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affiliated Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
FRESNO DIVISION**

In re

HRONIS, INC., a California corporation,
et al.,

Debtors in Possession

Affects:

- ☒ ALL DEBTORS
- ☐ HRONIS, INC., a California corporation
- ☐ HRONIS CAPITAL ASSETS, LP, a California limited partnership
- ☐ HRONIS CAPITAL MANAGEMENT, LLC, a California limited liability company
- ☐ HRONIS CITRUS, LLC, a California limited liability company
- ☐ HRONIS FARMING, LP, a California limited partnership
- ☐ HRONIS FRUIT COMPANY LLC, a California limited liability company
- ☐ HRONIS LAND COMPANY, a California general partnership
- ☐ HRONIS RANCH, LLC, a California limited liability company
- ☐ HRONIS RESOURCE MANAGEMENT, LLC, a California limited liability company
- ☐ THE HRONIS FAMILY LIMITED PARTNERSHIP, a California limited partnership

Case No. 1:26-bk-10978

Chapter 11

SE - 26

(Jointly Administered with Case Nos. 1:26-bk-10979, 1:26-bk-10980, 1:26-bk-10981, 1:26-bk-10982, 1:26-bk-10983, 1:26-bk-10984, 1:26-bk-10986, 1:26-bk-10987, and 1:26-bk-10988)

**ORDER CONFIRMING DEBTORS'
FIRST AMENDED COMBINED
CHAPTER 11 PLAN OF LIQUIDATION
AND DISCLOSURE STATEMENT**

Date: August 25, 2026
Time: 9:30 a.m. (PT)
Place: U.S. Bankruptcy Court
2500 Tulare Street
Fresno, CA 93721
Courtroom 13 (5th Floor)
Judge: Hon. René Lastreto II

1 This matter, having come before this Court upon the request of the above-captioned debtors
2 and debtors-in-possession (the “**Debtors**” or “**Plan Proponents**”) for approval and confirmation
3 of the *Debtors’ First Amended Combined Chapter 11 Plan of Liquidation and Disclosure*
4 *Statement* [D.I. 600] (as modified, amended and/or supplemented), a copy of which is attached
5 hereto as **Exhibit A** (as applicable, the “**Disclosure Statement**” or “**Plan**”);² and this Court having
6 found that (a) venue in the Eastern District of California was proper as of the Petition Date pursuant
7 to 28 U.S.C. §§ 1409 and 1409 and continues to be proper, (b) approval of the Disclosure
8 Statement and confirmation of the Plan is a core proceeding under 28 U.S.C. § 157(b)(2), (c) this
9 Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. § 1334, and (d) this
10 Court has jurisdiction to determine whether the Disclosure Statement and Plan comply with the
11 applicable provisions of the Bankruptcy Code and should be approved and confirmed; and the
12 Court having held a Confirmation Hearing on August 25, 2026; and the Court having found that
13 due, adequate and sufficient notice of the Disclosure Statement and the Plan, Confirmation Hearing
14 and all deadlines for voting on or filing objections to the Disclosure Statement and the Plan was
15 provided in compliance with the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules,
16 and that no other or further notice is or shall be required; and the Court having reviewed (a) the
17 *Declaration of John Burlacu Regarding the Solicitation and Tabulation of Votes on the Debtors’*
18 *Combined Chapter 11 Plan of Liquidation and Disclosure Statement (Voting Report)* [D.I. 561]
19 (the “**Voting Report**”); (b) the *Supplemental Declaration of Allen Soong Re: Memorandum of*
20 *Points and Authorities in Further Support of Debtors’ Motion for Entry of an Order (A) Approving*
21 *the Adequacy of the Disclosure Statement, (B) Approving Solicitation Packages and Procedures,*
22 *(C) Approving the Form of Ballot, (D) Approving the Confirmation Hearing Notice, and (E)*
23 *Granting Related Relief and Reply* [D.I. 586]; (c) the *Supplemental Declaration of Allen Soong*
24 *Re: Liquidation Analysis* [D.I. 634]; and (d) all pleadings and other documents submitted in
25 support of confirmation of the Plan, including the *Memorandum of Points and Authorities in*
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27 ² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in
28 the Plan.

1 *Further Support of Debtors' Motion for Entry of an Order (A) Approving the Adequacy of the*
2 *Disclosure Statement, (B) Approving Solicitation Packages and Procedures, (C) Approving the*
3 *Form of Ballot, (D) Approving the Confirmation Hearing Notice, and (E) Granting Related Relief*
4 *and Reply* [D.I. 585]; and after due deliberation and sufficient cause appearing therefor,

5 **IT IS HEREBY ORDERED THAT:**

6 **I. General Decrees and Implementation**

7 1. The Disclosure Statement contains adequate information, as that term is defined in
8 section 1125 of the Bankruptcy Code.

9 2. The Solicitation Procedures and the form of the Confirmation Hearing Notice,
10 Publication Notice, Ballots, and Solicitation Packages provide adequate notice of the contents of
11 the Disclosure Statement and Plan, and of any applicable deadline to object to or vote on the Plan.

12 3. The Plan Proponents' solicitation of acceptances or rejections of the Plan was in
13 compliance with all applicable requirements of Bankruptcy Code sections 1126(b)(1) and
14 1126(b)(2) and Bankruptcy Rules 3017 and 3018.

15 4. The Plan, in the form annexed hereto as **Exhibit A**, satisfies the requirements for
16 confirmation set forth in section 1129 of the Bankruptcy Code and, accordingly, the Plan and each
17 of its provisions, as may be modified by this Confirmation Order, are hereby CONFIRMED in
18 each and every respect pursuant to section 1129 of the Bankruptcy Code. The terms of the Plan
19 are effective and binding as of the Effective Date of the Plan.

20 5. Claims in Classes 1 and 2 are Unimpaired under the Plan, and the Holders of such
21 Claims are deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

22 6. Claims in Class 3 (Prepetition Lender Secured Claim) are Impaired under the Plan.
23 Pursuant to the Sale Order [D.I. 509], the Prepetition Lender has received, on account of its credit
24 bid and existing liens, the Acquired Assets (as defined in the Sale Order), including the Conterra
25 Acquired Real Estate and the Assigned Insider Commercial Tort Claims. For the avoidance of
26 doubt, and solely for the purpose of calculating the Class 5 Claim, the Prepetition Lender Secured
27 Claim includes all DIP Claims arising under the DIP Facility, including any unpaid principal,
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1 accrued interest, fees, costs, and expenses. To the extent that the Prepetition Lender Secured Claim
2 is not satisfied by its credit bid, the proceeds of the Sales, and the collections on pre-confirmation
3 accounts receivable, the Prepetition Lender Deficiency Claim is bifurcated pursuant to 11 U.S.C.
4 § 506(a) and treated as a General Unsecured Claim in Class 5 and Conterra is entitled to participate
5 in Class 5 of the Plan on the terms of the Plan.

6 7. Pro rata distributions on the Prepetition Lender Deficiency Claim as a general
7 unsecured creditor in Class 5 in the Plan shall not constitute a payment source subject to the
8 Additional Cash Carveout, as provided in Section 5 of the Stipulation.

9 8. Claims in Classes 4(a), 4(b), and 4(c) are Impaired under the Plan. Confirmation
10 of the Plan constitutes a determination that any Allowed Claim in Classes 4(a), 4(b), and 4(c) is
11 not secured by any valuable collateral owned by the Debtors or their estates, pursuant to 11 U.S.C.
12 § 506(a)(1), and will be treated like other unsecured claims.

13 9. Claims in Class 5 are Impaired under the Plan, and Holders of such Claims have
14 voted to accept the Plan in the numbers and amounts required by section 1126(c) of the Bankruptcy
15 Code.

16 10. The Holders of Claims and Interests in Classes 6 and 7, respectively, are deemed
17 to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Notwithstanding
18 the foregoing, the Plan Proponents have demonstrated that the Plan does not discriminate unfairly
19 and is fair and equitable with respect to such Classes, in accordance with section 1129(b) of the
20 Bankruptcy Code.

21 11. All objections to the confirmation of the Plan, to the extent not already withdrawn
22 or otherwise resolved, shall be, and hereby are, overruled.

23 12. Except as otherwise provided in this Confirmation Order, all payments made or to
24 be made by the Debtors for services or costs in connection with the Chapter 11 Cases, including
25 all Allowed Administrative Claims under sections 503 and 507 of the Bankruptcy Code, or in
26 connection with the Plan and incident to the Chapter 11 Cases, have been approved by, or are
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1 subject to the approval of, the Court as reasonable, thus satisfying section 1129(a)(4) of the
2 Bankruptcy Code.

3 **II. Limited Consolidation of Debtors**

4 13. Pursuant to Article XI.B of the Plan, entry of this Confirmation Order constitutes
5 the approval, pursuant to sections 105(a) and 1123(a)(5) of the Bankruptcy Code, effective as of
6 the Effective Date, of the limited consolidation of the Debtors' Estates, solely for the purposes of
7 the Plan, and as such, (i) all assets and liabilities of the Debtors are, solely for Distribution
8 purposes, treated on a aggregated basis, (ii) each Claim against any of the Debtors is deemed a
9 single Claim against and a single obligation of all of the Debtors, (iii) any Claims scheduled, filed
10 or to be filed in the Chapter 11 Cases are deemed single Claims against the Debtors, (iv) all
11 guarantees of one Debtor of the payment, performance, or collection of obligations of another
12 Debtor are eliminated and canceled, (v) all transfers, disbursements and Distributions on account
13 of Claims made by or on behalf of any of the Debtors' Estates hereunder are deemed to be
14 made by or on behalf of all of the Debtors' Estates, and (vi) any obligation of the Debtors as to
15 Claims is deemed to be one obligation of all of the Debtors. Holders of Allowed Claims entitled
16 to Distributions under this Plan are entitled to their share of assets available for Distribution to
17 such Claims as specified in the treatment for such Claims without regard to which Debtor was
18 originally liable for such Claims. Except as set forth herein, such limited consolidation does not
19 (other than for purposes related to this Plan) affect the legal and corporate structures of the Debtors.

20 14. Notwithstanding the limited consolidation provided for herein, as would otherwise
21 be the case absent the limited consolidation provided for herein, each and every Debtor remains
22 responsible for the payment of quarterly fees associated with administration of the Post-Effective
23 Date Debtors and the Post-Effective Date Estate (excluding any Distributions by the Liquidating
24 Trustee) pursuant to the provisions of 28 U.S.C. §1930(a)(6) until the earlier of such time that a
25 particular case is closed, dismissed, or converted.

1 **III. Implementation of the Plan/Management of the Debtors**

2 15. Allen Soong is authorized and approved to act as the Debtors' representative (the
3 **"Representative"**) as of the Effective Date. The Representative shall serve as the President, Chief
4 Executive Officer, sole manager, director, and sole equity holder of each of the Post-Effective Date
5 Debtors on and subsequent to the Effective Date.

6 16. As of the Effective Date, the Representative is deemed to be the only duly
7 authorized, board-appointed officer, director, or manager of each of the Debtors, and all by-laws,
8 articles or certificates of incorporation and related corporate documents of the Debtors shall be
9 deemed to have been amended by the Plan to permit and authorize such sole appointment.

10 17. The Representative is authorized to take all actions necessary or appropriate to enter
11 into, implement and consummate the Plan on behalf of the Debtors, or to effectuate, advance or
12 further the purposes thereof.

13 18. Upon the Effective Date, all transactions and other actions provided for under the
14 Plan are deemed to be authorized and approved by the Debtors without any requirement of further
15 action by the Debtors, the Debtors' members, the Debtors' shareholders or the Debtors' boards of
16 directors.

17 19. This Order constitutes all authority, if any, required by the General Corporation
18 Law of the State of California, as applicable, and any other applicable business corporation, trust
19 and other laws, rules or regulations of the applicable governmental units with respect to the
20 implementation and consummation of the Plan.

21 **A. Vesting of Assets/Continued Corporate Existence**

22 20. In accordance with section 1141 of the Bankruptcy Code, on the Effective Date, the
23 Trust Assets and rights to payment included in and comprising the GUC Carveout, including,
24 without limitation, the Initial Cash Carveout and the Additional Cash Carveout (as defined in the
25 Stipulation), the Avoidance Actions, the D&O Commercial Tort Claims, and the rights of the
26 Committee under the Stipulation, and (2) upon the final dissolution of the Post-Effective Date
27 Debtors, any other remaining assets of any of the Debtors' Estates that are not included in the GUC
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1 Carveout and are not subject to a lien in favor of Conterra, to the fullest extent provided in 11
2 U.S.C. § 541, including any Causes of Action (not otherwise vested in the Liquidating Trust on
3 the Effective Date as provided in the Plan), shall automatically transfer to and vest in the
4 Liquidating Trust, free and clear of any Liens, Claims, encumbrances and interests of any kind.

5 21. In accordance with section 1141 of the Bankruptcy Code, on the Effective Date, all
6 assets of the Debtors that are not Trust Assets, shall automatically transfer to and vest in the Post-
7 Effective Date Debtors, free and clear of any Liens, Claims, encumbrances and interests of any
8 kind, subject only to (i) the Allowed Claims of the holders of Claims as set forth in the Plan, (ii)
9 the costs and expenses payable from the Post-Effective Date Debtor Reserve Account, Professional
10 Fee Claims Reserve, or SAP Claims Reserve, as set forth in the Plan.

11 22. From and after the Effective Date, and subject to the rights and duties of the Plan
12 Oversight Committee as set forth in the Plan, the Liquidating Trustee shall, in addition to any
13 powers and authority specifically set forth in other provisions of the Plan or in the Liquidating
14 Trust Agreement, be empowered to act on behalf of the Liquidating Trust to (i) effect all actions
15 and execute all agreements, instruments and other documents necessary to perform its duties
16 under the Plan or the Liquidating Trust Agreement, (ii) establish and maintain the Distribution
17 Account and the Post-Effective Date Liquidating Trust Account, (iii) make Distributions from
18 Trust Assets in accordance with the Plan, (iv) object to and/or settle Claims asserted in Classes
19 4(a), (b), (c), and 5, as appropriate, (v) employ and compensate professionals to represent the
20 Liquidating Trustee with respect to its responsibilities, (vi) assert and pursue any of the Debtors'
21 claims, Causes of Action, rights of setoff, or other legal or equitable defenses that are reserved for,
22 vested in, or assigned to the Liquidating Trust under the Plan, and (vii) exercise such other powers
23 as may be vested in the Liquidating Trustee by Order of the Bankruptcy Court, pursuant to the
24 Plan, by the Liquidating Trust Agreement, or as deemed by the Liquidating Trustee to be necessary
25 and/or desirable to implement the provisions of the Plan or the Liquidating Trust Agreement. The
26 Liquidating Trustee may take any and all actions that he deems reasonably necessary or appropriate
27 to defend against any Claim asserted in Classes 4(a), (b), (c), and 5, including the right to: (a)
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1 exercise any and all judgment and discretion with respect to the manner in which to defend against
2 or settle any such Claim, including the retention of professionals, experts and consultants; and (b)
3 enter into a settlement agreement or agreements without approval of the Bankruptcy Court.

