123. Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order, and not assigned to a third party on or prior to the Effective Date, shall revert in, and be fully enforceable by, the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court. To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including, without limitation, any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the counterparty thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in the Plan, the Debtors or Reorganized Debtors, as

applicable, reserve the right to alter, amend, modify, or supplement Exhibit F to the Plan in their discretion prior to the Effective Date on no less than three (3) days' notice to the counterparty thereto.

B. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to Bankruptcy Code § 365(b)(1), by payment of the default amount in Cash on the Effective Date, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of Bankruptcy Code § 365) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the cure payments required by Bankruptcy Code § 365(b)(1) shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption.

No later than the date on which the Plan Supplement is Filed, to the extent not previously Filed with the Bankruptcy Court and served on affected counterparties, the Debtors shall provide for notices of proposed assumption and proposed cure amounts to be sent to applicable Executory Contract and Unexpired Lease counterparties, together with procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a contract or lease counterparty to a proposed assumption (but not related to cure amount) must be Filed, served, and actually received by the Debtors by the date on which objections to Confirmation are due (or such other date as may be provided in the applicable assumption notice). Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption shall be deemed to have assented to such assumption. For the avoidance of doubt, as ordered by the Bankruptcy Court in these Chapter 11 Cases (Docket No. 369), failure of the non-Debtor counterparty previously served with a cure notice to have filed an objection or raised an informal objection with Debtors' counsel has resulted in a deemed waiver to object to, contest, condition or otherwise restrict the assumption of the noticed assumed contracts or lease and otherwise forever barred the non-Debtor counterparty from objecting to the amount of the cure payment. Every non-Debtor counterparty may, however, object as to adequate assurance of future performance of the Reorganized Debtors.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. Any Proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged without further notice to or action, order or approval of the Bankruptcy Court.

C. Claims Based on Rejection of Executory Contracts and Unexpired Leases

Unless otherwise provided by a Bankruptcy Court order, any Proofs of Claim asserting Claims arising from the rejection of the Debtors' Executory Contracts and Unexpired Leases pursuant to the Plan or otherwise must be filed with the Notice and Claims Agent within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Proofs of Claim arising from the rejection of the Debtors' Executory Contracts and Unexpired Leases that are not timely filed shall be disallowed automatically, forever barred from assertion, and shall not be enforceable against any Reorganized Debtor without the need for any objection by the Reorganized Debtors or further notice to or action, order, or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Debtors' Executory Contracts and Unexpired Leases shall constitute General Unsecured Claims and shall be treated in accordance with Section II.C.10.

The Plan Proponents reserve the right to object to, settle, compromise or otherwise resolve any Claim Filed on account of a rejected Executory Contract or Unexpired Lease.

D. Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, shall be performed by the Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) shall survive and remain unaffected by entry of the Confirmation Order.

E. Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease in the Plan Supplement, nor anything contained in the Plan, nor the Debtors' delivery of a notice of proposed assumption and proposed cure amount to applicable contract and lease counterparties shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or Reorganized Debtors, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

F. Pre-Existing Obligations to the Debtors Under Executory Contracts and Unexpired Leases

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of pre-existing obligations owed to the Debtors or Reorganized Debtors under such Executory Contracts or Unexpired Leases. Notwithstanding any applicable non-bankruptcy law to the contrary, the Debtors and Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties, indemnifications or continued maintenance obligations on goods previously purchased by the contracting Debtors or Reorganized Debtors from counterparties to rejected Executory Contracts or Unexpired Leases.

G. Certain Compensation and Benefit Programs

Notwithstanding anything to the contrary in this Plan, all contracts, agreements, policies, programs and plans in existence on the Petition Date that provided for the issuance of Interests in any of the Debtors to current or former employees or directors of the Debtors are, to the extent not previously terminated or rejected by the Debtors, to be treated as Class K Subordinated Claims and shall be rejected or otherwise terminated as of the Effective Date without any further action of the Debtors or Reorganized Debtors or any order of the Court, any unvested Interests granted under any such agreements, policies, programs and plans in addition to any Interests granted under such agreements previously terminated or rejected by the Debtors to the extent not previously cancelled shall be cancelled pursuant to Section III.K of this Plan. Objections to the treatment of these plans or the Claims for rejection or termination damages arising from the rejection or termination of any such plans, if any, must be submitted and resolved in accordance with the procedures and subject to the conditions for objections to Confirmation. If any such objection is not timely Filed and served before the deadline set for objections to the Plan, each participant in or counterparty to any agreement described in this Section IV.G shall be forever barred from (1) objecting to the rejection or termination provided hereunder, and shall be precluded from being heard at the Confirmation Hearing with respect to such objection; (2) asserting against any Reorganized Debtor, or its property, any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Debtors; and (3) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any rejection pursuant to this Section IV.G.

H. Obligations to Insure and Indemnify Directors, Officers and Employees

Any and all managers/directors and officers liability and fiduciary insurance or tail policies in existence as of the Effective Date shall be reinstated and continued in accordance with their terms and, to the extent applicable, shall be deemed assumed or assumed and assigned by the applicable Debtor or Reorganized Debtor, pursuant to Bankruptcy Code § 365 and Section IV.A of this Plan. Each insurance carrier under such policies shall continue to honor their coverage obligation, if any, and administer the policies with respect to the Reorganized Debtors in the

same manner and according to the same terms, conditions, and practices applicable to the Debtors prior to the Effective Date.

The applicable Reorganized Debtor shall only be obligated to indemnify any person who is serving or has served as one of the Debtors' directors, officers, managers or employees at any time from and after the Petition Date for any losses, claims, costs, damages or Liabilities resulting from such person's service in such a capacity at any time from and after the Petition Date or as a director, officer, managers or employee of a Non-Debtor Affiliate at any time from and after the Petition Date, to the extent provided in the applicable certificates of incorporation or formation, by-laws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor. Accordingly, such indemnification obligations shall survive and be unaffected by entry of the Confirmation Order.

V. PROVISIONS GOVERNING DISTRIBUTIONS

A. Distributions for Allowed Claims as of the Effective Date

Except as otherwise provided in this Section V, distributions to be made on the Effective Date to Holders of Allowed Claims as provided by Section II or this Section V shall be deemed made on the Effective Date if made on the Effective Date or as promptly thereafter as practicable by the Debtors or the Reorganized Debtors, as applicable.

B. Undeliverable Distributions

1. Holding of Undeliverable Distributions

The Reorganized Debtors shall make one attempt to make the distributions contemplated hereunder in accordance with the procedures set forth herein. Any distributions returned to the Reorganized Debtors, or distributions that are otherwise undeliverable, shall remain in the possession of the applicable Reorganized Debtor until such time as a distribution becomes deliverable.

2. Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim entitled to a distribution of property under this Plan that does not assert a claim pursuant to the Plan for an undeliverable distribution within 180 days after the Effective Date shall have its claim for such undeliverable distribution discharged and shall be forever barred from asserting any such claim against the Reorganized Debtors or their respective property.

C. Compliance with Tax Requirements

In connection with the Plan and all instruments issued in connection herewith and distributed hereunder, to the extent applicable, the Debtors, the Reorganized Debtors, the Litigation Trustee, or any other party issuing any instruments or making any distributions under the Plan shall comply with all applicable Tax withholding and reporting requirements imposed on them by any governmental unit, and all distributions pursuant to the Plan and all related agreements shall be subject to such withholding and reporting requirements. Each of the Debtors, the Reorganized Debtors, and the Litigation Trustee, as applicable, shall be authorized to take any actions that may be necessary or appropriate to comply with such withholding and reporting requirements, including applying a portion of any Cash distribution to be made under the Plan to pay applicable Tax withholding. In the case of a non-Cash distribution that is subject to withholding, the distributing party may withhold an appropriate portion of such distributed property and sell such withheld property to generate Cash necessary to pay over the withholding tax. Any amounts withheld pursuant to the immediately preceding sentence shall be deemed to have been distributed and received by the applicable recipient for all purposes of the Plan. Notwithstanding any other provision of the Plan, each Holder of an Allowed Claim receiving a distribution pursuant to the Plan shall have the sole and exclusive responsibility for the satisfying and paying of any Tax obligations imposed on it by any governmental unit on account of such distribution, including income, withholding and other Tax obligations. Any party issuing any instrument or making any distribution pursuant to the Plan has the right, but not the obligation, to not make a distribution until such Holder has made arrangements satisfactory to the issuing or disbursing party for the payment

of any tax obligations.

Any party entitled to receive any property as an issuance or distribution under the Plan shall be required, if so requested, to deliver to the Debtors, the Reorganized Debtors, the Litigation Trustee or any other party issuing any instruments or making any distributions under the Plan (or such other Entity designated by any of the foregoing), as applicable, an IRS Form W-9 or (if the payee is a foreign Entity) an IRS Form W-8BEN, IRS Form W-8BEN-E, or such other IRS Form W-8, as applicable, unless such Entity is exempt under the Internal Revenue Code and so notifies the making the distribution. Unless a properly completed IRS Form W-9 or IRS Form W-8, as appropriate, is delivered to the distributing party (or such other Entity), the distributing party, in its sole discretion, may (a) make a distribution net of any applicable withholding, including backup withholding, or (b) reserve such distribution. If the distributing party reserves such distribution, and the Holder fails to comply with the requirement to deliver the IRS Form W-9 or IRS Form W-8 within 180 days after the Effective Date, such distribution shall be deemed undeliverable in accordance with Section V.B.

D. Distribution Record Date

1. The Debtor or Reorganized Debtors will have no obligation to recognize the transfer, or the sale, of any participation in, any Claim that occurs after the close of business on the Distribution Record Date and will be entitled for all purposes herein to recognize and make distributions only to those holders of Allowed Claims that are holders of such Claims, or participants therein, as of the close of business on the Distribution Record Date.

2. Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the Distribution Record Date will be treated as the holders of such Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to such transfer has not expired by the Distribution Record Date.

E. Setoffs

Except with respect to claims of a Debtor or Reorganized Debtor released pursuant to the Plan or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Reorganized Debtors may, pursuant to Bankruptcy Code § 553 or applicable non-bankruptcy law, set off against any Claim and the payments or distributions to be made on account of the Claim the claims, rights and causes of action of any nature that the applicable Debtor or Reorganized Debtor may hold against the Holder of the Claim; provided, however, that the failure to effect a setoff shall not constitute a waiver or release by the applicable Debtor or Reorganized Debtor of any claims, rights and causes of action that the Debtor or Reorganized Debtor may possess against the Holder of a Claim.

F. Distributions to Holders of Disputed Claims

Notwithstanding any other provision of the Plan, (1) no payments or distributions will be made on account of a Disputed Claim until such Claim becomes an Allowed Claim, if ever and (2) except as otherwise agreed to by the relevant parties, no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order.

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Holder of such Claim shall receive the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest to be paid on account of such Claim unless required under applicable bankruptcy law. Distributions made after the Effective Date to Holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

G. Allocation Between Principal and Accrued Interest

Except as otherwise provided in the Plan, the aggregate consideration paid to Holders with respect to their Allowed Claims shall be treated pursuant to the Plan as allocated first to the principal amount of such Allowed Claims (to the extent thereof as determined for U.S. federal income tax purposes) and, thereafter, to interest and the remaining portion, if any, of such Allowed Claims.

VI. DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS

A. Allowance of Claims

After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses the Debtors had with respect to any Claim immediately prior to the Effective Date, except with respect to any Claim deemed Allowed under the Plan. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Cases allowing such Claim. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court pursuant to Bankruptcy Rule 9019 or otherwise shall be binding on all parties.

Any Claim that has been listed in the Schedules as disputed, contingent or unliquidated, and for which no Proof of Claim has been timely filed, is not considered Allowed and shall be expunged without further action and without any further notice to or action, order or approval of the Bankruptcy Court.

B. Prosecution of Objections to Claims

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

C. Estimation of Claims

The Debtors, prior to the Effective Date, and the Reorganized Debtors after the Effective Date, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to Bankruptcy Code § 502(c) for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest.

D. Adjustment to Claims Without Objection

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the claims register by the Reorganized Debtors without a claim objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court.

E. Disallowance of Certain Claims

EXCEPT AS PROVIDED HEREIN, IN AN ORDER OF THE BANKRUPTCY COURT OR OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE CLAIMS BAR DATE

SHALL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO OR ACTION, ORDER OR APPROVAL OF THE BANKRUPTCY COURT, AND HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS.

F. Offer of Judgment

The Reorganized Debtors are authorized to serve upon a Holder of a Disputed Claim an offer to allow judgment to be taken on account of such Disputed Claim, and, pursuant to Bankruptcy Rules 7068 and 9014, Federal Rule of Civil Procedure 68 shall apply to such offer of judgment. To the extent the Holder of a Disputed Claim must pay the costs incurred by the Reorganized Debtors after the making of such offer, the Reorganized Debtors are entitled to set off such amounts against the amount of any distribution to be paid to such Holder without any further notice to or action, order, or approval of the Bankruptcy Court.

G. Amendments to Claims

On or after the Effective Date, except as provided herein, a Claim may not be filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such prior authorization is not received, any such new or amended Claim filed shall be deemed disallowed in full and expunged without any further action.

VII. CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN

A. Conditions to the Effective Date

The Effective Date shall not occur, and the Plan shall not be consummated unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.B:

1. All documents and agreements necessary to consummate the Plan shall have been effected or executed.
2. The Bankruptcy Court shall have entered the Confirmation Order, and the Confirmation Order shall be (i) a Final Order and (ii) in form and substance reasonably acceptable to the Plan Proponents.
3. Receipt of required governmental approvals (if any) and any and all other steps necessary to consummate the Debtors' proposed restructuring in any applicable jurisdictions have been received and/or effectuated.
4. All other documents and agreements necessary to implement the Plan on the Effective Date that are required to be in form and substance reasonably acceptable to the Plan Proponents shall have been executed and delivered and all other actions required to be taken in connection with the Effective Date shall have occurred.
5. All statutory fees and obligations then due and payable to the Office of the United States Trustee shall have been paid and satisfied in full.

B. Waiver of Conditions to Effective Date

The conditions to the Effective Date may be waived in whole or part at any time by the Plan Proponents, without an order of the Bankruptcy Court.

C. Effect of Nonoccurrence of Conditions to the Effective Date

If the Effective Date does not occur, then (i) the Plan will be null and void in all respects; (ii) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, will be deemed null and void; and (iii) nothing contained in the Plan or the Disclosure Statement will (a) constitute a waiver or release of any Claims or Interests, (b) prejudice in any manner the rights of the Debtors or any other Person or Entity, or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Person or Entity.

VIII. NON-CONSENSUAL CONFIRMATION

In the event that any Impaired Class of Claims or Interests rejects this Plan, the Plan Proponents reserve the right, without any delay in the occurrence of the Confirmation Hearing or Effective Date, to (A) request that the Bankruptcy Court confirm this Plan in accordance with Bankruptcy Code § 1129(b) with respect to such non-accepting Class, in which case this Plan shall constitute a motion for such relief and/or (B) amend this Plan in accordance with Section XII.A.

IX. THE LITIGATION TRUST

A. Litigation Trust Agreement

On or before the Effective Date, the Plan Proponents and the Litigation Trustee shall execute the Litigation Trust Agreement, and shall take all other necessary steps to establish the Litigation Trust and the Litigation Trust Interests therein, which shall be for the benefit of the Litigation Trust Beneficiaries and the Reorganized Debtors, as provided in Section II.C.10 herein, whether their Claims are Allowed before, on or after the Effective Date. The Litigation Trust Agreement may provide powers, duties, and authorities in addition to those explicitly stated herein, but only to the extent that such powers, duties, and authorities do not affect the status of the Litigation Trust as a “liquidating trust,” to the extent provided herein, for United States federal income tax purposes.

B. Purpose of the Litigation Trust

The Litigation Trust shall be established for the sole purpose of liquidating and distributing its assets, in accordance with Treasury Regulation § 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business.

C. Litigation Trust Assets

On the Effective Date, the Debtors shall transfer all of the Litigation Trust Assets to the Litigation Trust. The Litigation Trust Assets may be transferred subject to certain liabilities, as provided in the Plan or the Litigation Trust Agreement. Such transfer shall be exempt from any stamp, real estate transfer, mortgage reporting, sales, use or other similar Tax, pursuant to Bankruptcy Code § 1146(a). Upon delivery of the Litigation Trust Assets to the Litigation Trust, the Debtors and their predecessors, successors and assigns, and each other Entity released pursuant to Article X herein shall be discharged and released from all liability with respect to the delivery of such distributions.

D. Administration of the Litigation Trust

The Litigation Trust shall be administered by the Litigation Trustee according to the Litigation Trust Agreement and the Plan. In the event of any inconsistency between the Plan and the Litigation Trust Agreement, the Litigation Trust Agreement shall govern.

E. The Litigation Trustee

In the event the Litigation Trustee dies, is terminated, or resigns for any reason, a successor shall be designated in accordance with the Litigation Trust Agreement; provided, however, that under no circumstance shall the Litigation Trustee be a director or officer with respect to any Affiliate of the Litigation Trust.

F. Role of the Litigation Trustee

In furtherance of and consistent with the purpose of the Litigation Trust and the Plan, and subject to the terms of the Confirmation Order, the Plan and the Litigation Trust Agreement, the Litigation Trustee shall, among other things, have the following rights, powers and duties: (i) to hold, manage, convert to Cash, and distribute the Litigation Trust Assets, including prosecuting and resolving the Claims belonging to the Litigation Trust, (ii) to hold the Litigation Trust Assets for the benefit of the Litigation Trust Beneficiaries and the Reorganized Debtors, whether their Claims are Allowed on or after the Effective Date, (iii) in the Litigation Trustee's reasonable business judgment, to investigate, prosecute, settle and/or abandon rights, causes of action, or litigation that constitute Litigation Trust Assets, and (iv) to file all tax and regulatory forms, returns, reports, and other documents required with respect to the Litigation Trust.

G. Transferability of Litigation Trust Interests

The Litigation Trust Interests shall not be transferable or assignable except by will, intestate succession or operation of law.

H. Cash

The Litigation Trustee may invest Cash (including any earnings thereon or proceeds therefrom) as permitted by Bankruptcy Code § 345; provided, however, that such investments are investments permitted to be made by a liquidating trust within the meaning of Treasury Regulation § 301.7701-4(d), as reflected therein, or under applicable IRS guidelines, rulings, or other controlling authorities.

I. Distribution of Litigation Trust Assets/Litigation Trust Claims Reserve

The Litigation Trustee shall distribute to the holders of Allowed General Unsecured Claims on account of their Litigation Trust Interests, on or immediately after the Effective Date and on a quarterly basis thereafter, all unrestricted Cash on hand (including any Cash received from the Debtors on the Effective Date, and treating any permissible investment as Cash for purposes of this Section IX.I), except (i) Cash reserved pursuant to the Litigation Trust Agreement to fund the activities of the Litigation Trust, which amount shall not exceed \$150,000 on the Effective Date, but which may be increased thereafter in accordance with the provisions of the Litigation Trust Agreement, (ii) such amounts as are allocable to or retained on account of Disputed General Unsecured Claims in accordance with this Section IX.I, and (iii) such additional amounts as are reasonably necessary to (A) meet contingent liabilities and to maintain the value of the Litigation Trust Assets during liquidation, (B) pay reasonable incurred or anticipated expenses (including, but not limited to, any Taxes imposed on or payable by the Litigation Trust or in respect of the Litigation Trust Assets), or (C) as are necessary to satisfy other liabilities incurred or anticipated by the Litigation Trust in accordance with the Plan, or the Litigation Trust Agreement.