4 23. Notwithstanding the foregoing, the Liquidating Trustee shall have no right to object
5 to the Prepetition Lender Deficiency Claim, except that if there is a dispute concerning the
6 calculation of the Prepetition Lender Deficiency Claim in accordance with the Plan and the
7 Prepetition Lender and the Liquidating Trustee are unable to resolve such dispute after meeting
8 and conferring, the Liquidating Trustee may seek resolution of such calculation dispute before the
9 Bankruptcy Court.

10 24. From and after the Effective Date, each of the Debtors shall continue in existence
11 for the purpose of (i) winding up their affairs as expeditiously as reasonably possible,
12 (ii) liquidating, by conversion to Cash or other methods, any assets of the Debtors that are not
13 Trust Assets and have not been disposed of prior to the Effective Date as expeditiously as
14 reasonably possible, (iv) administering the Plan, including making distributions to Allowed
15 Priority Claims, Allowed Professional Fee Claims, and Allowed Administrative Claims pursuant
16 to the Plan, (v) filing appropriate tax returns, and (vi) dissolution.

17 25. The Debtors shall continue in existence until dissolved in accordance with the Plan
18 and applicable State laws.

19 **B. Institution and Maintenance of Legal and Other Proceedings**

20 26. In accordance with section 1123(b)(3) of the Bankruptcy Code, all Causes of Action
21 are vested in the Liquidating Trust, including, but not limited to, those Causes of Action set forth
22 in Exhibit A to the Plan.

23 27. Subject to the provisions of Article IX.C of the Plan regarding the Plan Oversight
24 Committee's consultation and/or approval rights, where the Liquidating Trustee is authorized to
25 compromise and settle an action without further order of the Bankruptcy Court, the Liquidating
26 Trustee is authorized to execute all necessary documents to effectuate the same, including releases
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1 and stipulations of settlement or release, without notice to any party and without further order of
2 the Bankruptcy Court.

3 28. Where the Post-Effective Date Debtors are authorized to compromise and settle an
4 action without further order of the Bankruptcy Court, the Representative is authorized to execute
5 all necessary documents to effectuate the same, including releases and stipulations of settlement
6 or release, without notice to any party and without further order of the Bankruptcy Court.

7 29. No Person may rely on the absence of a specific reference in the Plan or Disclosure
8 Statement to any Cause of Action against them as any indication that the Debtors or the Liquidating
9 Trust, as the case may be, will not pursue any and all available Causes of Action against them.
10 The Debtors, their Estates, and the Liquidating Trust, as applicable, reserve all rights to prosecute
11 any and all Causes of Action against any Person, except as otherwise expressly provided in the
12 Plan, a Sale Order or other Order of the Court. Unless a Cause of Action against a Person is
13 expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or a Final
14 Order, such Cause of Action shall be deemed to be preserved, retained by the Debtors, and vested
15 in the Liquidating Trust for later adjudication and, therefore, no preclusion doctrine, including
16 without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim
17 preclusion, estoppel (judicial, equitable or otherwise) or laches applies to such Cause of Action
18 upon or after the confirmation or consummation of the Plan.

19 **C. Reserve Accounts**

20 30. On or as soon as practicable after the Effective Date, the Representative shall fund
21 and/or establish the Professional Fee Claims Reserve, the Post-Effective Date Debtors Reserve,
22 the SAP Reserve Account, in accordance with the terms of the Plan.

23 31. On or as soon as practicable after the Effective Date or when otherwise provided in
24 the Plan, the Liquidating Trustee shall fund and/or establish the Post-Effective Date Liquidating
25 Trust Account and the Distribution Account in accordance with the terms of the Plan.

26 32. On the Effective Date, the Plan Oversight Committee shall be established in
27 accordance with Article IX.C of the Plan, consisting of three members, one of whom shall be the
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1 Prepetition Lender (or its designee) and two of whom shall be selected by the Committee after
2 consulting with the Debtors. Any vacancy with respect to any member appointed by the Prepetition
3 Lender shall be filled by a Person designated by the Prepetition Lender. The Plan Oversight
4 Committee shall have the rights, powers, and duties set forth in Article IX.C of the Plan.

5 33. Pursuant to the Sale Order approving the sale of Debtors' assets to Ag Funding SC
6 III LLC ("**AG Funding**") [D.I. 509], AG Funding, as purchaser under the APA, is the assignee of
7 the Debtors' rights in the accounts receivable that are subject to the dispute with DLP Funding in
8 the DLP Adversary (Adv. Proc. No. 26-01017), along with all claims and defenses arising out of
9 those rights. Upon the Effective Date, AG Funding, or its servicer, Conterra, shall have the sole
10 right to litigate or compromise those rights, claims, and defenses. Upon providing notice in the
11 DLP Adversary, Conterra, as servicer for AG Funding, shall be deemed the transferee of, and
12 substituted for, the Debtors in the DLP Adversary under Fed. R. Civ. P. 25(c), as incorporated by
13 Fed. R. Bankr. P. 7025. The Liquidating Trust shall have an independent right to object to any
14 Claim asserted by DLP Funding against the Debtors or their Estates, and may do so through a
15 complaint in intervention as provided in the Court's August 31, 2026 Order filed in the DLP
16 Adversary [Adv. D.I. 51].

17 34. On and after the Effective Date, Conterra (as servicer for AG Funding), the Post-
18 Effective Date Debtors, and/or the Liquidating Trust shall have the right to take discovery pursuant
19 to Bankruptcy Rule 2004. Conterra or its designee shall succeed to the Debtors' rights under the
20 Bankruptcy Rule 2004 order regarding Peter Hronis [D.I. 325] and the Bankruptcy Rule 2004 order
21 regarding Kosta Hronis [D.I. 349].

22 35. On the Effective Date, the DIP Financing Agreement is deemed terminated.
23 Notwithstanding anything to the contrary in this Order or the Plan, any deposits held by any utility
24 company on account of a Debtor are property of the Debtors or Post-Effective Date Debtors and
25 shall be transferred to Conterra upon receipt, on account of Conterra's lien. With the exception of
26 the Trust Assets, any Cash constituting assets subject to a lien in favor of Conterra, or the proceeds
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1 or products thereof, shall be paid to Conterra and shall not be deposited into the Post-Effective
2 Date Debtor Reserve Account or any other Reserve Account.

3 **D. Release, Injunction and Exculpation Provisions**

4 36. The injunction, exculpation and release provisions set forth in Article XII of the
5 Plan are hereby approved. The injunction, exculpation and release provisions of the Plan: (i) are
6 within the jurisdiction of the Bankruptcy Court under 28 U.S.C. §§ 157(b)(1), 157(b)(2), 1334(a),
7 1334(b) and 1334(d); (ii) are an essential means of implementing the Plan pursuant to section
8 1123(a)(6) of the Bankruptcy Code; (iii) are integral elements of the settlements and transactions
9 upon which the Plan is based, including the Stipulation; (iv) confer material benefits on, and are
10 in the best interests of, the Debtors, the Estates, and their creditors; (v) are critical to the overall
11 objectives of the Plan in resolving all Claims and Interests in these Chapter 11 Cases; (vi) are
12 consistent with sections 105, 1123 and 1129 of the Bankruptcy Code and other applicable law; and
13 (vii) are fair, equitable, reasonable and necessary to the Plan. Based upon the record of these
14 Chapter 11 Cases and the evidence proffered, adduced and/or presented at the Confirmation
15 Hearing, the Court finds that the injunction, exculpation and release provisions are consistent with
16 the Bankruptcy Code and applicable law.

17 37. **EXCULPATION, RELEASES AND INJUNCTIONS**

18 **a. Exculpation and Limitation of Liability**

19 **EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, EACH OF**
20 **THE EXCULPATED PARTIES SHALL NOT BE LIABLE FOR ANY CLAIM, ACTION,**
21 **PROCEEDING, CAUSE OF ACTION, SUIT, ACCOUNT, CONTROVERSY,**
22 **AGREEMENT, PROMISE, RIGHT TO LEGAL REMEDIES, RIGHT TO EQUITABLE**
23 **REMEDIES, RIGHT TO PAYMENT OR CLAIM (AS DEFINED IN SECTION 101(5) OF**
24 **THE BANKRUPTCY CODE), WHETHER KNOWN, UNKNOWN, REDUCED TO**
25 **JUDGMENT, NOT REDUCED TO JUDGMENT, LIQUIDATED, UNLIQUIDATED,**
26 **FIXED, CONTINGENT, MATURED, UNMATURED, DISPUTED, UNDISPUTED,**
27 **SECURED OR UNSECURED AND WHETHER ASSERTED OR ASSERTABLE**
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1 DIRECTLY OR DERIVATIVELY, IN LAW, EQUITY OR OTHERWISE TO ONE
2 ANOTHER OR TO ANY HOLDER OF A CLAIM OR EQUITY INTEREST, OR ANY
3 OTHER PARTY IN INTEREST, OR ANY OF THEIR RESPECTIVE AGENTS,
4 EMPLOYEES, REPRESENTATIVES, FINANCIAL ADVISORS, ATTORNEYS, OR ANY
5 OF THEIR SUCCESSORS OR ASSIGNS, FOR ANY ACT OR OMISSION
6 ORIGINATING OR OCCURRING ON OR AFTER THE PETITION DATE THROUGH
7 AND INCLUDING THE EFFECTIVE DATE IN CONNECTION WITH, RELATING TO,
8 OR ARISING OUT OF THE CHAPTER 11 CASES, THE NEGOTIATION AND FILING
9 OF THE PLAN OR ANY PRIOR PLANS, THE FILING OF THE CHAPTER 11 CASES,
10 THE PURSUIT OF CONFIRMATION OF THE PLAN OR ANY PRIOR PLANS, ANY
11 SALE ORDER, THE CONSUMMATION OF THE PLAN, OR THE ADMINISTRATION
12 OF THE PLAN OR THE PROPERTY TO BE LIQUIDATED AND/OR DISTRIBUTED
13 UNDER THE PLAN, EXCEPT FOR WILLFUL MISCONDUCT, GROSS NEGLIGENCE
14 OR FRAUD AS DETERMINED BY A FINAL ORDER OF A COURT OF COMPETENT
15 JURISDICTION.

16 **b. Releases**

17 **i. Prepetition Lender Pursuant to Settlement and Stipulation**

18 ON THE EFFECTIVE DATE, PURSUANT TO THE SETTLEMENT, THE
19 DEBTORS (ON BEHALF OF THEMSELVES AND THEIR ESTATES), THE
20 COMMITTEE, THE LIQUIDATING TRUST, THE LIQUIDATING TRUSTEE, AND
21 ANY OTHER PERSON SEEKING TO EXERCISE THE DERIVATIVE RIGHTS OF THE
22 ESTATES SHALL RELEASE UNCONDITIONALLY, AND HEREBY ARE DEEMED TO
23 FOREVER RELEASE UNCONDITIONALLY, THE PREPETITION LENDER,
24 MAGNETAR CAPITAL AND ITS AFFILIATES, AND THE PREPETITION LENDER'S
25 AND MAGNETAR CAPITAL'S CURRENT AND FORMER EMPLOYEES, AGENTS,
26 ATTORNEYS, FINANCIAL ADVISORS, OFFICERS DIRECTORS, AND THEIR
27 AFFILIATES, SUBSIDIARIES, PREDECESSORS, SUCCESSORS AND ASSIGNS, AND
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1 SUCH ENTITIES' RESPECTIVE HEIRS, EXECUTORS, ESTATES, SERVANTS AND
2 NOMINEES, IN EACH CASE, FROM ANY AND ALL CLAIMS (INCLUDING CLAIMS
3 UNDER CHAPTER 5 OF THE BANKRUPTCY CODE), OBLIGATIONS, SUITS,
4 JUDGMENTS, DAMAGES, RIGHTS, CAUSES OF ACTION AND LIABILITIES
5 WHATSOEVER (OTHER THAN THE RIGHT TO ENFORCE THE PERFORMANCE OF
6 THEIR RESPECTIVE OBLIGATIONS, IF ANY, TO THE DEBTORS UNDER THE
7 PLAN, AND THE CONTRACTS, INSTRUMENTS, RELEASES AND OTHER
8 AGREEMENTS DELIVERED UNDER THE PLAN), WHETHER LIQUIDATED OR
9 UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN
10 OR UNKNOWN, FORESEEN OR UNFORESEEN, DIRECTLY OR DERIVATIVELY,
11 THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY OR OTHERWISE
12 THAT ARE BASED IN WHOLE OR IN PART ON ANY ACT OR OMISSION,
13 TRANSACTION, EVENT OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR
14 TO THE EFFECTIVE DATE IN ANY WAY RELATING TO THE DEBTORS, THE
15 CHAPTER 11 CASES, THE PLAN, THE PREPETITION CREDIT AGREEMENT, THE
16 PREPETITION LOAN DOCUMENTS; PROVIDED, HOWEVER, THAT
17 NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED HEREIN IS
18 INTENDED TO OR SHALL OPERATE AS A RELEASE OF ANY OF THEIR
19 OBLIGATIONS OR THE RIGHTS OF THE ESTATES, COMMITTEE, THE
20 LIQUIDATING TRUST, AND THE LIQUIDATING TRUSTEE UNDER THE
21 STIPULATION AND ANY CLAIMS FOR WILLFUL MISCONDUCT OR FRAUD, AS
22 DETERMINED BY A FINAL ORDER OF A COURT OF COMPETENT JURISDICTION.

23 **ii. Other Parties**

24 ON THE EFFECTIVE DATE, THE DEBTORS, ON BEHALF OF THEMSELVES
25 AND THEIR ESTATES, SHALL RELEASE UNCONDITIONALLY, AND HEREBY ARE
26 DEEMED TO FOREVER RELEASE UNCONDITIONALLY THE DEBTORS'
27 RESPECTIVE ADVISORS EMPLOYED OR RETAINED POSTPETITION (INCLUDING
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1 THE DEBTORS' CO-CHIEF RESTRUCTURING OFFICERS AND PALADIN, THE
2 DEBTORS' INDEPENDENT DIRECTOR MATTHEW ENGLISH AND ARCH & BEAM
3 GLOBAL, LLC), PROFESSIONALS, CONSULTANTS, AND ATTORNEYS, SOLELY IN
4 THEIR RESPECTIVE CAPACITIES AS SUCH, FROM ANY AND ALL CLAIMS,
5 OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, RIGHTS, CAUSES OF ACTION
6 AND LIABILITIES WHATSOEVER (OTHER THAN THE RIGHT TO ENFORCE THE
7 PERFORMANCE OF THEIR RESPECTIVE OBLIGATIONS, IF ANY, UNDER THE
8 PLAN, AND THE CONTRACTS, INSTRUMENTS, RELEASES AND OTHER
9 AGREEMENTS DELIVERED UNDER THE PLAN), WHETHER LIQUIDATED OR
10 UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN
11 OR UNKNOWN, FORESEEN OR UNFORESEEN, DIRECTLY OR DERIVATIVELY,
12 THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY OR OTHERWISE
13 THAT ARE BASED IN WHOLE OR IN PART ON ANY ACT OR OMISSION,
14 TRANSACTION, EVENT OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR
15 TO THE EFFECTIVE DATE IN ANY WAY RELATING TO THE DEBTORS, THE
16 CHAPTER 11 CASES, THE PLAN, THE PREPETITION CREDIT AGREEMENT, THE
17 PREPETITION LOAN DOCUMENTS; PROVIDED, HOWEVER, THAT
18 NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED HEREIN IS
19 INTENDED TO OR SHALL OPERATE AS A RELEASE OF (1) ANY CLAIMS FOR
20 WILLFUL MISCONDUCT, GROSS NEGLIGENCE OR FRAUD, AS DETERMINED BY
21 A FINAL ORDER OF A COURT OF COMPETENT JURISDICTION, OR (2) ANY D&O
22 COMMERCIAL TORT CLAIM, ASSIGNED INSIDER COMMERCIAL TORT CLAIM,
23 OR INSIDER CHAPTER 5 CLAIM.

24 **c. Injunction**

25 EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, FROM AND AFTER THE
26 EFFECTIVE DATE, ALL PERSONS WHO HAVE HELD, HOLD OR MAY HOLD
27 CLAIMS AGAINST OR INTERESTS IN ANY OF THE DEBTORS ARE
28

1 PERMANENTLY ENJOINED FROM TAKING ANY OF THE FOLLOWING ACTIONS
2 AGAINST ANY OF THE DEBTORS OR THEIR ESTATES, ANY DEBTOR'S
3 PROPERTY, THE LIQUIDATING TRUST, THE LIQUIDATING TRUSTEE, THE
4 PREPETITION LENDER, MAGNETAR CAPITAL AND ITS AFFILIATES, OR THE
5 EXCULPATED PARTIES, ON ACCOUNT OF ANY SUCH CLAIMS OR INTERESTS
6 ARISING PRIOR TO THE EFFECTIVE DATE: (A) ENFORCING, ATTACHING,
7 COLLECTING OR RECOVERING IN ANY MANNER ANY JUDGMENT, AWARD,
8 DECREE OR ORDER; (B) CREATING, PERFECTING OR ENFORCING ANY LIEN OR
9 ENCUMBRANCE; (C) ASSERTING A SETOFF OR RIGHT OF SUBROGATION OF
10 ANY KIND AGAINST ANY DEBT, LIABILITY OR OBLIGATION DUE TO ANY
11 DEBTOR; (D) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY
12 PLACE, ANY ACTION THAT DOES NOT COMPLY WITH OR IS INCONSISTENT
13 WITH THE PROVISIONS OF THE PLAN; AND (E) TAKING ANY ACTION WHICH
14 INTERFERES WITH THE IMPLEMENTATION OR CONSUMMATION OF THE
15 PLAN; PROVIDED, HOWEVER, THAT NOTHING CONTAINED IN THE PLAN
16 SHALL PRECLUDE SUCH PERSONS FROM EXERCISING AND/OR ENFORCING
17 THEIR RIGHTS PURSUANT TO AND CONSISTENT WITH THE TERMS OF THE
18 PLAN OR THE CONFIRMATION ORDER. NOTWITHSTANDING ANYTHING TO
19 THE CONTRARY SET FORTH HEREIN, WITH RESPECT TO BLOOM FRESH
20 INTERNATIONAL LIMITED'S CLAIMS AGAINST AG FUNDING SC III, LLC, A
21 DELAWARE LIMITED LIABILITY COMPANY, IF ANY, ARISING UNDER THE
22 BLOOM FRESH AGREEMENTS AS DEFINED UNDER THAT CERTAIN
23 ASSUMPTION AND ASSIGNMENT AGREEMENT DATED AUGUST 17, 2026, THIS
24 INJUNCTION PROVISION SHALL NOT APPLY TO AG FUNDING SC III, LLC.

25 38. Continuation of Prior Stays and Injunctions. All of the injunctions and/or automatic
26 stays provided for in or in connection with the Chapter 11 Cases, whether pursuant to sections 105
27
28

1 and 362 of the Bankruptcy Code or any other provision of the Bankruptcy Code or other applicable
2 law, remain in full force and effect.

3 **IV. Executory Contracts and Unexpired Leases**

4 39. Rejection of Executory Contracts and Unexpired Leases. Notwithstanding
5 anything to the contrary set forth in the Plan, in accordance with section 1123(b)(2) of the
6 Bankruptcy Code, this Order shall constitute an order under section 365 of the Bankruptcy Code,
7 rejecting, as of and subject to the occurrence of the Effective Date, any pre-petition executory
8 contract and unexpired lease to which any of the Debtors is a party, to the extent such contract or
9 lease is an executory contract or an unexpired lease, unless such contract or lease (a) was
10 previously assumed, assumed and assigned, or rejected by the Debtors, (b) expired or terminated
11 pursuant to its own terms before the Effective Date, or (c) is the subject of a pending motion to
12 assume or reject on the Effective Date.

13 40. Rejection Bar Date. With respect to executory contracts and unexpired leases that
14 are deemed rejected as a result of the Plan and this Confirmation Order, the effective date of such
15 rejection is the Effective Date, and any Claim for rejection damages in connection with such
16 rejection shall be filed no later than thirty (30) days after service of notice of the Effective Date.
17 Any proofs of claim not filed and served within such time period will be forever barred from
18 assertion against the Debtors and their Estates.

19 **V. Final Fee Applications**

20 41. All final requests for Professional Fee Claims incurred prior to the Effective Date
21 must be filed no later than October 20, 2026. Objections, if any, must be filed and served on the
22 Plan Proponents, their counsel, the requesting Professional and the United States Trustee no later
23 than such date required by Local Bankruptcy Rule 9014-1(f).¹ After notice and a hearing on
24 November 17, 2026, at 9:30 a.m., or such other date and time convenient to the Court, in
25 accordance with the procedures established by the Bankruptcy Code and rules of the Bankruptcy

26 _____
27 ¹ LBR 9014-1(f)(1) requires filing of opposition to a motion no later than 14 days before the hearing thereon if at
28 least 28 days' notice is given. LBR 9014-1(f)(2) provides that no written opposition to a motion is required if less
than 28 days' notice is given.

1 Court, the Allowed amounts of such Professional Fee Claims shall be determined by this Court
2 and shall be paid in accordance with the Plan.

3 **VI. Administrative Claim Bar Date**

4 42. All requests for payment of an Administrative Claim, other than (i) Claims arising
5 under 28 U.S.C. § 1930, (ii) Administrative Claims described in section 503(b)(1)(B) or (C) of the
6 Bankruptcy Code, and (iii) Claims asserting Administrative Claim priority status under section
7 503(b)(9) of the Bankruptcy Code, must be filed with the Court and served on counsel for the
8 Representative no later than October 20, 2026. After notice and a hearing on November 17, 2026,
9 at 9:30 a.m., or such other date and time convenient to the Court, in accordance with the procedures
10 established by the Bankruptcy Code and prior orders of the Bankruptcy Court, the Allowed
11 amounts of such Administrative Expense Claim shall be determined by this Court and shall be paid
12 in accordance with the Plan.

13 **VII. Modifications to the Plan**

14 43. Pursuant to section 1127 of the Bankruptcy Code, any modifications to the Plan as
15 set forth in this Confirmation Order (collectively, the “Plan Modifications”) constitute technical
16 changes, changes with respect to particular Claims by agreement with holders of such Claims, or
17 modifications that do not otherwise materially and adversely affect or change the treatment of any
18 other Claim or Interest. These modifications are consistent with the disclosures previously made
19 pursuant to the Disclosure Statement and solicitation materials served pursuant to the Disclosure
20 Statement Order, or otherwise presented to the Court, and notice of these modifications was
21 adequate and appropriate under the facts and circumstances of the Chapter 11 Cases.

22 **VIII. Retention of Jurisdiction**

23 44. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, this Court retains
24 jurisdiction in accordance with the Plan.

25 **IX. Miscellaneous**

1 45. On and after the Confirmation Date, the Debtors and the Liquidating Trustee are
2 empowered and authorized to take or cause to be taken, prior to the Effective Date, all actions
3 necessary to implement the provisions of the Plan.

4 46. All Statutory Fees incurred prior to the Effective Date shall be paid by the Debtors
5 on the Effective Date. After the Effective Date, the Liquidating Trustee shall pay any and all such
6 statutory fees attributable to the administration of Trust Assets, and the Post-Effective Date
7 Debtors shall pay any and all fees attributable to the administration of other Estate assets, when
8 due and payable, and each shall file with the Bankruptcy Court quarterly reports in a form
9 reasonably acceptable to the UST. Notwithstanding the limited procedural consolidation of the
10 Debtors called for in this Plan, each of the Debtors remains obligated to pay quarterly fees to the
11 UST until the earliest of that particular Debtor's case being closed, dismissed or converted to a
12 case under chapter 7 of the Bankruptcy Code.

13 47. The Representative and Liquidating Trustee shall file post-confirmation quarterly
14 reports or the Representative shall file any pre-confirmation monthly operating reports not filed as
15 of the Confirmation Hearing in conformance with the United States Trustee Guidelines.

16 48. Except as otherwise expressly provided in the Plan, the Final DIP Order, the Sale
17 Order, or otherwise Allowed by Final Order of this Court, post-petition interest shall not accrue or
18 be paid on any Claims, and no holder of a Claim shall be entitled to interest accruing on or after
19 the Petition Date on any Claim; provided, however, that nothing in this paragraph shall impair,
20 limit, or otherwise affect the accrual or payment of interest, fees, costs, or expenses owed to the
21 Prepetition Lender on account of the Prepetition Lender Secured Claim or any claims arising under
22 the DIP Facility, the Operating Loan, or the Land Loan, in each case in accordance with the
23 Bankruptcy Code, the Plan, the applicable loan documents, the Final DIP Order, and the Sale
24 Order.

25 49. The failure to reference or discuss any particular provision of the Plan in this Order
26 shall have no effect on the validity, binding effect and enforceability of such provision and each
27
28

1 such provision shall have the same validity, binding effect and enforceability as every other
2 provision of the Plan.

3 50. In the event of any inconsistency between the Plan and any other agreement,
4 instrument or document intended to implement the provisions of the Plan, the provisions of the
5 Plan shall govern unless otherwise expressly provided for in such agreements, instruments or
6 documents. If there is determined to be any inconsistency between any Plan provision and any
7 provision of this Confirmation Order that cannot be reasonably reconciled, then, solely to the
8 extent of such inconsistency, the provisions of this Confirmation Order govern and any such
9 provision of this Confirmation Order is deemed to be a modification of the Plan and controls and
10 takes precedence. This Order supersedes any orders of this Court issued prior to the Effective Date
11 that may be inconsistent herewith.

12 51. Notwithstanding the foregoing, (a) in the event of any inconsistency between the
13 Plan and the Stipulation [D.I. 389, approved D.I. 446], the Stipulation shall govern, as provided in
14 Article XVI.Q of the Plan; (b) nothing in this Confirmation Order shall be deemed to supersede,
15 modify, or impair the Sale Order [D.I. 509] or the rights of the Buyer thereunder, in accordance
16 with paragraph 39 of the Sale Order; and (c) nothing in this Confirmation Order shall be deemed
17 to supersede, modify, or impair the Stipulation or the Order approving the Stipulation [D.I. 446].

18 52. The form of notice of Confirmation and occurrence of the Effective Date (the
19 “**Confirmation Notice**”) annexed hereto as **Exhibit B** is hereby approved. Pursuant to
20 Bankruptcy Rules 2002(f)(7) and 3020(c), the Debtors are hereby directed to serve the
21 Confirmation Notice on all known creditors, equity holders and other parties in interest in the
22 Chapter 11 Cases within ten (10) days after the occurrence of the Effective Date.