Each such Distribution in the aggregate shall be in an amount not less than \$100,000 of Available Cash. Notwithstanding the foregoing, the Litigation Trustee may determine, in its sole discretion (i) that the Disbursing Agent shall make a Distribution that is less than \$100,000 in the aggregate of Available Cash, or (ii) that the Disbursing Agent shall not make a Distribution to the Holder of a Claim on the basis that the Litigation Trustee has not yet determined whether to object to such Claim and such Claim shall be treated as a Disputed Claim for purposes of Distributions under this Plan until the Litigation Trustee (x) determines not to object to such Claim (or the Claims Objection Bar Date has passed), (y) agrees with the Holder of such Claim to Allow such Claim in an agreed upon amount or (z) objects to such Claim, or objects to the Holder of such Claim's request for allowance of such Claim, and such Claim is Allowed by a Final Order.

On each date of Distribution, the Litigation Trustee shall only distribute Cash to the Holder of an Allowed Claim if the amount of Cash to be distributed on account of such Claim is greater than or equal to \$100 in the aggregate unless a request therefor is made in writing to the Litigation Trustee. Any distributions withheld because they are below \$100 with respect to any particular holder, will be aggregated and distributed when the aggregate amount exceeds \$100 or on the final distribution date of the Litigation Trust.

1. Amounts Retained on Account of Disputed Claims

From and after the Effective Date, and until such time as all Disputed Claims have been compromised and settled or determined by order of the Bankruptcy Court, the Litigation Trustee shall retain for the benefit of each holder of a Disputed Claim, Litigation Trust Interests (and the Cash attributable thereto), in an amount equal to the distributions which would have been made to the holder of such Disputed Claim if it were an Allowed Claim in an amount equal to the lesser of (i) the Disputed Claim Amount, (ii) the amount in which the Disputed Claim shall be estimated by the Bankruptcy Court pursuant to Bankruptcy Code § 502 for purposes of allowance, which amount, unless otherwise ordered by the Bankruptcy Court, shall constitute and represent the maximum amount in which such Claim may ultimately become an Allowed Claim or (iii) such other amount as may be agreed upon by the holder of such Disputed Claim and the Reorganized Debtors. Except as otherwise provided in this Plan, Holders of Claims shall not be entitled to interest, dividends, or accruals on the Distributions provided for in this Plan, regardless of whether such Distributions are delivered on or at any time after the Effective Date. No payments or distributions shall be made with respect to all or any portion of any Disputed Claim pending the entire resolution thereof by Final Order.

2. Allowance of Disputed Claims

At such time as a Disputed Claim becomes an Allowed Claim, the Litigation Trustee shall distribute to the Holder thereof the distributions, if any, to which such Holder is then entitled under the Plan together, with any interest that has accrued on the amount of Cash, but only to the extent that such interest is attributable to the amount of the Allowed Claim. Such distribution, if any, shall be made as soon as practicable after an order or judgment of the Bankruptcy Court is entered allowing such Disputed Claim becomes a Final Order but in no event more than sixty (60) days thereafter (net of any expenses, including any taxes imposed on or with respect to the Litigation Trust Claims Reserve relating to such Claim).

J. Costs and Expenses of the Litigation Trust

The reasonable costs and expenses of the Litigation Trust, including the fees and expenses of the Litigation Trustee and its retained professionals and any applicable insurance policies required by the Litigation Trust, shall be paid solely from the Litigation Trust Assets.

K. Compensation of the Litigation Trustee

The individual(s) serving as or comprising the Litigation Trustee shall be entitled to reasonable compensation in an amount consistent with that of similar functionaries in similar roles, the payment of which shall not be subject to the approval of the Bankruptcy Court and be made solely from the assets of the Litigation Trust.

L. Retention of Professionals/Employees by the Litigation Trustee

The Litigation Trustee may retain and compensate attorneys, other professionals, and employees to assist in its duties as Litigation Trustee on such terms as the Litigation Trustee deems appropriate without Bankruptcy Court approval.

M. Federal Income Tax Treatment of the Litigation Trust

The Litigation Trust generally is intended to be treated for United States federal income Tax purposes, (i) in part as a grantor trust that is a liquidating trust within the meaning of Treasury Regulations § 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, and (ii) in part as one or more disputed

ownership funds within the meaning of Treasury Regulations § 1.468B-9(b)(1). For United States federal income tax purposes, the transfer of the Litigation Trust Assets to the Litigation Trust will be treated as a transfer of the Litigation Trust Assets from the Debtors to the Litigation Trust Beneficiaries, followed by the Litigation Trust Beneficiaries' transfer of the Litigation Trust Assets to the Litigation Trust. The Litigation Trust Beneficiaries will thereafter be treated for U.S. federal income tax purposes as the grantors and deemed owners of their respective shares of the Litigation Trust Assets. The Litigation Trust Beneficiaries shall include in their annual taxable incomes, and pay tax to the extent due on, their allocable shares of each item of income, gain, deduction, loss and credit, and all other such items shall be allocated by the Litigation Trustee to the Litigation Trust Beneficiaries using any reasonable allocation method.

The Litigation Trustee will be required by the Litigation Trust Agreement to file income Tax returns for the Litigation Trust as a grantor trust of the Litigation Trust Beneficiaries (and file separate returns for the disputed ownership fund(s) pursuant to Treasury Regulations § 1.468B-9(b)(1) and pay all Taxes owed on any net income or gain of the disputed ownership fund(s), on a current basis from Litigation Trust Assets). In addition, the Litigation Trust Agreement will require consistent valuation by the Litigation Trustee and the Litigation Trust Beneficiaries, for all federal income Tax and reporting purposes, of any property held by the Litigation Trust. The Litigation Trust Agreement will provide that termination of the trust will occur no later than five years after the Effective Date, unless the Bankruptcy Court approves an extension based upon a finding that such an extension is necessary for the Litigation Trust to complete its liquidating purpose. The Litigation Trust Agreement also will limit the investment powers of the Litigation Trustee in accordance with IRS Rev. Proc. 94-45 and will require the Litigation Trust to distribute at least annually to the Litigation Trust Beneficiaries (as such may have been determined at such time) its net income (net of any payment of or provision for Taxes), except for amounts retained as reasonably necessary to maintain the value of the Litigation Trust Assets.

N. Indemnification of Litigation Trustee

The Litigation Trustee or the individual(s) comprising the Litigation Trustee, as the case may be, and the Litigation Trustee's employees, agents and professionals, shall not be liable to the Litigation Trust Beneficiaries or the Reorganized Debtor for actions taken or omitted in their capacity, except those acts that are determined in a Final Order to have constituted willful misconduct or gross negligence, and each shall be entitled to indemnification and reimbursement for fees and expenses in defending any and all actions or inactions in their capacity, except for any actions or inactions involving willful misconduct or gross negligence. Any indemnification claim of the Litigation Trustee (and the other parties entitled to indemnification under this subsection) shall be satisfied solely from the Litigation Trust Assets and shall be entitled to a priority distribution therefrom, ahead of the Litigation Trust Interests and any other claim to or interest in such assets. The Litigation Trustee shall be entitled to rely, in good faith, on the advice of their retained professionals.

O. Privileges and Obligation to Respond to Ongoing Investigations

All attorney-work privileges, work product protections and other immunities or protections from disclosure held by the Debtors shall be transferred, assigned, and delivered to the Litigation Trust, without waiver, and shall vest in the Litigation Trustee solely in its capacity as such (and any other individual the Litigation Trustee may designate, as well as any other individual designated in the Litigation Trust Agreement). Pursuant to Federal Rule of Evidence 502(d), no Privileges shall be waived by disclosure to the Litigation Trustee of the Debtors' information subject to attorney-client privileges, work product protections, or other immunities or protections from disclosure.

X. EFFECT OF CONFIRMATION

A. Dissolution of Official Committees

Except to the extent provided herein, upon the Effective Date, the current and former members of the Creditors' Committee and any other creditor, equity or other committee appointed in the Chapter 11 Cases pursuant to Bankruptcy Code § 1102, and their respective officers, employees, counsel, advisors and agents, shall be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases; provided, however, that following the Effective Date the Creditors' Committee shall continue in existence and have standing and a right to be heard for the following limited purposes:

(1) Claims and/or applications for compensation by Professionals and requests for allowance of Administrative Claims for substantial contribution pursuant to Bankruptcy Code § 503(b)(3)(D); (2) any appeals to which the Creditors' Committee is a party; (3) any adversary proceedings or contested matters as of the Effective Date to which the Creditors' Committee is a party; and (4) responding to creditor inquiries for sixty (60) days following the Effective Date. Following the completion of the Creditors' Committee's remaining duties set forth above, the Creditors' Committee shall be dissolved, and the retention or employment of the Creditors' Committee's respective attorneys, accountants and other agents shall terminate.

B. Discharge of Claims and Interests

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Interests arising or existing on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. From and after the Effective Date, the Debtors shall be discharged from any and all Claims and Interests that arose or existed prior to the Effective Date, subject to the obligations of the Debtors under the Plan.

C. Injunctions

As of the Effective Date, except with respect to the obligations of the Reorganized Debtors under the Plan or the Confirmation Order, all Entities that have held, currently hold or may hold any Claims or Interests, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities that are waived, discharged or released under the Plan shall be permanently enjoined from taking any of the following enforcement actions against the Debtors, the Reorganized Debtors, the Released Parties or any of their respective assets or property on account of any such waived, discharged or released Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities: (1) commencing or continuing in any manner any action or other proceeding; (2) enforcing, levying, attaching, collecting or recovering in any manner any judgment, award, decree or order; (3) creating, perfecting or enforcing any lien or encumbrance; (4) asserting any right of setoff, subrogation or recoupment of any kind against any debt, liability or obligation due to any Debtor, Reorganized Debtor or Released Party; and (5) commencing or continuing any action, in any manner, in any place to assert any Claim waived, discharged or released under the Plan or that does not otherwise comply with or is inconsistent with the provisions of the Plan.

Except as expressly provided in this Plan, the Confirmation Order, or a separate order of the Bankruptcy Court, or as agreed to by a Holder of a Claim or Interest and the Reorganized Debtors (on behalf of the TV Debtors), all Entities (other than the Debtors) who have held, hold or may hold Claims against or Interests in any or all of the TV Debtors (whether proof of such Claims or Interests has been Filed or not), along with their respective present or former employees, agents, officers, directors or principals, are permanently enjoined, on and after the Effective Date, solely with respect to any Claims or Interests that are treated pursuant to this Plan, from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the property of the Debtors, (ii) enforcing, levying, attaching (including, without limitation, any prejudgment attachment), collecting, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against the property of any of the Debtors, (iii) creating, perfecting, or otherwise enforcing in any manner directly or indirectly, any encumbrance of any kind against the property of any of the Debtors, (iv) asserting any right of setoff, directly or indirectly, against any obligation due of any of the Debtors, except as contemplated or allowed by this Plan; (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of this Plan; and (vi) taking any actions to interfere with the implementation or consummation of this Plan.

D. Exculpation

From and after the Effective Date, the Exculpated Parties, the Debtors and the Reorganized Debtors shall neither have nor incur any liability to any Entity, and no Holder of a Claim or Interest, no other party in interest and none of their respective Representatives shall have any right of action against any Debtor,

Reorganized Debtor, Exculpated Party or any of their respective Representatives for any act taken or omitted to be taken before the Effective Date in connection with, related to or arising out of the Chapter 11 Cases, the Debtors or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the foregoing or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any other obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section X.D shall have no effect on: (1) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (2) the liability of any Exculpated Party that would otherwise result from any act or omission of such Exculpated Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

E. Debtor Release

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, to the fullest extent permitted by law, the Debtors and the Reorganized Debtors, on behalf of themselves and their affiliates, the Estates and their respective successors, assigns and any and all Entities who may purport to claim by, through, for or because of them, shall forever release, waive and discharge all Liabilities that they have, had or may have against a Debtor, the Estates, any Released Party with respect to the Chapter 11 Cases, the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan, the Exhibits, the Disclosure Statement, any amendments thereto, the Initial DIP Credit Agreement, the Initial DIP Order, the Modified DIP Credit Agreement, the Modified DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any other obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section X.E shall not affect (a) the liability of any Released Party that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud), (b) any rights to enforce the Plan or the other contracts, instruments, releases, agreements or documents to be, or previously, entered into or delivered in connection with the Plan, (c) except as otherwise expressly set forth in this Plan, any objections by the Debtors or the Reorganized Debtors to Claims or Interests filed by any Entity against any Debtor and/or the Estates, including rights of setoff, refund or other adjustments, (d) the rights of the Debtors to assert any applicable defenses in litigation or other proceedings with their employees (including the rights to seek sanctions, fees and other costs) and (e) any claim of the Debtors or Reorganized Debtors, including (but not limited to) cross-claims or counterclaims or other causes of action against employees or other parties, arising out of or relating to actions for personal injury, wrongful death, property damage, products liability or similar legal theories of recovery to which the Debtors or Reorganized Debtors are a party.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained herein, and, further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good faith settlement and compromise of the claims released by the Debtor Release; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Releasing Parties asserting any claim or cause of action released pursuant to the Debtor Release.

F. Third Party Release

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, in consideration for the obligations of the Plan Debtors and the Reorganized Debtors under

the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Holder of a Claim or Interest in Classes B, D, G, and J shall be deemed to have forever released and covenanted with the Released Parties to forever release, waive and discharge all Liabilities in any way that such Entity has, had or may have against any Released Party (which release shall be in addition to the discharge of Claims and termination of Interests provided herein and under the Confirmation Order and the Bankruptcy Code), in each case, relating to a Debtor, the Estates, the Chapter 11 Cases, the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation the Plan, the Exhibits, the Disclosure Statement, any amendments thereto, the Initial DIP Credit Agreement, the Initial DIP Order, the Modified DIP Credit Agreement, the Modified DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any other obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section X.F shall have no effect on: (a) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan; (b) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud); or (c) any Holder of a Claim or Interest in Classes B, D, G, and J who elects not to provide such Third Party Release by notation on the Ballot.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third Party Release, which includes by reference each of the related provisions and definitions contained herein, and, further, shall constitute the Bankruptcy Court's finding that the Third Party Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good faith settlement and compromise of the claims released by the Third Party Release; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Releasing Parties asserting any claim or cause of action released pursuant to the Third Party Release.

G. Votes Solicited in Good Faith

The Plan Proponents have, and upon confirmation of the Plan shall be deemed to have, solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code. The Plan Proponents (and each of their respective affiliates, agents, directors, officers, members, employees, advisors, and attorneys) have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of the securities offered and sold under the Plan and therefore have not, and on account of such offer and issuance will not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or the offer or issuance of the securities offered and distributed under the Plan.

XI. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Chapter 11 Cases after the Effective Date as is legally permissible, including jurisdiction to:

(1) Allow, disallow, estimate, determine, liquidate, reduce, classify, re-classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the amount, allowance, priority or classification of Claims or Interests;

(2) Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan for periods ending on or before the Effective Date;

(3) Resolve any matters related to the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which any Debtor is a party or with respect to which any Debtor or Reorganized Debtor may be liable and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

(4) Ensure that distributions to Holders of Claims are accomplished pursuant to the provisions of the Plan;

(5) Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications Filed in the Bankruptcy Court involving any Debtor or any Reorganized Debtor that may be pending on the Effective Date or brought thereafter;

(6) Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

(7) Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any Entity's rights arising from or obligations incurred in connection with the Plan or such documents, provided, however that such retention of jurisdiction shall not extend to the New P&A/Ultimates Facility or other indebtedness documents on and after the Effective Date;

(8) Modify the Plan before or after the Effective Date pursuant to Bankruptcy Code § 1127; modify the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

(9) Hear and determine any matter, case, controversy, suit, dispute, or causes of action regarding the existence, nature and scope of the releases, injunctions, and exculpation provided under the Plan, and issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to implement, enforce or restrain interference by any Entity with respect to the consummation, implementation or enforcement of the Plan or the Confirmation Order, including the releases, injunctions, and exculpation provided under the Plan;

(10) Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or distributions pursuant to the Plan are enjoined or stayed;

(11) Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

(12) Enforce, clarify or modify any orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

(13) Enter a final decree closing the Chapter 11 Cases;

(14) Determine matters concerning state, local and federal Taxes in accordance with Bankruptcy Code §§ 346, 505 and 1146, including any Disputed Claims for Taxes;

(15) Recover all assets of the Debtors and their Estates, wherever located; and

(16) Hear any other matter over which with the Bankruptcy Court has jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter, including the matters set forth in Section XI, the provisions of this Section XI shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

XII. MISCELLANEOUS PROVISIONS

A. Modification of the Plan

Subject to the restrictions on modifications set forth in Bankruptcy Code § 1127, the Plan Proponents reserve the right to alter, amend or modify the Plan before its substantial consummation. Prior to the Effective Date, the Plan Proponents may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court. Holders of Claims that have accepted the Plan shall be deemed to have accepted the Plan, as amended, modified, or supplemented, if the proposed amendment, modification, or supplement does not materially and adversely change the treatment of the Claim of such Holder; provided, however, that any Holders of Claims who were deemed to accept the Plan because such Claims were Unimpaired shall continue to be deemed to accept the Plan only if, after giving effect to such amendment, modification, or supplement, such Claims continue to be Unimpaired.

B. Revocation of the Plan

The Plan Proponents reserve the right to revoke or withdraw the Plan as to any or all of the Debtors prior to the Confirmation Date or at the Confirmation Hearing. If the Plan Proponents revoke or withdraw the Plan as to any or all of the Debtors, or if Confirmation as to any or all of the Debtors does not occur, then the Plan shall be null and void in all respects with respect to such Debtors for whom the Plan has been revoked or withdrawn, and nothing contained in the Plan shall: (1) prejudice in any manner the rights of any such Debtor(s) or any other party in interest with respect to such Debtor(s); or (2) constitute an admission of any sort by any such Debtor(s) or any other party in interest with respect to such Debtor(s). The revocation or withdrawal of the Plan with respect to one or more Debtors shall not require the re-solicitation of the Plan with respect to the remaining Debtors.

C. Conversion or Dismissal of Certain of the Chapter 11 Cases

If the requisite Classes do not vote to accept this Plan or the Bankruptcy Court does not confirm this Plan, the Plan Proponents reserve the right to have any Debtor's Chapter 11 Case dismissed or converted, or to liquidate or dissolve any Debtor under applicable non-bankruptcy procedure or chapter 7 of the Bankruptcy Code.

D. Inconsistency

In the event of any inconsistency among the Plan, the Disclosure Statement, or any exhibit or schedule to the Disclosure Statement, the provisions of the Plan shall govern.

E. Exhibits / Schedules

All exhibits and schedules to the Plan, including the Plan Supplement, are incorporated into and constitute a part of the Plan as if set forth herein.