23 53. Notwithstanding any Bankruptcy Rule to the contrary (including, without
24 limitation, Bankruptcy Rules 3020(e), 6004(h), 6006(d), and 7062) this Confirmation Order is
25 effective immediately and not subject to any stay.
26
27
28

1 **IT IS SO ORDERED.**

2 **Dated:** Sep 23, 2026

By the Court

3 
4 René Lastreto II, Judge
5 United States Bankruptcy Court

6 **AGREED AND APPROVED BY:**

7
8
9 Hronis, Inc. and affiliated Debtors
and Debtors in Possession

10 /s/ Zev Shechtman

11 By: Zev Shechtman
12 Saul Ewing LLP
13 *Attorneys for Hronis, Inc. and affiliated
Debtors and Debtors in Possession*

14 Ag Funding SC III LLC

15 /s/ Bernie Kornberg

16 By: Bernie Kornberg
17 Miller Nash LLP
18 Marc Hirschfield
19 Royer Cooper Cohen Braunfeld LLC
*Attorneys for Buyer Ag Funding SC III LLC and
Creditor Conterra Agricultural Capital, LLC*

20 Official Committee of Unsecured Creditors

21 /s/ Robert Marticello

22 By: Robert Marticello
23 Raines Feldman Littrell LLP
*Attorneys for the Official Committee of
Unsecured Creditors*

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Exhibit A
Plan

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102
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affiliated Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
FRESNO DIVISION**

In re

Case No. 1:26-bk-10978

HRONIS, INC., a California corporation,
et al.,

Chapter 11

SE - 26

Debtors in Possession

Affects:

- ☒ ALL DEBTORS
- ☐ HRONIS, INC., a California corporation
- ☐ HRONIS CAPITAL ASSETS, LP, a California limited partnership
- ☐ HRONIS CAPITAL MANAGEMENT, LLC, a California limited liability company
- ☐ HRONIS CITRUS, LLC, a California limited liability company
- ☐ HRONIS FARMING, LP, a California limited partnership
- ☐ HRONIS FRUIT COMPANY LLC, a California limited liability company
- ☐ HRONIS LAND COMPANY, a California general partnership
- ☐ HRONIS RANCH, LLC, a California limited liability company
- ☐ HRONIS RESOURCE MANAGEMENT, LLC, a California limited liability company
- ☐ THE HRONIS FAMILY LIMITED PARTNERSHIP, a California limited partnership

(Jointly Administered with Case Nos. 1:26-bk-10979, 1:26-bk-10980, 1:26-bk-10981, 1:26-bk-10982, 1:26-bk-10983, 1:26-bk-10984, 1:26-bk-10986, 1:26-bk-10987, and 1:26-bk-10988)

**DEBTORS' FIRST AMENDED
COMBINED CHAPTER 11 PLAN OF
LIQUIDATION AND DISCLOSURE
STATEMENT**

Date: August 25, 2026
Time: 9:30 a.m. (PT)
Place: U.S. Bankruptcy Court
2500 Tulare Street
Fresno, CA 93721
Courtroom 13 (5th Floor)
Judge: Hon. René Lastreto II

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DISCLAIMER

THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS COMBINED CHAPTER 11 PLAN AND DISCLOSURE STATEMENT.¹ THIS PLAN WAS COMPILED FROM INFORMATION OBTAINED FROM NUMEROUS SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF THE DEBTORS' KNOWLEDGE, INFORMATION AND BELIEF. NO GOVERNMENTAL AUTHORITY HAS PASSED ON, CONFIRMED OR DETERMINED THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

NOTHING STATED HEREIN SHALL BE DEEMED OR CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PARTY, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTORS OR ANY OTHER PARTY, OR BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN ON THE DEBTORS OR HOLDERS OF CLAIMS OR EQUITY INTERESTS. CERTAIN STATEMENTS CONTAINED HEREIN, BY NATURE, ARE FORWARD-LOOKING AND CONTAIN ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL REFLECT ACTUAL OUTCOMES.

THE STATEMENTS CONTAINED HEREIN ARE MADE AS OF THE DATE HEREOF, UNLESS ANOTHER TIME IS SPECIFIED. THE DELIVERY OF THIS PLAN SHALL NOT BE DEEMED OR CONSTRUED TO CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AT ANY TIME AFTER THE DATE HEREOF.

HOLDERS OF CLAIMS AND EQUITY INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS PLAN AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL OR TAX ADVICE. THEREFORE, EACH SUCH HOLDER SHOULD CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL AND TAX ADVISORS AS TO ANY SUCH MATTERS

¹ Any reference to this "Plan" or this "Disclosure Statement" means this Combined Chapter 11 Plan and Disclosure Statement.

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1 CONCERNING THE PLAN AND THE TRANSACTIONS CONTEMPLATED HEREBY.
2 EACH HOLDER OF A CLAIM OR EQUITY INTEREST SHOULD CONSIDER
3 CAREFULLY ALL OF THE INFORMATION IN THIS PLAN, INCLUDING THE RISK
4 FACTORS DESCRIBED IN GREATER DETAIL HEREIN.
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**IMPORTANT NOTICE REGARDING COMBINED PLAN
AND DISCLOSURE STATEMENT, CONFIRMATION HEARING AND OBJECTION
DEADLINE**

Combined Confirmation and Disclosure Statement Hearing. A hearing before the Honorable René Lastreto II has been scheduled for August 25, 2026 at 9:30 a.m. (PT), at the Bankruptcy Court, U.S. Bankruptcy Court, 2500 Tulare Street, Fresno, CA 93721, Courtroom 13 (5th Floor), to (A) approve the Disclosure Statement as providing adequate information pursuant to Section 1125 of the Bankruptcy Code (applicable to approval of adequacy of disclosure statements) on a final basis, and (B) consider confirmation of the Plan pursuant to Section 1129 of the Bankruptcy Code (applicable to confirmation of plans). The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except for an announcement of the adjourned date made at the Confirmation Hearing or by filing a notice with the Bankruptcy Court.

Objection Deadline. Any objection to confirmation of this Plan must: (i) be in writing; (ii) state the name and address of the objecting party and the nature of the Claim or Equity Interest of such party; (iii) state with particularity the legal and factual basis and nature of any objection; and (iv) be filed with the Bankruptcy Court and served so as to be actually received on or before July 28, 2026, by:

- (a) counsel to the Debtors, Jeffrey C. Hampton (jeffrey.hampton@saul.com), Zev Shechtman (zev.shechtman@saul.com), and Turner N. Falk (turner.falk@saul.com);
- (b) the Office of the United States Trustee for the Eastern District of California, Michael Fletcher (michael.fletcher@usdoj.gov);
- (c) counsel to the Official Committee of Unsecured Creditors, Robert Marticello (rmarticello@raineslaw.com) and Mark S. Melickian (mmelickian@raineslaw.com); and
- (d) counsel to Conterra, Marc Hirschfield (MHirschfield@rcblaw.com), Marc Skapof (MSkapof@rcblaw.com), Bernie Kornberg (bernie.kornberg@millernash.com), and Andy Morton (andy.morton@millernash.com)

Unless an objection is timely filed and served by the Confirmation Objection Deadline, such objection may not be considered by the Bankruptcy Court at the Confirmation Hearing.

I. INTRODUCTION

Hronis, Inc., a California corporation, Hronis Capital Assets, LP, a California limited partnership, Hronis Capital Management, LLC, a California limited liability company, Hronis Citrus, LLC, a California limited liability company, Hronis Farming, LP, a California limited partnership, Hronis Fruit Company LLC, a California limited liability company, Hronis Land Company, a California general partnership, Hronis Ranch, LLC, a California limited liability company, Hronis Resource Management, LLC, a California limited liability company, and The Hronis Family Limited Partnership, a California limited partnership (collectively, the “**Debtors**”) hereby propose the Debtors’ Combined Chapter 11 Plan of Liquidation and Disclosure Statement (collectively, the “**Plan**”) pursuant to Sections 1125 and 1129 of the Bankruptcy Code. The Debtors are the proponents of the Plan within the meaning of Section 1129 of the Bankruptcy Code. The Plan is the culmination of a sale and liquidation process pursuant to which the Debtors have sold substantially all of their assets.

The Plan constitutes a liquidating chapter 11 plan for the Debtors and provides for the consolidation of the Debtors for Plan purposes only and the Distribution of assets of the Debtors, which have already been liquidated or will be liquidated in the future, to Holders of Allowed Claims in accordance with the terms of the Plan. Except as otherwise provided by Order of the Bankruptcy Court, Distributions will occur on the Effective Date or as soon thereafter as is practicable and at various intervals thereafter.

The Plan incorporates, as modified herein, the Bankruptcy Court approved (D.I. 424) Stipulation in resolution of the Committee’s Challenge to the Liens and Claims of Conterra (as well as any other Challenge (as defined in the Final DIP Order) that could have been brought by the Committee pursuant to the terms of the Final DIP Order), as described in Article IV(D) herein.

Subject to the restrictions set forth in Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, the Debtors expressly reserve the right to alter, amend or modify the Plan, including the Plan Supplement, one or more times before substantial consummation thereof.

1 **ALTHOUGH RECIPIENTS OF THIS PLAN ARE STRONGLY ENCOURAGED**
2 **TO REVIEW THE ENTIRE PLAN, INCLUDING EXHIBITS, IN DETAIL, A SUMMARY**
3 **OF THE TREATMENT OF CLAIMS AND EQUITY INTERESTS AND ESTIMATED**
4 **RECOVERIES IS SET FORTH IN ARTICLES V AND VI HEREOF.**
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SAUL EWING LLP
1888 CENTURY PARK EAST, SUITE 1500
LOS ANGELES, CALIFORNIA 90067
(310) 255-6100

EXECUTIVE SUMMARY OF PLAN

This Plan classifies Claims against the Debtors into the following classes. The proposed treatment and estimated recovery for each class is included in summary form, for convenience only. Parties are encouraged to consult the Plan for a more extensive description of the treatment of their Claims.

The Debtors and Official Committee of Unsecured Creditors support confirmation of this Plan. No other plan or outcome is likely to yield a better recovery for creditors, and is likely to increase administrative costs leading to a lower or no recovery for creditors. The Debtors and Official Committee of Unsecured Creditors urge all creditors to vote to accept this Plan.

<i>Class</i>	<i>Estimated Recovery & Treatment</i>
Class 1- Priority Non-Tax Claims	Allowed Priority Non-Tax Claim will be paid in full on the Effective Date or the date such Claims is Allowed. Anticipated recovery: 100%
Class 2 - PACA Claims	Allowed PACA Claims are assumed liabilities under the APA, to be paid by Conterra. Anticipated recovery: 100%
Class 3 - Prepetition Lender Secured Claim	The Prepetition Lender will receive the cash proceeds of sale, the assets subject to its credit bid as a Successful Bidder, and collections from pre-confirmation accounts receivable on account of its lien, with any deficiency treated as a General Unsecured Claim in Class 5. Anticipated recovery: ~100%
Class 4(a) - Undersecured Claims – Sun Pacific	Confirmation of the Plan constitutes a determination that all Class 4(a) Claims are not secured by any collateral owned by the Debtors or their estates, pursuant to 11 U.S.C. § 506(a)(1), and must be treated like unsecured claims. Each Holder of an Allowed Class 4(a) Claim shall receive a Pro Rata Share of any Distributable Proceeds. Anticipated recovery: Less than 5%
Class 4(b) - Undersecured Claims – DLP	If DLP Funding is determined to have a secured claim, DLP Funding will retain its lien on the DLP Disputed Fund Account and will have an Allowed Secured Claim to the extent of the value of its interest in the DLP Disputed Fund Account, with the balance of its Allowed Claim treated as an unsecured claim which shall receive a Pro Rata Share of any Distributable Proceeds. Anticipated recovery: Less than 5%
Class 4(c) - Undersecured Claims – Peter Hronis	Confirmation of the Plan constitutes a determination that all Class 4(c) Claims are not secured by any collateral owned by the Debtors or their estates, pursuant to 11 U.S.C. § 506(a)(1), and must be treated like unsecured claims. Each Holder of an Allowed Class 4(c) Claim shall receive a Pro Rata Share of any Distributable Proceeds. Anticipated recovery: Less than 5%

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<i>Class</i>	<i>Estimated Recovery & Treatment</i>
Class 5 - General Unsecured Claims	The Holder of an Allowed Unsecured Claim shall receive a Pro Rata Share of any Distributable Proceeds. Anticipated recovery: Less than 5%
Class 6 - Intercompany Claims	Holders of Intercompany Claims shall not receive a Distribution on account of their Intercompany Claims. Anticipated recovery: 0%.
Class 7 - Equity Interests	All Equity Interests shall be deemed canceled, extinguished and discharged and of no further force or effect, and the Holders of Equity Interests shall not be entitled to receive or retain any property on account of such Equity Interests. Anticipated recovery: 0%

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II. DEFINITIONS AND CONSTRUCTION OF TERMS

A. Definitions

As used herein, the following terms have the respective meanings specified below, unless the context otherwise requires:

1. **“Additional Cash Carveout”** means the additional cash contribution of up to \$3,000,000 from the Prepetition Lender to the GUC Carveout as provided in and calculated in accordance with the Stipulation.

2. **“Administrative Expense Bar Date”** means the first Business Day that is thirty (30) days after the Effective Date.

3. **“Administrative Expense Claim”** means any right to payment constituting a cost or expense of administration of the Chapter 11 Cases under Sections 503(b) and 507(a)(2) of the Bankruptcy Code, including (a) any actual and necessary costs and expenses of preserving the Estates (including Claims under section 365(d)(3) of the Bankruptcy Code) and (b) any fees or charges assessed against the Estates under Section 1930 of title 28 of the United States Code, and (c) all Claims arising under Section 503(b)(9) of the Bankruptcy Code, but excluding Professional Fee Claims.

4. **“Allowed”** means, with respect to Claims: (a) any Claim, proof of which was timely filed (or for which Claim, under the Plan, the Bankruptcy Code, or a Final Order of the Bankruptcy Court, a proof of claim is not or shall not be required to be filed); (b) any Claim that has been or hereafter is listed by the Debtors in the Schedules as liquidated in amount and not disputed or contingent and for which no proof of claim has been filed; or (c) any Claim allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; provided that any Claim described in clauses (a) and (b) shall be considered Allowed only if and to the extent that with respect to such Claim, no objection to the allowance thereof has been interposed within the applicable period fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, or such objection is interposed and the Claim is subsequently Allowed by a Final Order.

5. **“Auction”** shall have the meaning set forth in Article IV(D) of this Plan.

6. **“Assigned Insider Commercial Tort Claims”** means any commercial tort claims of the Debtors or the Estates against insiders (excluding the Debtors’ current officers and directors) of the Debtors, and family members of such insiders, who are not subject to or covered by applicable directors' and officers' liability insurance, and in all cases excludes the D&O Commercial Tort Claims.

7. **“Available Trust Proceeds”** means the proceeds received by the Liquidating Trust from the Trust Assets after payment of, or funding reserves determined by the Liquidating Trustee for, Post-Effective Date Liquidating Trust Expenses , including, without limitation, the fees and costs of the Liquidating Trustee, the fees and costs of the professionals retained by the Liquidating Trustee, quarterly fees owed to the Office of the United States Trustee, any court or statutory costs, and any other costs of the Liquidating Trust.