F. Bankruptcy Code § 1145 Exemption

To the maximum extent provided by Bankruptcy Code § 1145(a), the Reorganized Relativity Holdings Preferred Units and Reorganized Relativity Holdings Common Units issued under the Plan shall be exempt from registration under the Securities Act and any state's securities law registration requirements and all rules and regulations promulgated thereunder.

G. Exemption from Transfer Taxes

Pursuant to Bankruptcy Code § 1146(a), the issuance, transfer, or exchange of notes or equity securities under or in connection with the Plan, including the Reorganized Relativity Holdings Preferred Units and Reorganized Relativity Holdings Common Units issued pursuant to the Plan, the creation of any mortgage, deed of trust or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including any merger agreements or agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan (including, without limitation, the New P&A/Ultimates Facility, the Restructuring Transactions, and the creation of the Litigation Trust), shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax.

H. Request for Expedited Determination of Taxes

Reorganized Relativity Holdings or any Reorganized Debtor may request an expedited determination under Bankruptcy Code § 505(b) with respect to tax returns filed, or to be filed, on behalf of the Debtors for any and all taxable periods ending after the Petition Date through, and including, the Effective Date.

I. Severability

If prior to the entry of the Confirmation Order, any term or provision of the Plan is determined by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court may, at the request of the Plan Proponents, alter and interpret such term or provision to the extent necessary to render it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as so altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remaining terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

J. Governing Law

Except to the extent that (1) the Bankruptcy Code or other federal law is applicable or (2) an exhibit or schedule to the Plan or the Disclosure Statement or any agreement entered into with respect to any of the Restructuring Transactions provides otherwise (in which case the governing law specified therein shall be applicable to such exhibit, schedule or agreement), the rights, duties, and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without giving effect to the principles of conflict of laws that would require application of the laws of another jurisdiction.

K. No Admissions

If the Effective Date does not occur, the Plan shall be null and void in all respects, and nothing contained in the Plan shall (1) constitute a waiver or release of any claims by or against, or any interests in, any of the Debtors or any other Entity, (2) prejudice in any manner the rights of any of the Debtors or any other Entity, or (3) constitute an admission of any sort by any of the Debtors or any other Entity.

L. Successors and Assigns

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

M. Service of Documents

To be effective, any pleading, notice or other document required by the Plan or the Confirmation Order to be served on or delivered to counsel to the Debtors, the Reorganized Debtors and the Creditors' Committee must be sent by overnight delivery service, facsimile transmission, courier service or messenger to:

<p>Attorneys for the Plan Co-Proponent and Debtors JONES DAY Richard L. Wynne, Esq. Bennett L. Spiegel, Esq. Lori Sinanyan, Esq. (admitted <i>pro hac vice</i>) 222 East 41st Street New York, NY 10017 Tel: (212) 326-3939 Fax: (212) 755-7306 - and - SHEPPARD MULLIN RICHTER & HAMPTON LLP Craig A. Wolfe, Esq. Malani J. Cademartori, Esq. Blanka K. Wolfe, Esq. 30 Rockefeller Plaza New York, NY 10112 Tel: (212) 653-8700 Fax: (212) 653-8701</p>	<p>Attorneys for the Manchester Parties O'MELVENY & MYERS LLP Evan M. Jones Daniel S. Shamah 400 South Hope Street Los Angeles, CA 90071 Telephone: (213) 430-6236 Facsimile: (213) 430-6407 - and - ROPES & GRAY LLP Keith H. Wofford James A. Wright III 1211 Avenue of the Americas New York, NY 10036-8704 Telephone: (212) 596-9000 Facsimile: (212) 596-9090</p>
<p>Attorneys for Plan Co-Proponent Kavanaugh SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP Van C. Durrer II David C. Eisman 300 South Grand Avenue, Suite 3400 Los Angeles, California 90071 Telephone: (213) 687-5000 Facsimile: (213) 687-5600</p>	<p>SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP Shana Elberg 4 Times Square New York, New York 10036 Telephone: (212) 735-3000 Facsimile: (212) 735-2000</p>
<p>United States Trustee OFFICE OF THE UNITED STATES TRUSTEE Serene Nakano Susan D. Golden 201 Varick Street, Room 1006 New York, New York 10014 Telephone: (212) 510-0500 Facsimile: (212) 668-2255</p>	<p>Attorneys for the Creditors' Committee TOGUT, SEGAL & SEGAL LLP Albert Togut Frank Oswald One Penn Plaza, Suite 3335 New York, NY 10119 Telephone: (212) 594-5000 Facsimile: (212) 967-4258</p>

XIII. CONFIRMATION REQUEST

The Plan Proponents request Confirmation of the Plan pursuant to Bankruptcy Code § 1129.

Dated: November 18, 2015

Respectfully submitted,

Relativity Holdings, LLC, on its own behalf and on behalf of
each affiliate Debtor

By: /s/ **Ryan Kavanaugh**

Name: Ryan Kavanaugh

Title: Chief Executive Officer of Relativity Holdings, LLC.

JONES DAY

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Bennett L. Spiegel
Lori Sinanyan (admitted *pro hac vice*)
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ATTORNEYS FOR THE PLAN CO-PROPONENT KAVANAUGH

EXHIBIT A

LIST OF DEBTORS

#	Debtor	Last Four Digits of Tax ID Number
1.	21 & Over Productions, LLC	7796
2.	3 Days to Kill Productions, LLC	5747
3.	A Perfect Getaway P.R., LLC	9252
4.	A Perfect Getaway, LLC	3939
5.	Armored Car Productions, LLC	2750
6.	Best of Me Productions, LLC	1490
7.	Black Or White Films, LLC	6718
8.	Blackbird Productions, LLC	8037
9.	Brant Point Productions, LLC	9994
10.	Brick Mansions Acquisitions, LLC	3910
11.	Brilliant Films, LLC	0448
12.	Brothers Productions, LLC	9930
13.	Brothers Servicing, LLC	5849
14.	Catfish Productions, LLC	7728
15.	Cine Productions, LLC	8359
16.	CinePost, LLC	8440
17.	Cisco Beach Media, LLC	8621
18.	Cliff Road Media, LLC	7065
19.	Den of Thieves Films, LLC	3046
20.	Don Jon Acquisitions, LLC	7951
21.	DR Productions, LLC	7803
22.	Einstein Rentals, LLC	5861
23.	English Breakfast Media, LLC	2240
24.	Furnace Films, LLC	3558
25.	Gotti Acquisitions, LLC	6562
26.	Great Point Productions, LLC	5813
27.	Guido Contini Films, LLC	1031
28.	Hooper Farm Music, LLC	3773
29.	Hooper Farm Publishing, LLC	3762
30.	Hummock Pond Properties, LLC	9862
31.	Hunter Killer La Productions, LLC	1939
32.	Hunter Killer Productions, LLC	3130
33.	In The Hat Productions, LLC	3140
34.	J&J Project, LLC	1832
35.	JGAG Acquisitions, LLC	9221
36.	Left Behind Acquisitions, LLC	1367
37.	Long Pond Media, LLC	7197
38.	Madaket Publishing, LLC	9356
39.	Madaket Road Music, LLC	9352
40.	Madvine RM, LLC	0646
41.	Malavita Productions, LLC	8636
42.	MB Productions, LLC	4477
43.	Merchant of Shanghai Productions, LLC	7002
44.	Miacomet Media LLC	7371
45.	Miracle Shot Productions, LLC	0015
46.	Most Wonderful Time Productions, LLC	0426
47.	Movie Productions, LLC	9860
48.	One Life Acquisitions, LLC	9061
49.	Orange Street Media, LLC	3089
50.	Out Of This World Productions, LLC	2322
51.	Paranoia Acquisitions, LLC	8747
52.	Phantom Acquisitions, LLC	6381

#	Debtor	Last Four Digits of Tax ID Number
53.	Pocomo Productions, LLC	1069
54.	Relative Motion Music, LLC	8016
55.	Relative Velocity Music, LLC	7169
56.	Relativity Development, LLC	5296
57.	Relativity Fashion, LLC	4571
58.	Relativity Film Finance II, LLC	9082
59.	Relativity Film Finance III, LLC	8893
60.	Relativity Film Finance, LLC	2127
61.	Relativity Films, LLC	5464
62.	Relativity Foreign, LLC	8993
63.	Relativity Holdings LLC	7052
64.	Relativity India Holdings, LLC	8921
65.	Relativity Jackson, LLC	6116
66.	Relativity Media LLC	0844
67.	Relativity Media Distribution, LLC	0264
68.	Relativity Media Films, LLC	1574
69.	Relativity Music Group, LLC	9540
70.	Relativity Production LLC	7891
71.	Relativity REAL, LLC	1653
72.	Relativity Rogue, LLC	3333
73.	Relativity Senator, LLC	9044
74.	Relativity Sky Land Asia Holdings, LLC	9582
75.	Relativity TV, LLC	0227
76.	Reveler Productions, LLC	2191
77.	RML Acquisitions I, LLC	9406
78.	RML Acquisitions II, LLC	9810
79.	RML Acquisitions III, LLC	9116
80.	RML Acquisitions IV, LLC	4997
81.	RML Acquisitions IX, LLC	4410
82.	RML Acquisitions V, LLC	9532
83.	RML Acquisitions VI, LLC	9640
84.	RML Acquisitions VII, LLC	7747
85.	RML Acquisitions VIII, LLC	7459
86.	RML Acquisitions X, LLC	1009
87.	RML Acquisitions XI, LLC	2651
88.	RML Acquisitions XII, LLC	4226
89.	RML Acquisitions XIII, LLC	9614
90.	RML Acquisitions XIV, LLC	1910
91.	RML Acquisitions XV, LLC	5518
92.	RML Bronze Films, LLC	8636
93.	RML Damascus Films, LLC	6024
94.	RML Desert Films, LLC	4564
95.	RML Distribution Domestic, LLC	6528
96.	RML Distribution International, LLC	7796
97.	RML Documentaries, LLC	7991
98.	RML DR Films, LLC	0022
99.	RML Echo Films, LLC	4656
100.	RML Escobar Films LLC	0123
101.	RML Film Development, LLC	3567
102.	RML Films PR, LLC	1662
103.	RML Hector Films, LLC	6054
104.	RML Hillsong Films, LLC	3539