8. **“Avoidance Actions”** means, excluding the Insider Chapter 5 Claims, any and all rights to recover and/or avoid transfers or liens under chapter 5 of the Bankruptcy Code or otherwise, including Bankruptcy Code Sections 506(d), 522, 541, 542, 543, 544, 545, 547, 548, 549, 550, or 553, or otherwise under the Bankruptcy Code or under similar or related state or federal statutes and common law, including all preference, fraudulent conveyance, fraudulent transfer, and/or other similar avoidance claims, rights and causes of action, whether or not litigation has been commenced as of the Effective Date to prosecute such Avoidance Actions.

9. **“Balloting Agent”** means Donlin, Recano, & Company, LLC (a subsidiary of Angeion Group, LLC), in its capacity as the Bankruptcy Court-approved solicitation, claims and noticing agent.

10. **“Bankruptcy Code”** means title 11 of the United States Code, as amended from time to time.

11. **“Bankruptcy Court”** means the United States Bankruptcy Court for the Eastern District of California or such other court having jurisdiction over the Chapter 11 Cases.

12. **“Bankruptcy Rules”** means the Federal Rules of Bankruptcy Procedure, as amended from time to time, together with the Local Rules, as amended from time to time.

13. **“Bar Dates”** has the meaning set forth in Article IV(B) of this Plan.

14. **"Bid Deadline"** means 5:00 p.m. prevailing Pacific Time on June 18, 2026.

15. **"Bidding Procedures"** means the bidding procedures governing the sale of the Debtors' assets, as defined in the Bidding Procedures Order.

16. **"Bidding Procedures Order"** means the *Order Approving Debtors' Motion for Entry of an Order (I) Approving Bidding Procedures; (II) Approving Form of Asset Purchase Agreement; (III) Approving Bid Protections; (IV) Approving Form of Notice of Auction and Sale of Substantially All of the Debtors' Assets; (V) Establishing Certain Assumption and Assignment Procedures; (VI) And Granting Related Relief*, entered in the Chapter 11 Cases by the Bankruptcy Court on April 24, 2026 [D.I. 253].

17. **"Books and Records"** means all of the Debtors' emails, financial statements, board minutes and resolutions, and all other books and records pertaining to the Debtors' business, operations, assets, and liabilities in their native format, including stored or archived in any server, computer, laptop, network, system or other electronic data base.

18. **"Business Day"** means any day other than a Saturday, Sunday or any other day on which commercial banks in New York, New York or Fresno, California are required or authorized to close by law or executive order.

19. **"Cash"** means legal tender of the United States of America and equivalents thereof.

20. **"Causes of Action"** means the Avoidance Actions, the D&O Commercial Tort Claims, and, except for Assigned Insider Commercial Tort Claims, all other claims, actions, causes of action, choses in action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, third-party claims, counterclaims, and crossclaims of any Debtor and/or any of the Estates against any Entity, based in law or equity, including under the Bankruptcy Code, whether direct, indirect, derivative, or otherwise, and whether asserted or unasserted, and any and all commercial tort claims against any party, including the Debtors' current and former directors and officers; and subject, however, to any releases or exculpation provisions provided in this Plan, the Confirmation Order or any other Final Order of the Bankruptcy Court. Without limitation of the foregoing, Causes of Action include those claims and actions set forth on **Exhibit A** hereto.

21. **“Challenge Deadline”** means 11:59 p.m. (prevailing Pacific Time) on May 18, 2026.

22. **“Chapter 11 Cases”** means the jointly administered chapter 11 cases of the Debtors, styled as *In re Hronis Inc., et al.*, under lead Case No. 26-bk-10978, currently pending in the Bankruptcy Court.

23. **“Claim”** has the meaning set forth in Section 101(5) of the Bankruptcy Code.

24. **“Claims Objection Deadline”** means the first Business Day that is one hundred and eighty (180) days after the Effective Date or such later date as may be approved by Order of the Bankruptcy Court upon motion of the Liquidating Trustee or the Post-Effective Date Debtors; provided, however, that the filing of a motion to extend the Claims Objection Deadline shall automatically extend the Claims Objection Deadline until a Final Order is entered on such motion; provided, further, that in the event a motion to extend the Claims Objection Deadline is denied, the Claims Objection Deadline shall be the later of the then-current Claims Objection Deadline or thirty (30) days after the Bankruptcy Court’s entry of an order denying the motion to extend the Claims Objection Deadline.

25. **“Class”** means any group of substantially similar Claims or Equity Interests classified by this Plan pursuant to Sections 1122 and 1123(a)(1) of the Bankruptcy Code.

26. **“Clerk”** means the clerk of the Bankruptcy Court.

27. **“Confirmation Date”** means the date on which the Confirmation Order is entered on the Docket.

28. **“Confirmation Hearing”** means the hearing held by the Bankruptcy Court to consider confirmation of the Plan pursuant to Section 1129 of the Bankruptcy Code, as such hearing may be adjourned or continued from time to time.

29. **“Confirmation Objection Deadline”** means July 28, 2026 or such later date as may be established by the Bankruptcy Court.

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

31. **“Conterra”** means Conterra Agricultural Capital, LLC.

32. **“Conterra Acquired Real Estate”** means the Debtors’ real estate as to which Conterra was the successful bidder.

33. **“Creditor”** means any Entity that is the Holder of a Claim against any of the Debtors.

34. **“Committee”** means and refers to the Official Committee of Unsecured Creditors appointed by the UST on March 20, 2026 in the Chapter 11 Cases [D.I. 103].

35. **“Debtors”** means, collectively, Hronis, Inc., Hronis Capital Assets, LP, Hronis Capital Management, LLC, Hronis Citrus, LLC, Hronis Farming, LP, Hronis Fruit Company LLC, Hronis Land Company, Hronis Ranch, LLC, Hronis Resource Management, LLC, and The Hronis Family Limited Partnership.

36. **“Debtors’ Cash”** means the Cash of the Debtors immediately prior to the Effective Date.

37. **“Debtors’ Cash Accounts”** means the accounts containing the Debtors’ Cash.

38. **“Debtors-in-Possession”** means the Debtors in their capacity as debtors-in-possession in the Chapter 11 Cases pursuant to Sections 1101, 1107(a) and 1108 of the Bankruptcy Code.

39. **“DIP Motion”** means and refers to the *First Day Motion for Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Senior Secured Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Provide Superpriority Administrative Expense Claims; (II) Granting Adequate Protection to Certain Prepetition Secured Parties; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [D.I. 38], as amended by the *Motion to Amend Final DIP Order* [D.I. 402].

40. **“Disallowed”** means, with reference to any Claim, (a) a Claim, or any portion thereof, that has been disallowed by a Final Order, (b) a Claim, or any portion thereof, that is expressly disallowed under the Plan, or (c) unless scheduled by the Debtors as a liquidated, non-contingent, and undisputed Claim, a Claim as to which a Bar Date has been established by the Bankruptcy Code, Bankruptcy Rules, or Final Order but no Proof of Claim has been timely filed or

1 deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final
2 Order.

3 41. **“Disputed”** means with reference to any Claim, a Claim or any portion thereof that
4 is neither an Allowed Claim nor a Disallowed Claim.

5 42. **“Distributable Proceeds”** means Cash constituting Available Trust Proceeds in the
6 Distribution Account that the Liquidating Trustee determines is available for Distribution to Holders
7 of Allowed Class 4(a), Allowed Class 4(b), Allowed Class 4(c), and Allowed Class 5 Claims, in
8 accordance with the terms of the Plan.

9 43. **“Distribution”** means any distribution to the Holders of Allowed Claims made
10 pursuant to the Plan.

11 44. **“Distribution Account”** means the account of the Liquidating Trust into which Cash
12 constituting Available Trust Proceeds is to be deposited pursuant to the terms of the Plan to fund
13 Distributions to Holders of Allowed Class 4(a), Allowed Class 4(b), Allowed Class 4(c), and
14 Allowed Class 5 Claims in accordance with the terms of the Plan.

15 45. **“Distribution Record Date”** means the date of entry of the Confirmation Order or
16 such other date designated in the Confirmation Order.

17 46. **“DLP Adversary”** means *DLP Funding LLC v. Hronis, Inc. et al.*, Adv. Proc. No.
18 26-01017, commenced by DLP Funding, and including counterclaims filed by the Debtors against
19 DLP Funding.

20 47. **“DLP Disputed Fund Account”** means the segregated trust account at Axos Bank,
21 Account No. Ending in 8290 created by the Debtors, pursuant to and as provided by an order of the
22 Court [D.I. 287], in the amount of \$3,644,482.52 in disputed accounts receivable, the ownership,
23 rights and priorities of which are subject to further order of the Court and resolution of the DLP
24 Adversary.

25 48. **“Docket”** means the docket in the Chapter 11 Cases maintained by the Clerk.

26 49. **“D&O Commercial Tort Claims”** means all commercial tort claims and causes of
27 action of the Debtors and/or the Estates against any former or current directors, officers, or any other
28 insider or employee, except for against any Exculpated Parties, of any Debtor who are subject to or

1 covered by applicable directors' and officers' liability insurance and the proceeds and products
2 thereof, provided that such claims and causes of action may be recovered only against available
3 directors' and officers' liability insurance.

4 50. **"Effective Date"** means the date on which all of the conditions specified in
5 Article XIV(B) of the Plan have been satisfied or (to the extent permitted by the Plan) waived.

6 51. **"Entity"** means an entity as defined in Section 101(15) of the Bankruptcy Code.

7 52. **"Equity Interests"** means any equity interests in any of the Debtors, including all
8 authorized and issued or unissued membership interests or stock interests together with any
9 warrants, options or contract rights to acquire such interests at any time.

10 53. **"Estates"** means the estates of the Debtors created upon the commencement of
11 the Chapter 11 Cases pursuant to Section 541 of the Bankruptcy Code.

12 54. **"Exculpated Parties"** means (a) the Debtors, (b) the Debtors' Co-Chief
13 Restructuring Officers (Scott Avila and Allen Soong), (c) Paladin Management Group, LLC, (d)
14 Matthew English and Arch & Beam Global, LLC, (e) the Debtors' post-petition professionals
15 appointed pursuant to Section 327(a) of the Bankruptcy Code and/or pursuant to the Court's Order
16 Authorizing the Debtors to Employ Professionals in the Ordinary Course of Business, (f) the
17 Debtors' officers and directors first appointed as of the Petition Date and other employees' who are
18 not officers or directors and who are not subject to or covered by applicable directors' and officers'
19 liability insurance, (g) with respect to any person named in (a)-(f), such person's successors and
20 assigns, (g) the Committee, (h) the members of the Committee (but solely in their capacity as such),
21 (i) the Committee's professionals, (j) Conterra, (k) the professionals of Conterra, (l) Magnetar
22 Capital and its affiliates, and (m) the professionals of Magnetar Capital and its affiliates. For the
23 avoidance of doubt, members of the Hronis family are not Exculpated Parties.

24 55. **"Executory Contract"** means any executory contract or unexpired lease as of the
25 Petition Date between any of the Debtors and any other Person or Persons, specifically excluding
26 contracts and agreements entered into pursuant to this Plan.

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56. **“Face Amount”** means (a) when used in reference to a Disputed Claim, the asserted amount of the Disputed Claim, and (b) when used in reference to an Allowed Claim, the Allowed Claim amount.

57. **“Federal Judgment Rate”** means the federal judgment rate, calculated in accordance with 28 U.S.C. § 1961, as in effect as of the Petition Date, or such other interest rate that, as determined by the Bankruptcy Court at the Confirmation Hearing, will cause the Plan to conform to, and meet, the requirements of applicable law.

58. **“Final DIP Order”** means and refers to the *Final Order (I) Authorizing the Debtors to (A) Obtain Postpetition Operational Cash Flow Financing and (B) Use Cash Collateral; (II) Granting (A) Liens and Providing Superpriority Administrative Claims and (B) Adequate Protection to Prepetition Secured Parties; (III) Modifying the Automatic Stay; and (IV) Granting Related Relief* entered in the Chapter 11 Cases by the Bankruptcy Court on April 24, 2026 [D.I. 258].

59. **“Final Distribution Date”** means the date on which the final distribution of Distributable Proceeds is made to Holders of Allowed Class 4(a), Allowed Class 4(b), Allowed Class 4(c), and Allowed Class 5 Claims entitled to receive Distributions under the Plan, as determined by the Liquidating Trustee in consultation with the Plan Oversight Committee.

60. **“Final Fee Application”** means an application for final allowance of a Professional’s aggregate Professional Fee Claim.

61. **“Final Order”** means an Order of the Bankruptcy Court or a court of competent jurisdiction to hear appeals from the Bankruptcy Court that has not been reversed, stayed, modified or amended, and as to which the time to appeal, petition for certiorari or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for reargument or rehearing shall then be pending; provided, however, that the possibility that a motion under Rule 59 or 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or applicable state court rules of civil procedure, may be filed with respect to such order shall not cause such order not to be a Final Order.

62. **“General Bar Date”** means July 14, 2026.

63. **“General Unsecured Claim”** means any Claim against any of the Debtors that arose or is deemed by the Bankruptcy Code or Bankruptcy Court, as the case may be, to have arisen before the Petition Date and that is not (i) an Administrative Expense Claim, (ii) a Priority Tax Claim, (iii) a Secured Claim, (iv) a Priority Non-Tax Claim, or (v) an Intercompany Claim.

64. **“Governmental Bar Date”** means September 2, 2026.

65. **“Governmental Unit”** has the meaning set forth in Section 101(27) of the Bankruptcy Code.

66. **“GUC Carveout”** has the meaning set forth in Article IV.D.2 of the Plan.

67. **“Holder”** means the beneficial holder of any Claim or Equity Interest.

68. **“Impaired”** means “impaired” as the term is used in Section 1124 of the Bankruptcy Code.

69. **“Initial Cash Carveout”** means the initial cash contribution of \$500,000 from the Prepetition Lender to the GUC Carveout as provided in the Stipulation.

70. **“Initial Distribution Date”** means the date upon which initial Distributable Proceeds from the Distribution Account are made to Holders of Allowed Class 4(a), Allowed Class 4(b), Allowed Class 4(c), and Allowed Class 5 Claims entitled to receive Distributions under the Plan, as determined by the Liquidating Trustee in consultation with the Plan Oversight Committee.