#	Debtor	Last Four Digits of Tax ID Number
105.	RML IFWT Films, LLC	1255
106.	RML International Assets, LLC	1910
107.	RML Jackson, LLC	1081
108.	RML Kidnap Films, LLC	2708
109.	RML Lazarus Films, LLC	0107
110.	RML Nina Films, LLC	0495
111.	RML November Films, LLC	9701
112.	RML Oculus Films, LLC	2596
113.	RML Our Father Films, LLC	6485
114.	RML Romeo and Juliet Films, LLC	9509
115.	RML Scripture Films, LLC	7845
116.	RML Solace Films, LLC	5125
117.	RML Somnia Films, LLC	7195
118.	RML Timeless Productions, LLC	1996
119.	RML Turkeys Films, LLC	8898
120.	RML Very Good Girls Films, LLC	3685
121.	RML WIB Films, LLC	0102
122.	RMLDD Financing, LLC	9114
123.	Rogue Digital, LLC	5578
124.	Rogue Games, LLC	4812
125.	Roguelife LLC	3442
126.	Safe Haven Productions, LLC	6550
127.	Sanctum Films, LLC	7736
128.	Santa Claus Productions, LLC	7398
129.	Smith Point Productions, LLC	9118
130.	Snow White Productions, LLC	3175
131.	Spy Next Door, LLC	3043
132.	Story Development, LLC	0677
133.	Straight Wharf Productions, LLC	5858
134.	Strangers II, LLC	6152
135.	Stretch Armstrong Productions, LLC	0213
136.	Studio Merchandise, LLC	5738
137.	Summer Forever Productions, LLC	9211
138.	The Crow Productions, LLC	6707
139.	Totally Interns, LLC	9980
140.	Tribes of Palos Verdes Production, LLC	6638
141.	Tuckernuck Music, LLC	8713
142.	Tuckernuck Publishing, LLC	3960
143.	Wright Girls Films, LLC	9639
144.	Yuma, Inc.	1669
145.	Zero Point Enterprises, LLC	9558

EXHIBIT I

RETAINER CLAIM TERM SHEET

EXECUTION COPY

AMENDMENT TERM SHEET

This term sheet (the “**Term Sheet**”), as a settlement communication, is confidential and may not be construed as an admission or otherwise used for litigation or any other purposes pursuant to FRE 408 and all other applicable rules of evidence.

This Term Sheet is a **binding** term sheet which summarizes proposed terms and conditions of certain retained term loan A debt in connection with the restructuring of the Company (defined below). The Term Sheet is subject to the execution and delivery of definitive documents with respect to a transaction, which the parties agree to negotiate in good faith.

THIS TERM SHEET IS BEING PROVIDED AS PART OF A PROPOSED COMPREHENSIVE RESTRUCTURING TRANSACTION, EACH ELEMENT OF WHICH IS CONSIDERATION FOR THE OTHER ELEMENTS AND AN INTEGRAL ASPECT OF THE PROPOSED RESTRUCTURING OF THE DEBT AND EQUITY OF THE COMPANY. NOTHING IN THIS TERM SHEET SHALL CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, A STIPULATION OR A WAIVER, AND EACH STATEMENT CONTAINED HEREIN IS MADE WITHOUT PREJUDICE, WITH A FULL RESERVATION OF ALL RIGHTS, REMEDIES, CLAIMS OR DEFENSES OF THE COMPANY (AS DEFINED BELOW).

Company:	Relativity Holdings LLC and certain of its direct and indirect subsidiaries (collectively, the “ Company ”). ¹
Overview of Transaction:	This overview is qualified by the more specific descriptions appearing below and the express provisions of this Term Sheet. This term sheet supplements and amends (i) that certain TLA/TLB Term Sheet dated as of October 3, 2015 and that certain Investor Term Sheet dated as of October 3, 2015 (collectively, the “ Prior Term Sheets ”) and (ii) (a) the DIP Financing/Convertible Equity Commitment Letter dated as of October 3, 2015 between the Company and Manchester, (b) the Equity Commitment Letter dated as of October 1, 2015 between the Company and Joe Nicholas (“ Nicholas ”), (c) the Equity Commitment Letter dated as of October 1, 2015 between the Company and OA3, LLC, (d) the Equity Commitment Letter dated as of October 1, 2015 between the Company and Ryan Kavanaugh and (e) the Equity Commitment Letter dated as of October 1, 2015 between the Company and VII Peaks Capital, LLC (“ VII Peaks ”) (the commitment letters in (ii)(a) through (e), collectively, the “ Commitment Letters ”). Capitalized terms used but not defined in this Term Sheet shall have the meanings given to such

¹ The Company shall include those 145 entities that are currently debtors in the pending reorganization cases (the “**Chapter 11 Cases**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”) under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”).

	<p>terms in the Prior Term Sheets</p> <p><i>Except as expressly provided herein, the Prior Term Sheets and the Commitment Letters shall remain unchanged. In the event of any inconsistency between the terms of this Term Sheet on the one hand and the Prior Term Sheets and the Commitment Letters on the other hand, the terms of this Term Sheet shall control.</i></p> <p>The Prior Term Sheets contemplated, among other things, that BidCo would receive \$60 million in cash in exchange for the transfer of all of its claims under the TLA and TLB Loans other than the Credit Bid and the Retained Claims. The CEO has informed the Cortland Lenders that VII Peaks (the “Defaulting Investor”) has failed to fund its committed amount of \$30 million. In order to permit consummation of the proposed transactions, the CEO has requested that the Cortland Lenders agree to allow BidCo to accept \$30 million in cash from the Other Investors and retain an additional amount of the TLA Loan under the TLA/TLB Facility in lieu of receiving the \$60 million in cash required by the Prior Term Sheets on the terms, and subject to the conditions, contained in this Term Sheet (the “Proposed Amendment”).</p> <p>The Cortland Lenders are willing to agree to the Proposed Amendment subject to the terms and conditions contained herein.</p> <p><i>For the avoidance of doubt, nothing in this Term Sheet, nor the consummation of the transactions contemplated hereby, shall excuse the failure to perform by the Defaulting Investor and all parties expressly reserve each and every right and remedy they have against the Defaulting Investor.</i></p>
Proposed Amendment:	<p>In consideration of (a) the receipt of \$35 million in cash from Manchester, BidCo will transfer all of its claims under the Existing DIP Facility, constituting all of the outstanding Loans and other obligations under the Existing DIP Facility, to Manchester and (b) the receipt of \$30 million in cash from the Other Investors (for the avoidance of doubt, for purposes of this Term Sheet the term “Other Investors” means Ryan Kavanaugh and Nicholas and does not include OA3, LLC or the Defaulting Investor), BidCo will transfer all of its claims under the TLA and TLB Loans other than the Credit Bid and the Retained Claim (as defined below) to the Other Investors (pro rata in accordance with their respective cash amounts funded at Closing) at the closing of the Transaction (“Closing”); <u>provided</u> that neither of the sales described in clause (a) or (b) above shall be consummated unless both such sales are simultaneously consummated. For purposes of the Investor Term Sheet, the amount of the “Junior Funding” shall be \$30 million and the initial principal amount of the “Junior Debt” shall be approximately \$175 million.</p> <p>BidCo will continue to hold \$60 million of claims under the TLA Loan (the “Retained Claim”) until exchanged for the Note, which will be</p>

	issued under the Company's plan of reorganization (the " Plan "). The Other Investors and their respective affiliates will seek to sponsor a Plan providing for issuance of the Note.
Retained Claim and the New DIP Facility:	<p>During the pendency of the bankruptcy proceedings and until the issuance of the Note and the Preferred Units, the following provisions shall apply with respect to the Retained Claim and the New DIP Facility:</p> <ul style="list-style-type: none"> (i) The Retained Claim shall be senior in priority to all indebtedness of the Company other than (a) the New DIP Facility in the original principal amount of \$35 million and the obligations thereunder (including, without limitation, the DIP Fees payable thereunder as described below), (b) the Production Loans, the Ultimates Facility, and the P&A Facility (each as defined in the Final DIP Order) in the principal amounts outstanding on the date hereof, and (c) any Additional DIP Facility (the "Additional DIP Facility") that may be entered into by the Company to the extent satisfying the Additional DIP Conditions below (unless such conditions are waived by BidCo and Manchester in their respective sole discretion). For the avoidance of doubt, nothing in this paragraph shall alter the relative priority of the claim of the Retained Claim and the claim of any creditor of the Company not party hereto; (ii) The Other Investors, as holder of the transferred TLA and TLB Loans will agree that all of such Loans are subordinate to the Retained Claim, the New DIP Facility and the Additional DIP Facility, if any; (iii) So long as any amounts are outstanding under the New DIP Facility or the Retained Claim, (x) any new indebtedness of the Company must satisfy the Additional DIP Conditions (as defined below), and (y) notwithstanding anything in the Prior Term Sheets to the contrary, 100% of the proceeds thereof must be used to repay the New DIP Facility until the New DIP Facility has been reduced to a principal amount outstanding of no greater than \$17.5 million; (iv) The proceeds of any and all Specified Asset Sales shall be applied to repay the Retained Claim until the Retained Claim is not greater than \$30 million; (v) The net proceeds of any recovery (whether by judgment, settlement or otherwise) obtained by Bidco, the Company or the Other Investors against or from the Defaulting Investor shall be used first to repay the Retained Claim until the Retained Claim is not greater than \$30 million and thereafter (x) 50% of such proceeds shall be used to repay the Retained Claim and (y) 50% of such proceeds shall be used to repay the New DIP Facility to the extent the New Dip Facility has