71. **“Insider Chapter 5 Claims”** means all claims or causes of action of the Debtors or the Estates to recover against insiders of the Debtors and any family members of such insiders arising under Chapter 5 of the Bankruptcy Code and the proceeds or products thereof, including claims to recover fraudulent transfers and preferential transfers.

72. **“Insurance Policies”** means any issued policy of insurance and any agreements relating thereto covering one or more of the Debtors, the Debtors’ Estates, or their assets, directors, officers, members, managers, employees and fiduciaries, or that may be available to provide coverage for Claims against any Debtor or any of the foregoing, including any general liability, property, workers compensation, casualty, umbrella or excess liability policy(ies), errors and omissions, director and officer or similar executive, fiduciary and organization liability policy(ies) (A, B or C coverage), and any tail or extended reporting requirement with respect thereto.

73. **“Intercompany Claims”** means (i) any account reflecting intercompany book entries by one Debtor with respect to the other Debtor, or (ii) any Claim that is not reflected in such book entries and is held by a Debtor against another Debtor, in each case accruing before or after the Petition Date through the Effective Date, including any Claim for reimbursement, payment as guarantor or surety, or any Claim for contribution or expenses that were allocable between or among more than one of the Debtors.

74. **“Lien”** means any mortgage, pledge, deed of trust, assessment, properly perfected and unavoidable security interest, lease, lien, adverse claim, levy, charge or other encumbrance of any kind, including any “lien” as defined in Section 101(37) of the Bankruptcy Code, or a conditional sale contract, title retention contract or other contract to give any of the foregoing.

75. **“Liquidating Trust”** means the grantor trust created by the Liquidating Trust Agreement into which Cash, Causes of Action, and other assets of the Estates shall be assigned to be administered by the Liquidating Trustee pursuant to the Plan.

76. **“Liquidating Trust Agreement”** means an agreement in substantially the form as the agreement attached hereto as **Exhibit B**.

77. **“Liquidating Trustee”** means the person appointed pursuant to Article IX(A) of this Plan to serve as trustee of the Liquidating Trust, and to carry out the duties and responsibilities set forth herein, in the Liquidating Trust Agreement, and any applicable engagement letter, on behalf of the Estates and the Post-Effective Date Debtors, whose identity will be disclosed in the Plan Supplement.

78. **“Local Rules”** means the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Eastern District of California.

79. **“Notice Parties”** shall have the meaning set forth in Article VII(A)(2) of this Plan.

80. **“Order”** means an order or judgment of the Bankruptcy Court as entered on the Docket.

81. **“PACA Claims”** mean claims arising under Section 5(c) of the Perishable Agricultural Commodities Act of 1930, 7 U.S.C. § 499e(c).

82. **“Person”** means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, an estate, a trust, an unincorporated association or organization, a governmental unit or any agency or subdivision thereof, or any other Entity.

83. **“Petition Date”** means March 6, 2026.

84. **“Plan”** means this combined disclosure statement and chapter 11 plan of liquidation, including, without limitation, all exhibits, supplements, appendices and schedules hereto, either in their present form or as the same may be altered, amended or modified from time to time through the Effective Date.

85. **“Plan Documents”** means this Plan, the Plan Supplement and all of the exhibits and schedules attached to any of the foregoing and any amendments or modifications made thereto.

86. **“Plan Oversight Committee”** means the committee appointed pursuant to Article IX(C) of this Plan.

87. **“Plan Supplement”** means any appendix of schedules and exhibits or other documents deemed by the Debtors to be necessary or appropriate for the Court’s or parties’ consideration of the Plan prior to the Effective Date.

88. **“Post-Effective Date Debtors”** means the reorganized Debtors after the Effective Date.

89. **“Post-Effective Date Debtor Expenses”** means any and all reasonable post-Effective Date costs and expenses of the Post-Effective Date Debtors.

90. **“Post-Effective Date Estate”** means all assets of the Estates as of the Effective Date or created thereafter that are not assigned to the Liquidating Trust as Trust Assets under this Plan.

91. **“Post-Effective Date Liquidating Trust Expenses”** means any and all reasonable post-Effective Date costs and expenses of the Liquidating Trust including, without limitation: (i) Taxes of the Liquidating Trust arising after the Effective Date and that do not constitute an Administrative Claim, Priority Claim, or General Unsecured Claim; (ii) the costs and expenses incurred by the Liquidating Trust in connection with the implementation of the Plan (including in connection with any appeal of the Confirmation Order); (iii) reasonable compensation and reimbursement of expenses of the Liquidating Trustee and the professionals and consultants retained

1 by the Liquidating Trustee (whether in connection with the litigation and/or settlement of Causes of
2 Action, or otherwise); (iv) the costs and expenses of the Liquidating Trust to administer the
3 Liquidating Trust and the Trust Assets, including all statutory fees after the Effective Date and
4 associated with distributions made from the Liquidating Trust; and (v) the costs and expenses
5 incurred after the Effective Date related to the storage or destruction of the Books and Records. The
6 Post-Effective Date Liquidating Trust Expenses shall not include any Post-Effective Date Debtor
7 Expenses.

8 92. **“Post-Effective Date Liquidating Trust Account”** means a segregated reserve
9 account of the Liquidating Trust funded from the Initial Cash Carveout and any other Cash made
10 available or payable to the Committee by Conterra pursuant to the Stipulation, on or as soon as
11 practicable after the Effective Date, and any Cash obtained or received by the Liquidating Trust
12 after the Effective Date from whatever source, including, without limitation, the proceeds or
13 products of the Trust Assets. On the Effective Date, the Post-Effective Date Liquidating Trust
14 Account shall be funded in the amount set forth on **Exhibit C** attached hereto or as otherwise
15 provided in the Plan Supplement or Confirmation Order.

16 93. **“Post-Effective Date Debtor Reserve Account”** means a segregated reserve
17 account of the Post-Effective Date Debtors funded from the Debtors’ Cash, on or as soon as
18 practicable after the Effective Date, in an amount needed to pay the Post-Effective Date Debtor
19 Expenses.

20 94. **“Prepetition Credit Agreements”** shall have the meaning set forth in Article
21 III(C)(1) of this Plan.

22 95. **“Prepetition Lender”** means Conterra Agricultural Capital, LLC.

23 96. **“Prepetition Lender Secured Claim”** has the meaning set forth in Article IV(A)(2)
24 of this Plan.

25 97. **“Prepetition Lender Deficiency Claim”** has the meaning set forth in Article IV(D)
26 of this Plan.

1 98. “**Priority Non-Tax Claim**” means a Claim that is accorded priority in right of
2 payment under Section 507 of the Bankruptcy Code, other than a Priority Tax Claim or an
3 Administrative Expense Claim.

4 99. “**Priority Tax Claim**” means a Claim that is entitled to priority under Section
5 507(a)(8) of the Bankruptcy Code.

6 100. “**Pro Rata Share**” means, with respect to any Distribution on account of any
7 Allowed Claim, the ratio that the amount of such Allowed Claim bears to the aggregate amount of
8 all Allowed Claims in Class 4(a), Class 4(b), Class 4(c), and Class 5.

9 101. “**Professional**” means any professional person employed in the Chapter 11 Cases
10 pursuant to Sections 327, 328 or 1103 of the Bankruptcy Code or otherwise pursuant to an Order of
11 the Bankruptcy Court.

12 102. “**Professional Fee Claim**” means a Claim under Sections 330(a), 331 or 503 of the
13 Bankruptcy Code for compensation of a Professional or other Entity for services rendered or
14 expenses incurred in the Chapter 11 Cases.

15 103. “**Professional Fee Claims Reserve**” means a segregated reserve account of the Post-
16 Effective Date Debtors, established on or as soon as practicable after the Effective Date in
17 accordance with the Plan, in the amount set forth on **Exhibit C** attached hereto or as otherwise
18 provided in the Plan Supplement or Confirmation Order, which shall be the amount needed to pay
19 the Allowed Professional Fee Claims in full (including the fees and costs of prosecuting final Fee
20 Applications), which may be from funds made available pursuant to the Final DIP Order or any
21 order amending or modifying the Final DIP Order.

22 104. “**Rejection Bar Date**” means the deadline to file a proof of claim for damages
23 relating to the rejection of an executory contract or unexpired lease. If the executory contract or
24 unexpired lease is rejected via a motion, the Rejection Bar Date is set by that motion; if the
25 executory contract or unexpired lease is rejected pursuant to this Plan, the Rejection Bar Date is 30
26 days from the Effective Date.

105. “**Reserve Accounts**” means the Professional Fee Reserve Account, the SAP Claims Reserve Account, the Post-Effective Date Debtor Reserve Account, and the Post-Effective Date Liquidating Trust Account.

106. “**Sale Hearing**” means the hearing on June 30, 2026, whereby the Bankruptcy Court approved the Sales of substantially all of the Debtors’ remaining assets.

107. “**Sale Motion**” means the *Debtors’ Motion for Entry of an Order (I) Approving the Sale of Substantially All of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances; (II) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief* [D.I. 278].

108. “**Sales**” shall have the meaning set forth in Article III(D)(1) of this Plan.

109. “**SAP Claims Reserve Account**” means the reserve account of the Post-Effective Date Debtors funded from the Debtors’ Cash Account, on or as soon as practicable after the Effective Date, for all (i) Administrative Claims asserted against any of the Debtors, (ii) Priority Tax Claims asserted against any of the Debtors, (iii) Class 1 Priority Non-Tax Claims asserted against any of the Debtors, and (iv) the amount of Administrative Claims that the Debtors and the Liquidating Trustee anticipate will be filed prior to the Administrative Claim Bar Date, to the extent not included within subsection (i) of this definition.

110. “**Schedules**” means the schedules of assets and liabilities and the statement of financial affairs filed by each Debtor on April 3, 2026 and any and all amendments and modifications thereto. The Schedules for all Debtors are available on the Balloting Agent’s website, at: <https://bankruptcy.angeiongroup.com/Clients/hro/Static/SOALS>.

111. “**Secured Claim**” means a Claim (i) that is secured by a Lien on property in which any of the Estates has an interest, which Lien is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law, or a Claim that is subject to a valid right of the Creditor of setoff against amounts owed to any of the Debtors; (ii) to the extent of the value of the Holder’s interest in any of the Estate’s interest in such property or to the extent of the amount subject to a valid right of setoff, as applicable; and (iii) the amount of which (A) is undisputed by the Debtors or (B) if disputed by the Debtors, such dispute is settled by written

1 agreement between the Debtors or the Liquidating Trustee and the Holder of such Claim, or
2 determined, resolved or adjudicated by Final Order.

3 112. **“Statutory Fees”** means any and all fees payable pursuant to Section 1930 of title
4 28 of the United States Code and any interest thereupon.

5 113. **“Stipulation”** means the *Stipulation Setting Forth Settlement Resolving*
6 *Committee’s Challenge to Conterra’s Credit Bidding Rights under Section 363(k) and Other*
7 *Disputes* filed June 11, 2026 [Docket No. 389] and approved June 25, 2026 [Docket No. 446], a
8 copy of which is attached to this Plan as Exhibit F.

9 114. **“Subsequent Distribution Date”** means any date (other than the Final Distribution
10 Date) on which Distributable Proceeds are Distributed to Holders of Allowed Class 4(a), Allowed
11 Class 4(b), Allowed Class 4(c), and Allowed Class 5 Claims following the Initial Distribution Date,
12 as determined by the Liquidating Trustee in consultation with the Plan Oversight Committee.

13 115. **“Tax”** or **“Taxes”** means any and all taxes, levies, imposts, assessments or other
14 charges of whatever nature imposed at any time by any governmental authority or by any political
15 subdivision or taxing authority thereof or therein, and all interest, penalties or similar liabilities with
16 respect thereto.

17 116. **“Trust Assets”** has the meaning set forth in Article XI.D.

18 117. **“Unclaimed Distribution Deadline”** means ninety (90) days from the date the
19 Liquidating Trustee makes a Distribution of Cash or other property under the Plan to a Holder of an
20 Allowed Claim.

21 118. **“Unclaimed Distribution”** means a Distribution that is either returned as
22 undeliverable or that is unclaimed by a Holder of an Allowed Claim on or prior to the Unclaimed
23 Distribution Deadline. For the avoidance of doubt, the term “Unclaimed Distribution” shall include,
24 without limitation, any Distribution made by a check that is not returned as undeliverable but which
25 remains unnegotiated as of the Unclaimed Distribution Deadline.

26 119. **“Undersecured Claims”** means the Claims of Sun Pacific, Peter Hronis, and DLP
27 Funding.

28 120. **“Unimpaired”** means not Impaired.

121. “**UST**” means the Office of the United States Trustee for Region 17, Eastern District of California.

B. Interpretation; Application of Definitions and Rules of Construction

Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include both the singular and the plural and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and neuter. Unless otherwise specified, all section, article, schedule or exhibit references in this Plan are to the respective section in, Article of, Schedule to, or Exhibit to the Plan. The words “herein,” “hereof,” “hereto,” “hereunder” and other words of similar import refer to this Plan as a whole and not to any particular section, subsection or clause contained in the Plan. The word “including” as used in this Plan shall mean “including without limitation” or “including but not limited to” and shall not be limiting in nature. The rules of construction contained in Section 102 of the Bankruptcy Code shall apply to the construction of this Plan. A term used herein that is not defined herein, but that is used in the Bankruptcy Code, shall have the meaning ascribed to that term in the Bankruptcy Code. The headings in this Plan are for convenience of reference only and shall not limit or otherwise affect the provisions of this Plan.

III. BACKGROUND AND DISCLOSURES

A. Business of the Debtors

1. Generally

The Debtors are part of a single business enterprise that has farmed in the San Joaquin Valley since 1945 (the “**Business**”), operating out of a headquarters complex located at 10443 Hronis Road in Delano, California. Kosta Hronis and Peter Hronis are the principal shareholders of the Business. Kosta Hronis was, until January 13, 2026, the Chief Executive Officer and President of Hronis, Inc. Peter Hronis was, until January 13, 2026, the Secretary and Senior Vice President of Sales and Marketing of Hronis, Inc.

The Business grows, harvests, and markets more than 80 million pounds of table grapes annually, with major and regional retailers and supermarket chains and other commercial accounts comprising its primary customer base. Most of the Business’s fruit is harvested from

1 approximately 6,000 acres of owned and leased land.

2 As a vertically integrated producer, the Business cultivates permanent vines of several
3 varieties that yield fruit at different times during the summer and autumn months (typically July
4 through November), harvests and packs those grapes into boxes by hand, stores those packed
5 boxes in cold storage for a period of up to 45 days, and then sells and ships those boxes of grapes
6 to third party customers who, in turn, sell them to consumers. The Business also purchases
7 grapes from other producers, and stores, sells and ships those grapes to third party customers.

8 In the late 1980s, the Hronis family began growing citrus, which is harvested in winter and
9 spring, enabling the Business to harvest fruit year-round. In 2024, the Business signed an
10 agreement with a third party to harvest and sell the citrus and remit net proceeds back to the
11 Business.

12 The approximately 3,700 acres of farmland currently owned by the Debtors is zoned A,
13 Exclusive Agriculture and AE, Intensive Agriculture, 10 to 40 acres minimum. Permitted uses are
14 agricultural and rural in nature. The Debtors' owned properties comprise 26 mostly non-
15 contiguous ranches, each of which is internally identified by a number. The Ranches are located
16 in relative proximity to each other in Kern County and Tulare County, allowing for operational
17 cost efficiencies from economies of scale.

18 The main complex at the Delano headquarters includes the cold storage facility which
19 encompasses over 164,000 refrigerated square feet (the "**Cold Storage Facility**") and includes 16
20 cold storage rooms, six pre-cooling rooms, and a pack room. Offices, shops, supply yards, storage
21 buildings, and other support buildings support the Business.

22 **2. The Debtors**

23 Kosta Hronis and Pete Hronis each hold a 50% ownership interest in the Debtors, with
24 three exceptions: (i) Hronis Ranch, LLC is wholly owned by Demetri Hronis, the son of Kosta
25 Hronis, (ii) Hronis Citrus, LLC is owned by Kosta Hronis, Pete Hronis, and six trusts in the names
26 of third-generation Hronis family members, and (iii) The Hronis Family Limited Partnership has a
27 general partner, Hronis Capital Management, LLC, and the limited partners are six trusts in the
28 names of third-generation Hronis family members.

28

Error! Unknown document property name.

1 Hronis family members (directly or through trusts) hold all equity interests in the Debtors.

2 Hronis, Inc. is the primary business entity of the Debtors and is the customer-facing entity
3 through which sales occur and which operates the Cold Storage Facility.

4 Hronis Capital Assets, LP has no business operations. It owns 1,042 acres of farmland,
5 which are farmed by Hronis Farming, LP.

6 Hronis Capital Management, LLC (“**HCM**”) acts as the general partner of Hronis Farming,
7 LP and Hronis Family Limited Partnership, in which HCM also possesses a 1.05% interest. HCM
8 also has a 1% interest in Hronis Capital Assets, LP.

9 Hronis Citrus, LLC owns a citrus packhouse which is currently inactive.

10 Hronis Farming, LP (“**Hronis Farming**”) carries out all the farming operations of the
11 Business. Hronis Farming contracts with an affiliated non-debtor entity, Grapeco Farm
12 Management, Inc., a California corporation (“**Grapeco**”), that contracts with independent
13 contractors to provide labor for the Business during harvest season.

14 Hronis Fruit Company LLC was previously used as an additional procurement outlet for
15 outside growers. It has no current activity.

16 Hronis Land Company is a general partnership in which Kosta Hronis and Peter Hronis are
17 equal partners. Hronis Land Company owns 800 acres of farmland and also owns the largest
18 improvement of the Debtors’ properties, the Cold Storage Facility.

19 Hronis Ranch, LLC owns 999 acres of farmland.

20 Hronis Resource Management, LLC is the employer of record for all year-round personnel
21 at Hronis, Inc. and Hronis Farming, LP. Non-Debtor Grapeco contracts with independent
22 contractors to provide both year-round labor as well as seasonal labor for the harvest.

23 The Hronis Family Limited Partnership has no operations but owns 767 acres of farmland
24 and a 19.54-acre shop/boxyard at the Debtors’ Delano headquarters.

25 Peter Hronis, Kosta Hronis and their relatives hold interests in several other entities which
26 are not Debtors in these Chapter 11 Cases.
27

28

1 **3. Events Leading to the Commencement of the Chapter 11 Cases**

2 The Business, like many other agricultural companies in the San Joaquin Valley, was
3 impacted by rising input costs and increasingly frequent extreme weather events. Additionally, in
4 2017, the Debtors were audited by the Internal Revenue Service, which determined that the
5 Debtors had an unpaid Federal tax obligation of \$12 million. The Debtors believe this oversight
6 was due to negligence on the part of their outside accounting firm. The Debtors immediately took
7 out a loan to pay this amount and commenced litigation against that accounting firm but recovered
8 only \$1 million. This left the Debtors particularly vulnerable to industry-wide external shocks.

9 In 2023, Hurricane Hilary struck the San Joaquin Valley. The storm set new rainfall
10 records and decimated the grape crop, leading most grape growers to invoke force majeure and
11 cancel deliveries, which drove prices to historic highs. The Debtors attempted to take advantage
12 of the price environment and capture new accounts from competitors by filling their commitments
13 to existing customers as well as many orders as possible for customers who had been abandoned
14 by their usual suppliers. The strategy was successful in opening new doors, but it obligated the
15 Debtors to deliver fruit when the operational cost for doing so had significantly increased with the
16 storm damage. With lower yields overall and a higher labor component per unit, margins
17 dissipated, and the Business lost money at the operating level even though revenue increased more
18 than 21%.

19 Left in a weaker financial position, in 2024, the Debtors could not access enough working
20 capital to harvest as much fruit from contract growers or leverage the spot market as extensively as
21 in previous years. Additionally, while the 2024 season featured more favorable weather
22 conditions than 2023, it ultimately ended with an excess of red table grapes in the market, just
23 after the Debtors had entered into a new working capital credit facility with Conterra, as described
24 more fully below. Prices for red grapes collapsed from \$24 to \$8 per 19-pound box. Liquidity
25 became so tight that more than \$30 million in payables owed to trade vendors and contract
26 growers, which would typically be settled in full by season-end, remained outstanding in January
27 2025. The Debtors were in default with Conterra and negotiated a forbearance agreement and also
28 began exploring strategic alternatives with an investment banker, Ducera Partners LLC.

1 In 2025, rather than surpass 2024, total shipments for the industry for 2025 decreased. The
2 Debtors were unable to consummate a strategic sale or recapitalization transaction that would have
3 resolved the Debtors' overburdened balance sheet, despite many months of effort, including the
4 contribution of personal funds by the shareholders.

5 By April 2025, the Debtors were in default of their credit facility with Conterra, and
6 Conterra provided the Debtors notice of this default, reserving the right to seek foreclosure or the
7 appointment of a receiver. By letter agreements in April and June 2025, Conterra increased the
8 maximum amount under the existing credit facility by over \$30 million. In part, Conterra's
9 willingness to provide this additional lending was premised upon a commitment of Peter Hronis to
10 provide funding to the Debtors in the amount of \$8 million. Peter Hronis did not fulfill his
11 commitment to provide this additional funding.

12 Starting in May 2025, the Debtors employed Paladin Management Group ("**Paladin**") to
13 provide financial advisory services. On June 27, 2025, in conjunction with negotiations with
14 Conterra, the Debtors retained Allen Soong and Scott Avila as the Debtors' co-Chief
15 Restructuring Officers (each, a "**co-CRO**," and collectively, along with Paladin, the "**CRO**") to,
16 among other things, review the Debtors' books and records and provide transparent financial
17 reporting to Conterra.

18 In and around December 2025 and January 2026, the Debtors and Conterra began
19 discussing and negotiating for a possible consensual bankruptcy filing supported by debtor-in-
20 possession financing (the "**DIP Facility**") from Conterra.

21 To avoid receivership and foreclosure, and as required by the forbearance agreement with
22 Conterra, Peter and Kosta Hronis, along with Peter N. Hronis and Demetri Hronis, resigned from
23 their positions as directors and officers of the Debtors on or about January 13, 2026.

24 On January 14, 2026, each of the Debtors appointed Matthew English ("**Mr. English**") as
25 an independent director and/or independent manager of the Debtors, and the CRO became the sole
26 corporate officer of the Debtors, under the exclusive direction of the independent director.

1 **B. Summary of Prepetition Indebtedness**

2 **1. Secured Debt**

3 **a. AgAmerica Land Loan**

4 On or about December 29, 2023, five of the Debtors (Hronis Ranch, LLC, The Hronis
5 Family Limited Partnership, Hronis Land Company, Hronis Citrus, LLC, and Hronis Capital
6 Assets, LP) and two non-debtors (Peter John Hronis and Kosta James Hronis) (collectively, the
7 “**AgAmerica Borrowers**”) entered into a Term Loan Agreement (the “**Land Loan**”) with
8 AgAmerica Lending LLC, (“**AgAmerica**”), pursuant to which AgAmerica made two loans in the
9 aggregate principal amount of \$70,000,000. Hronis, Inc, Hronis Farming, LP, Hronis Capital
10 Management, LLC, and Hronis Racing LLC were guarantors of the Land Loan.

11 To provide for repayment, the AgAmerica Borrowers signed two promissory notes (one in
12 the principal amount of \$50,000,000, and another in the principal amount of \$20,000,000), each
13 bearing 11% annual cash interest, paid quarterly. The Land Loan was secured by senior deeds of
14 trust on the real property of the Debtors, recorded on or about December 29, 2023 with the
15 recorder’s offices of Kern County and Tulare County, respectively.

16 AgAmerica assigned all its rights under the Land Loan to Ag REIT Two, LLC (“**Ag**
17 **REIT**”). On or about February 6, 2026, Conterra acquired the Land Loan from Ag REIT and
18 became the successor in interest. As of the Petition Date, the total amount due on the Land Loan
19 was approximately \$71.95 million, consisting of approximately \$70 million in principal and
20 interest of \$1.95 million.

21 **b. Conterra Operating Loan**

22 Originally, each of the Debtors entered into a Loan and Security Agreement, dated October
23 29, 2024 (the “**Operating Loan**” and together with the Loan Documents, collectively, the
24 “**Prepetition Credit Agreements**”), with Conterra, which provided for a revolving line of credit
25 with a maximum draw amount of \$55,000,000. To provide for repayment, the Debtors signed a
26 Promissory Note, dated October 29, 2024, in favor of Conterra in the amount of \$55,000,000.
27 Peter and Kosta Hronis are guarantors on the Operating Loan.

28 To secure the repayment of the Operating Loan: (a) eight of the Debtors (all Debtors

except for Hronis Ranch LLC and Hronis Resource Management, LLC) granted a security interest in all personal property; and (b) five of the Debtors (Hronis Ranch, LLC, The Hronis Family Limited Partnership, Hronis Land Company, Hronis Citrus, LLC, and Hronis Capital Assets, LP) executed: (i) a Deed of Trust, Security Agreement, Assignment of Rents, and Fixture Filing for real property located in Kern County; and (ii) a Deed of Trust, Security Agreement, Assignment of Rents, and Fixture Filing for real property located in Tulare County.

The deeds of trust granted to Conterra are junior in priority to the deeds of trust originally granted to AgAmerica, pursuant to an Intercreditor Agreement between Conterra and Ag REIT made as of October 29, 2024.

By letter agreements, dated April 9, 2025, and June 27, 2025, the maximum amount of the line of credit under the Operating Loan was increased to \$85,850,000.

c. DLP Funding MCA

Four of the Debtors (Hronis Fruit Company, Hronis, Inc., Hronis Ranch LLC, and Hronis Citrus LLC) and seven non-debtor entities (collectively, the “**Merchants**”) entered into a Merchant and Security Agreement (“**MCA Agreement**”) with DLP Funding LLC (“**DLP Funding**”), dated as of November 14, 2025, whereunder the Merchants purported to sell, assign, and transfer to DLP certain future receipts. In the agreement, the Merchants also granted a security interest in all accounts, inventory, equipment, and general intangibles.

DLP Funding filed a UCC-1 financing statement with the Office of the California Secretary of State, on November 25, 2025, covering certain future receipts (UCC File No. U250213981733).

Shortly after the Merchants entered into the MCA with DLP Funding, DLP Funding asserted a default by the Merchants. On December 8, 2025, DLP Funding filed a complaint in the Supreme Court of the State of New York for breach of contract and to recover on account of personal guarantees, demanding judgment in the amount of \$3,948,760.77 plus interest, costs and attorneys’ fees. The Merchants thereafter entered into a stipulation of settlement with DLP Funding. That stipulation of settlement required payment to DLP Funding of \$3,325,000 by December 19, 2026, absent which DLP Funding would be entitled to judgment in the amount of

1 \$4,935,950.96 plus interest and costs. Thereafter, based on its assertion that it did not receive the
2 settlement amount, DLP Funding submitted the stipulation of settlement to the state court, and
3 thereupon, on January 6, 2026, the court entered judgment against the Merchants in the amount of
4 \$5,145,160.16.

5 The Debtors later filed a motion against DLP Funding for alleged violation of the
6 automatic stay. The Court denied that motion but, based on the agreement of DLP Funding and
7 Conterra, the Court ordered the establishment of an account of up to \$3,644,482.52 in disputed
8 accounts receivable that would be held in trust by the Debtors subject to further Court order or
9 resolution in an adversary proceeding filed by DLP Funding to adjudicate the ownership of those
10 funds [D.I. 287].

11 DLP Funding filed the DLP Adversary on April 21, 2026, seeking, among other things, a
12 declaratory judgment that it had purchased certain of the Debtors' accounts receivable prior to the
13 Petition Date, so these accounts were not property of the Debtors' bankruptcy estates.

14 The Debtors filed counterclaims in the adversary proceeding, asserting, among other
15 things, that the MCA was disguised secured financing and not a true sale, that DLP Funding
16 released its liens under the stipulation, that DLP Funding's rights under the MCA merged into the
17 judgment, and that any lien or interest of DLP Funding in the accounts receivable is junior to that
18 of Conterra.