	<p>not been reduced in principal amount outstanding to \$17.5 million on such date, and thereafter such 50% of proceeds shall be paid to the Company; provided that no settlement shall be entered into unless approved by BidCo;</p> <p>(vi) At all times when the Retained Claim exceeds \$30 million the Company shall continue to retain FTI or another CRO acceptable to BidCo; and</p> <p>(vii) No prepayments shall be made on any indebtedness that is junior to the New DIP Facility or the Retained Claim (provided that other than with respect to the proceeds of Specified Asset Sales as described herein, any other prepayment of the Retained Claim shall only be made on a 50/50 basis with the New DIP Facility). For the avoidance of doubt, the foregoing clause (vii) shall not prevent any prepayment permitted under clause (iv) under “Additional DIP Facility” below.</p> <p>Notwithstanding the foregoing, any repayment of principal to Manchester in accordance with the foregoing provisions shall be at Manchester’s election.</p> <p>For the avoidance of doubt, (a) once the Retained Claim has been repaid such that the outstanding principal amount thereunder is not greater than \$30 million the provisions of the Prior Term Sheets shall apply to the Retained Claim and the Retained Claim shall continue to remain senior to all other Term A and Term B Loans and, as provided below, the Manchester Facility and (b) except as expressly provided herein, nothing in this Term Sheet shall be deemed to alter provisions in the Prior Term Sheets or Commitment Letters regarding the termination of the Subordination Agreement.</p> <p>Notwithstanding anything to the contrary contained in the Prior Term Sheets, Nicholas waives all prepayment rights previously accorded to Nicholas under the Prior Term Sheets.</p> <p>Nothing in this Term Sheet shall affect Manchester’s or Nicholas’ right to receive warrants to acquire common units of the Company as set forth in the Investor Term Sheet.</p>
<p>Manchester Fees:</p>	<p>The Debtors shall pay all the fees and expenses (excluding any success fees of Moelis & Company which shall be payable, if at all, upon consummation of a plan of reorganization), present and future, whether incurred prepetition or postpetition in connection with the Debtors’ chapter 11 cases, of the professionals (O’Melveny & Myers LLP, Ropes & Gray LLP, and Moelis & Company) of Manchester, Manchester Library Company LLC, a Delaware limited liability company, and Heatherden Securities LLC (together, the “<u>Manchester Parties</u>”, and each individually, a “<u>Manchester Party</u>”), and their affiliates, including, without limitation, all amounts paid for legal and other professional fees and expenses by the Manchester Parties or any affiliates thereof in</p>

	<p>connection with (i) prior activities in the case relating to the Manchester Securities Documents,² Manchester Securities Obligations, Manchester Securities Liens, the documents under which the Debtors have obligations to Heatherden and such obligations, respectively, the “<u>Heatherden Documents</u>” and the “<u>Heatherden Obligations</u>”, or other rights against the Debtors, (ii) the negotiation, documentation, execution or diligence relating to the Commitment Letters, the purchase of the Existing DIP Facility, any orders related thereto, and the proposed equity conversion of the New DIP Facility into equity and a related chapter 11 plan, and (iii) the investigation of the Manchester Parties and their affiliates and their claims and liens by the Official Committee of Unsecured Creditors, or any action arising therefrom (all such fees and expenses, the “<u>DIP Fees</u>”). None of such DIP Fees shall be subject to Bankruptcy Court approval or U.S. Trustee guidelines, and no recipient of any such payment shall be required to file with respect thereto any interim or final fee application with the Bankruptcy Court. All DIP Fees shall constitute DIP Obligations and the repayment thereof shall be secured by the collateral for the New DIP Facility and afforded all of the priorities and protections afforded to the DIP Obligations under any orders approving amendments to the New DIP Facility and the documentation for the New DIP Facility. The professionals must submit an invoice (redacted or summarized for privilege purposes) containing a summary of the work performed and the expenses incurred (which for the avoidance of doubt shall not be required to contain time entries) to (i) counsel to the Debtors, (ii) counsel to the Official Committee of Unsecured Creditors, and (iii) the U.S. Trustee. Any outstanding DIP Fees as of the Closing shall be allowed in full and shall constitute DIP Obligations upon the Closing, and payment of the full invoiced amount of such DIP Fees shall be due (x) within one (1) business day of the closing by the Debtors of any new financing or the sale of any asset (other than any Specified Asset Sale and other than any asset sale (other than a Specified Asset Sale) contemplated by the Cash Collateral Budget (to be defined in the DIP Amendment)) outside the ordinary course of business for cash and paid from the first proceeds of such financing and/or sale (other than any Specified Asset Sale and other than any asset sale (other than a Specified Asset Sale) contemplated by the Cash Collateral Budget (to be defined in the DIP Amendment)) or (y) otherwise consistent with the timing set forth in the budget approved for cash collateral; <u>provided</u>, that such payments shall be subject to disgorgement if (i) a party in interest objects within ten (10) business days of issuance of the subject fee statement and (ii) such objection is upheld in court by a final order not subject to further appeal; <u>provided, further</u>, that there shall be no requirement to file fee applications with respect to such fees and fee statements may be redacted for privilege. Any such objections must identify with particularity the amounts being</p>
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² Capitalized terms used but not defined in this section shall have the meanings given in the Final DIP Order.

	objected to and the reasons for such objection.
Additional DIP Facility:	<p>The Company shall be permitted to enter into an Additional DIP Facility on the terms set forth below (the “<i>Additional DIP Conditions</i>”):</p> <p>(i) the aggregate commitment amount, and principal amount outstanding, under the Additional DIP Facility shall be no more than a maximum of \$60 million, funded without any OID;</p> <p>(ii) once amounts are repaid under the Additional DIP Facility, they cannot be reborrowed;</p> <p>(iii) the final maturity date of the Additional DIP Facility shall occur on or after the Maturity Date of the New DIP Facility, and no payments in respect of principal or premium may be made under the Additional DIP Facility prior to the Maturity Date of the New DIP Facility;</p> <p>(iv) any proceeds of the Additional DIP Facility shall be used solely by the Loan Parties for the following: (x) first, to repay the New DIP Facility until the New DIP Facility has been reduced to a principal amount outstanding of no greater than \$17.5 million, and (y) after all such payments pursuant to clause (x) have been made, for working capital in accordance with the cash collateral budget approved by Manchester or its affiliate as the Administrative Agent under the New DIP Facility, provided that any such use shall not include repayment of any existing indebtedness (collectively, “<i>Existing Other Credit</i>”), other than prepayments of the New DIP Facility in accordance with this Term Sheet, and prepayment of the Post-Release P&A Loans under the Prepetition P&A Facility and the outstanding indebtedness under the Prepetition Ultimates Credit Agreement;</p> <p>(v) all obligations under the Additional DIP Facility shall be secured solely by property or rights relating to Pictures that have been theatrically released. Any such Additional DIP Facility shall not secure, or provide cross collateralization or other credit support for any Existing Other Credit, other than prepayments of the New DIP Facility in accordance with this Term Sheet, and prepayment of the Post-Release P&A Loans (as defined in the Final DIP Order) under the Prepetition P&A Facility (as defined in the Existing DIP Facility) and the Prepetition Ultimates Credit Agreement (as defined in the Existing DIP Facility) as provided in the preceding clause (iv), and for the avoidance of doubt shall not provide for the “roll up” of any Existing Other Credit other than on account of the prepayment of the Existing Other Credit permitted to be prepaid as provided in the preceding clause (iv) on a dollar for dollar basis and for the avoidance of doubt at all times subject to the \$60 million maximum principal amount cap contained in the preceding clause (i); and</p> <p>(vi) any borrowings under the Additional DIP Facility must be sufficient to prepay at least \$17.5 million of the New DIP Facility in</p>

	accordance with clause (iv) above.
Subordination Agreement	<p>With respect to the rights and obligations of Manchester, the Cortland TL Agent and BidCo under the Subordination Agreement, Manchester, the Cortland TL Agent and BidCo, on behalf of themselves and their respective successors and assigns, acknowledge and agree that all rights and obligations among Manchester, the Cortland TL Agent, and BidCo with respect to (a) the TLA/TLB Facility, and (b) the Manchester Facility, in each case, pursuant to the Subordination Agreement (including, without limitation, turnover obligations) are hereby terminated in their entirety; <u>provided</u> that except as expressly set forth in this paragraph, each of Manchester, Cortland TL Agent and BidCo acknowledge and agree that (x) unless and until BidCo has received the Note (as defined herein), the lien priorities of the Retained Claim and the Manchester Facility shall remain the same prior to effectiveness of a Chapter 11 plan and (y) solely to the extent of the \$30 million invested by the Other Investors (which for these purposes shall be separate from and not duplicative of the preservation of lien priority for the Retained Claim set forth in the foregoing proviso), the lien priority under the Subordination Agreement (but not any claim priority) shall be preserved solely with respect to the Prepetition Collateral and solely at times prior to the effectiveness of a Chapter 11 plan. Except as set forth in the proviso to the preceding sentence, Manchester and its successors and assigns shall not have any further rights, obligations or liabilities of any kind, direct or indirect, express or implied, to Cortland as Cortland TL Agent or BidCo or their respective successors and assigns with respect to the TLA/TLB Facility or the Manchester Facility pursuant to the Subordination Agreement, and neither Cortland as Cortland TL Agent or BidCo or their respective successors and assigns shall have any further rights, obligations or liabilities of any kind, direct or indirect, express or implied, to Manchester or its successors and assigns with respect to the TLA/TLB Facility or the Manchester Facility pursuant to the Subordination Agreement. The foregoing termination shall not affect the rights or obligations of any party to the Subordination Agreement with respect to the Original P&A Funding Agreement (as defined in the Subordination Agreement) or the 2013 P&A Funding Agreement (as defined in the Subordination Agreement). Notwithstanding anything to the contrary herein, the rights and benefits of the Amended DIP Facility, including, without limitation, any claims or proceeds received with respect to the Amended DIP Facility, and any claims or payments for DIP Fees whether related to the Amended DIP Facility or otherwise, shall not be subject to any provisions of the Subordination Agreement in any respect whatsoever.</p>
Specified Asset Sales	<p>“<u>Specified Asset Sales</u>” shall mean the sale of (i) the education business, (ii) sports, and (iii) other specified assets to be agreed by Manchester and</p>

	BidCo.
Commitment Letters	The expiration date of the Commitment Letters of the Other Investors and Manchester is extended to October 21, 2015. Ryan Kavanaugh will have a commitment of \$1 million and Nicholas shall have a commitment of \$29 million.
Senior Secured Note:	A new note (the " Note ") will be issued to BidCo in the principal amount of \$60,000,000 (or such lesser principal amount as may be outstanding on the Retained Claim on the date of issuance of the Note) of Senior Secured Debt upon the consummation of the Plan on the terms set forth on <u>Schedule 1</u> .
Preferred Units:	<p>Upon approval by the Bankruptcy Court of the Plan and emergence by the Company from Chapter 11, the outstanding amounts under the New DIP Facility and the Junior Debt will be converted into convertible preferred equity of the Company (the "Preferred Units" and the per share price for each such unit is referred to herein as the "Initial Per Share Price"). The Preferred Units will represent (on an as-converted basis at the emergence by the Company from Chapter 11) an aggregate 49% economic ownership interest in the Company as follows: 29.92% to Nicholas, 18.05% to Manchester and 1.03% to Kavanaugh. The balance of the economic interests in the Company shall be represented by common units of the Company split equally between (a) holders of the existing Class E preferred stock of the Company (i.e., 25.5%) and (b) a pool reserved for issuance to management over a 3-year period pursuant to a management incentive program to be developed by the Board of Managers (i.e., 25.5%).</p> <p>The Preferred Units will provide a 1% coupon (payable-in-kind) and will be senior to all other classes of units of the Company at closing. The Preferred Units will be mandatorily convertible on a Liquidity Event (as defined below) that is either an IPO of the Company, or a sale of all or substantially all of the Company's equity or assets to a third party. The Preferred Units may be converted, at the option of the holder, upon any other Liquidity Event. In the case of any such conversion, if the per share price implied by the value of the applicable Liquidity Event is less than the Initial Per Share Price, then the applicable Preferred Units shall convert at such lower per share price instead of the Initial Per Share Price. "Liquidity Event" means (i) any IPO of the Company, (ii) a merger or consolidation of the Company with or into another entity, (iii) a sale, transfer or other disposition, in one transaction or a series of related transactions, of at least a majority of the Company's assets, (iv) a transfer, whether by merger, consolidation or otherwise, in one transaction or a series of related transactions, of at least a majority of the Company's equity, (v) the granting by the Company of an exclusive irrevocable license of all or substantially all of the Company's</p>

	<p>intellectual property to a third party, (vi) a refinancing or reorganization of the Company, (vii) the payment of any dividend or distribution to the holders of common equity, or any reclassification of common equity, and (viii) a liquidation, dissolution or winding up of the Company.</p> <p>The Preferred Units will also be redeemable by the Company at the option of the holder upon the fifth anniversary of the issuance of such units. Customary "tag-along" rights, "drag-along" rights, share transfer restrictions and minority protection/governance rights to be mutually agreed; provided, that the Preferred Units will contain limited negative covenants which shall not restrict the Company's day-to-day operations in any material way, such supervision to be the province of the Board of Managers.</p>
Conditions Precedent:	<ul style="list-style-type: none"> (i) The Company shall execute the Transition Services Agreement ("TSA") in the form attached hereto; (ii) The Company shall execute the control agreements for the TV cash bank accounts; (iii) The Company shall perform a full backup of all data within 1 or 2 days of close with the backup file being held in a 3rd party escrow structure to be agreed in accordance with the TSA; (iv) The Company shall have delivered all consents and approvals necessary to consummate the transaction contemplated hereby (including the consents of Manchester and the Other Investors (other than the Defaulting Investor) hereto); (v) The Investor Term Sheet shall be modified to incorporate BidCo as an Other Investor, so long as the Retained Claim exceeds \$30 million, solely for purposes of making certain decisions pursuant to the section of the Investor Term Sheet entitled "Exercise of Event of Default Remedies" as if BidCo held 31.6% of the combined interests thereunder; and (vi) Each of the Other Investors, other than the Defaulting Investor, shall have funded.
The Exit:	<p>The Company shall not emerge from bankruptcy unless prior thereto or concurrently therewith the New DIP Facility has been reduced to a principal amount outstanding of no greater than \$17.5 million; <u>provided</u> that such reduction may be accomplished as part of an exit financing arrangement approved by BidCo and Manchester.</p>
Governing Law and Forum:	<p>New York governing law and exclusive New York jurisdiction.</p>

IN WITNESS WHEREOF, the parties hereto have caused this Term Sheet to be executed by their respective officers thereunto duly authorized, as of the date first above written.

PURCHASER:

RM BIDDER, LLC

*ACMO REL Holdings, L.L.C.,
Member*

By: Anchorage Capital Group, L.L.C., as its
investment manager

By: _____
Name:
Title:

*Anchorage Capital Master Offshore, Ltd.,
Member*

By: Anchorage Capital Group, L.L.C., as its
investment manager

By: _____
Name:
Title:

*Falcon Strategic Partners III, LP,
Member*

By: Falcon Strategic Investments III, LP,
Its General Partner

By: Falcon Strategic Investments GP
III, LLC, Its General Partner

By: _____
Name:
Title:

*Luxor Capital LLC,
Member*

By: _____
Name:
Title:

COMPANY:

Relativity Holdings LLC

By: _____
Name:
Title:

RYAN KAVANAUGH

Manchester Securities Corporation

By: _____
Name:
Title:

Ryan Kavanaugh

By: _____
Name:
Title:

Joseph Nicholas

By: _____
Name:
Title:

Schedule 1.

Note

Issuer: The reorganized Relativity Media, LLC (the “***Issuer***”).

Guarantors: All of the reorganized subsidiaries of the Issuer that are borrowers or guarantors under the TLA/TLB Facility other than those subsidiaries which will have all of their assets sold to the Cortland Lenders as part of the 363 sale of the Business (collectively, the “***Guarantors***”).

The Issuer and the Guarantors are herein collectively referred to as the “Obligors”.

Noteholder: BidCo (the “***Noteholder***”)

Promissory Note: The Note in an aggregate principal amount equal to \$60 million (or such lesser principal amount as may be outstanding on the Retained Claim on the date of issuance of the Note) (the obligations thereunder, the “***Obligations***”). The Note shall be issued upon consummation of the Plan (the “***Note Closing Date***”).

Collateral: The Note will benefit from a first priority, perfected security interest (subject only to permitted prior liens on financed film assets permitted by the Note documents) on substantially all of the assets of the Obligors (subject to customary carve-outs to be agreed).

Maturity: The date that is 2 years after the Note Closing Date.

Interest Rate: The Note will bear interest at a rate of 8.5% per annum. Interest shall be payable quarterly in cash. During the occurrence and continuation of an event of default, the Note will bear additional interest of 2% per annum.

Mandatory Prepayments of the Note and Preferred Units: Customary for facilities of this type and including, without limitation, 100% of the net proceeds of certain asset sales, casualty events, and the incurrence of additional debt (subject to customary reinvestment and other carve-outs to be agreed, provided that (i) the Note shall be required to be repaid from the proceeds of any indebtedness without

exception until the outstanding principal amount thereof is not greater than \$30 million, (ii) the proceeds of any recovery (whether by judgment, settlement or otherwise) obtained by Bidco, the Company or the Other Investors against or from the Defaulting Investor shall be used to repay the Retained Claim until the Retained Claim has been reduced to a principal amount outstanding of \$30 million, at which point 50% of such proceeds will be used to repay the Retained Claim and the remainder shall be paid to the Company; provided that no settlement shall be entered into unless approved by BidCo and (iii) the Note will be required to be repaid down to \$30 million of principal outstanding at any time that balance sheet cash exceeds an amount to be agreed).

Representations and Warranties: Customary for facilities of this type. The representations and warranties shall apply to each of the Obligor and their respective subsidiaries.

Affirmative and Negative Covenants: Customary for facilities of this type, including ability to incur, subject to Mandatory prepayments above, Ultimates, P&A and other customary film financings in the ordinary course of the Obligor's business subject to customary limitations to be agreed. The affirmative and negative covenants shall apply to each of the Obligor and their respective subsidiaries. There will be no financial or minimum liquidity covenants.

Events of Default: Customary for facilities of this type.

Conditions Precedent: Customary for facilities of this type and including:

- (i) emergence of the Obligor from chapter 11 bankruptcy pursuant to a plan of reorganization approved by the Bankruptcy Court and reasonably acceptable to the Cortland Lenders;
- (ii) conversion of the Issuer's Existing DIP Facility to preferred equity in the Obligor;
- (iv) consummation of the transactions contemplated by the Original APA, as amended, supplemented or otherwise modified from time to time; and
- (v) receipt of satisfactory legal opinions and other customary closing documentation.

Governing Law and Forum: State of New York

Documentation: Definitive documentation to be drafted by counsel to the
Noteholder.