19 **d. Sun Pacific Loan**

20 On or about December 17, 2025, Sun Pacific Farming Cooperative, Inc. and Evans AG
21 GP, Inc. (collectively "**Sun Pacific**") issued a loan to the Debtors and certain non-debtors (Hronis
22 Racing, LLC, Kosta James Hronis, and Peter John Hronis) in the amount of \$10,045,000 (the
23 "**Sun Pacific Loan**"). The funds were used to pay off five merchant cash advance loans (not
24 including DLP Funding) that various Debtors had taken out during 2025. To provide for
25 repayment, the borrowers executed an Amended and Restated Secured Promissory Note, due
26 September 1, 2026.

27 Sun Pacific filed a UCC-1 financing statement with the Office of the California Secretary
28 of State, on January 5, 2026, listing all Debtors (and the three non-debtor borrowers) and covering

1 substantially all personal property.

2 As of the Petition Date, the amount due Sun Pacific was approximately \$10.2 million
3 including interest.

4 e. **Peter Hronis Loan**

5 On September 26, 2025, the Debtors executed a Secured Line of Credit Promissory Note
6 promising to pay Peter Hronis a principal sum not to exceed \$8,000,000 or so much thereof as
7 shall be from time to time advanced.

8 Between September 26, 2025, and the Petition Date, Peter Hronis transferred \$2,960,000 to
9 the Debtors. Peter Hronis filed a UCC-1 financing statement with the Office of the California
10 Secretary of State, on October 29, 2025, listing all Debtors and covering all assets (UCC file
11 number U250204995328).

12 The Debtors dispute whether this loan is enforceable. The Debtors' obligations under this
13 loan are subject to potential objection and/or equitable subordination.

14 2. **Unsecured Debt and PACA Debt**

15 According to the Debtors' books and records, the Debtors had approximately \$30 million
16 in aggregate unsecured claims as of the Petition Date. This amount includes approximately \$1
17 million in inter-Debtor payables. To date, Proofs of Claim totaling approximately \$20 million
18 have been filed against the Debtors. Almost all of these claims are asserted against Hronis, Inc. or
19 Hronis Farming, LP.

20 The Debtors filed a motion to establish procedures for the submission of claims pursuant to
21 PACA. The Bankruptcy Court entered an order on April 15, 2026 [D. I. 225] approving these
22 procedures as the exclusive procedures for asserting a PACA Claim, including the form of a
23 PACA proof of claim and setting a deadline of May 14, 2026 at 5:00 p.m. (PT) for the assertion of
24 a PACA Claim. The Debtors have acknowledged valid PACA Claims in the amount of
25 \$117,840.00.

26 IV.

THE CHAPTER 11 CASES

A. Commencement of the Chapter 11 Cases

On the Petition Date, each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the Court. The Chapter 11 Cases have been jointly administered for procedural purposes only.

1. First Day Relief

On the Petition Date, the Debtors sought various types of “first day” relief intended to facilitate the transition of the Debtors’ ordinary business operations into chapter 11. The Bankruptcy Court entered several “first day” orders, which authorized, among other things:

- the joint administration of the Debtors’ related bankruptcy cases [D.I. 85];
- the Debtors to maintain their bank accounts and cash management system [D.I. 82];
- adequate assurances of future performance for utility companies, and established procedures for requests for additional assurance [D.I. 92];
- the Debtors to (A) pay certain prepetition benefits and other compensation, and (B) continue employee compensation and employee benefits programs [D.I. 91]; and
- the appointment of Donlin, Recano, & Company as claims and noticing agent [D.I. 88].

2. The DIP Facility

In the time leading up to the Petition Date, the Debtors undertook soliciting offers for and negotiating a debtor-in-possession financing facility. Specifically, the Debtors, with the assistance of Paladin, made inquiries into alternatives for financing and solicited proposals for debtor-in-possession financing from several financial institutions. The Debtors evaluated the prospective lenders and their proposals on a number of factors, including economic terms, impact on the Business, restrictions on the use of proceeds and the collateral and security packages requested. The Debtors also considered the possibility of seeking a “priming” loan pursuant to section 364(d) of the Bankruptcy Code (i.e., a loan secured by liens higher in priority than Conterra’s liens). Given their financial condition, financing arrangements and capital structure, and given the significant risks and uncertainty of prevailing in what the Debtors believed would be an almost certain dispute with Conterra over any proposed priming debtor-in-possession loan, the Debtors

1 concluded that obtaining financing from Conterra was in the best interests of the Debtors' estates
2 (the "**Estates**"). Additionally, because it was the Debtors' prepetition secured lender, Conterra
3 was familiar with the Debtors, their businesses and their capital structure. This familiarity enabled
4 Conterra to act more quickly and limit diligence risk, both of which were crucial in light the
5 Debtors' critical need for liquidity.

6 In one of their first day motions, the Debtors sought interim approval, which the Court
7 granted on March 12, 2026 [D.I. 79] (the "**Interim DIP Order**"), to enter into a postpetition
8 financing arrangement with Conterra (the "**DIP Financing Agreement**"), the Debtors' first
9 priority secured lender. The Interim DIP Order permitted the Debtors to access a DIP facility
10 consistent with the approved DIP Budget, and has allowed the Debtors to continue to operate,
11 uninterrupted, since the Petition Date.

12 On April 24, 2026, the Court entered an order approving the same financing arrangement
13 on a final basis [D.I. 258] (the "**Final DIP Order**"), with certain revisions responsive to the
14 Committee's requests and which the Debtors and Conterra accepted, including a \$100,000
15 increase in the amount budgeted for the Committee's professionals, a \$25,000 increase to the
16 Committee's budget for investigating potential claims against Conterra, and a reservation as to the
17 Court's determination of whether Conterra should be granted liens on chapter 5 claims until the
18 sale hearing.

19 The Interim DIP Order and Final DIP Order set certain Milestones the Debtors must meet
20 to maintain their access to the DIP Facility. The Milestones included those relating to the sale of
21 substantially all of the Debtors' assets through an auction. The Milestones also required that
22 Conterra be designated as the stalking horse bidder, but contemplated the potential designation of
23 an alternative stalking horse bidder if the Debtors received an acceptable higher and better bid.

24 Conterra funded the DIP Facility in the approximate amount of \$30 million as of July 10,
25 2026. In total, as of that date, Conterra had a secured claim on account of the amount owed on the
26 DIP Facility, Operating Loan and Land Loan (the "**Prepetition Lender Secured Claim**"), in the
27 approximate amount of \$176 million.

1 **3. Representation of the Debtors**

2 On April 6, 2026 the Debtors filed (1) an application to employ Saul Ewing LLP as
3 bankruptcy counsel [D.I. 179], which was approved by the Bankruptcy Court on April 27, 2026
4 [D.I. 263]; (2) an application to retain the Balloting Agent as administrative advisor [D.I. 192],
5 which was approved by the Bankruptcy Court on April 24, 2026 [D.I. 261]; (3) an application to
6 retain GBB Advisors & Graham and Associates (“**GBB Advisors**”) as their investment banker to
7 market and sell the Debtors’ assets [D.I. 184], which was approved by the Bankruptcy Court on
8 April 24, 2026 [D.I. 260]; and (4) a motion for authority to employ professionals in the ordinary
9 course of business [D.I. 198], which was approved by the Bankruptcy Court on April 24, 2026
10 [D.I. 262].

11 **4. Formation and Representation of the Committee**

12 On March 20, 2026, the UST appointed the following unsecured creditors to be members
13 of the Committee [D.I. 103]: (1) Buttonwillow Warehouse Company, Inc.; (2) Batth Brothers
14 Farm; (3) Robinhood Logistics, Inc.; (4) Wescott Agri Products, Inc.; (5) Nutrien Ag Solutions,
15 Inc.; (6) LMG Logistics, LLC; and (7) Bloom Fresh International Limited. Pursuant to an
16 amended notice of appointment file April 30, 2026, Wescott Agri Products, Inc. ceased to be a
17 member of the Committee [D.I. 268].

18 By order dated May 20, 2026 [D.I. 327], the Court approved the Committee’s application
19 to retain the law firm of Raines Feldman Littrell LLP as its counsel as of March 23, 2026. In
20 addition, on June 17, 2026, the Court entered an order approving the Committee’s application to
21 retain Dundon Advisers LLC as its financial advisor [D.I. 422].

22 **B. Schedules and Bar Date, PACA Claims**

23 On March 23, 2026, the Court filed the notice of Notice of Chapter 11 Bankruptcy Case
24 (the “**Notice of Commencement**”) establishing the general claims bar date as July 14, 2026 (the
25 “**General Bar Date**”), and the governmental unit claims bar date as September 2, 2026 (the
26 “**Governmental Bar Date**”) [D.I. 116]. The Court served the Notice of Commencement on all
27 known creditors and parties in interest [D.I. 127].

28 On April 3, 2026, the Debtors filed their Schedules [D.I. 173-174].

1 On March 30, 2026, the Debtors filed the motion to establish exclusive procedures and a
2 bar date of May 14, 2026 at 5:00 p.m. (Pacific Time) for claims arising under § 5(c) of the
3 Perishable Agricultural Commodities Act of 1930 [D.I. 140], which was approved by the Court on
4 April 15, 2026 [D.I. 225].

5 As of the filing of this Disclosure Statement, over 100 proofs of claim (the “**Proofs of**
6 **Claim**”) have been filed in these Chapter 11 Cases, which claims are recorded on the official
7 claims register maintained by the Balloting Agent. Certain claims may be subject to objection,
8 including claims that are inconsistent with the Debtors’ books and records or are not supported by
9 documentation accompanying the claims. Substantive and non-substantive claim objections may
10 be asserted as appropriate.

11 On April 15, the Court entered an order establishing exclusive procedures for the assertion
12 of PACA Claims and setting a May 14, 2026 deadline for the assertion of PACA Claims
13 consistent with those procedures. [D.I. 225]. The Debtors filed a report on June 15, 2026,
14 acknowledging some PACA Claims as valid in whole or in part, and disputing others. [D.I. 401].

15 A summary description of the treatment afforded in the Plan on account of Allowed
16 Claims and Interests is set forth in Article VI.

17 **C. Matters Relating to Unexpired Leases and Executory Contracts**

18 On March 10, 2026, the Debtors filed a motion to reject certain executory contracts and
19 unexpired leases [D.I. 46], which was approved by the Court on April 14, 2026 [D.I. 224].
20 Pursuant to the Bidding Procedures Order (as defined below)—which, among other things,
21 established procedures for the assumption and assignment of executory contracts and unexpired
22 leases—the Debtors filed notices of (i) potential assumption and assignment of executory
23 contracts and unexpired leases and (ii) cure amounts [D.I. 270 & 284].

24 **D. Sale of the Debtors’ Assets**

25 **1. The Bidding Procedures Order**

26 On March 20, 2026, the Debtors filed a motion [D.I. 114] for approval of procedures
27 relating to the sale of the Debtors’ assets (the “**Bidding Procedures Motion**”). On April 24,
28 2026, the Bankruptcy Court entered an order [D.I. 253] granting the Bidding Procedures Motion

(the “**Bidding Procedures Order**”), which, among other things, (a) approved bidding procedures (the “**Bidding Procedures**”) with respect to the sale or sales (collectively, the “**Sales**”) of all or substantially all of the Debtors’ assets or any portion thereof and approved the form and manner of notice thereof; (b) authorized, but not directed, the Debtors to designate Conterra, or an entity to be formed by Conterra, as the stalking horse bidder (the “**Stalking Horse Bidder**”) in accordance with the Bidding Procedures; (c) subject to the Bankruptcy Court’s entry of a further order authorizing the Debtors to consummate the Sales, authorized and approved the Debtors’ entry into and performance under an asset purchase agreement (the “**APA**”) consistent with the Bidding Procedures; (d) scheduled an auction (the “**Auction**”), if necessary, and a sale hearing (the “**Sale Hearing**”) in connection with the Sales; and (e) established procedures for the assumption and assignment of executory contracts and unexpired leases and approved the form and manner of notice thereof. The Court’s order also established deadlines regarding the Sales, including bid and objection deadlines, as well as an auction date and a hearing date for the Sales.

Pursuant to the Bidding Procedures, the sale timeline would be automatically extended if the Committee filed or asserted a challenge (a “**Challenge**”) to Conterra’s ability to credit bid all or any portion of its asserted secured debt. *See* [D.I. 253 at ¶ 26].

2. The Sale Motion and the Committee’s Challenge

On May 5, 2026, the Debtors filed a motion [D.I. 278] to approve (i) the Sales of substantially all of the Debtors’ assets free and clear of liens, claims, interests, and encumbrances, and (ii) the assumption and assignment of executory contracts and unexpired leases (the “**Sale Motion**”).

On April 28, 2026, the Debtors filed and served their original Notice of Auction and Sale Hearing [D.I. 266] in the form and manner approved by the Bidding Procedures Order.

Thereafter, on May 18, 2026, the Committee filed a motion [D.I. 302] for standing to assert a Challenge to Conterra’s ability to credit bid. On that same date, the Committee commenced an adversary proceeding styled as *The Official Committee of Unsecured Creditors of Hronis, Inc. and its Affiliated Debtors vs. Conterra Agricultural Capital, LLC*, Adv. Pro. No. 26-01028 (the “**Adversary Proceeding**”) against Conterra, requesting (i) equitable subordination of

1 Conterra's secured claim(s) to the claims of the general unsecured creditors and the transfer of any
2 lien(s) securing such subordinated claim(s) to the Estates; (ii) declaratory judgment that the
3 personal property of Hronis Ranch, LLC, and Hronis Resource Management, LLC, are not subject
4 to any enforceable security interests or liens asserted by Conterra and, alternatively, are avoidable;
5 (iii) avoidance of preferential transfers with respect to Hronis Fruit Company, LLC, and Hronis
6 Resource Management, LLC; (iv) declaratory judgment that Conterra is not entitled to credit bid
7 its asserted secured claim(s) for cause; (v) declaratory judgment that commercial tort claims of the
8 Debtors are not subject to any security interests or liens asserted by Conterra; (vi) declaratory
9 judgment that the security interests of Conterra in the Debtors' prepetition property do not extend
10 to proceeds, profits, offspring, or products thereof based on the equities of the case; and (vii) an
11 order disallowing Conterra's claim(s) in the Chapter 11 Cases.

12 The Committee also filed an objection [D.I. 322] to the Sale Motion, objecting to the
13 proposed sale on the grounds (i) that Conterra allegedly lacked an allowed claim and held liens
14 subject to bona fide dispute, rendering its proposed credit bid improper under section 363(k); (ii)
15 that the Debtors failed to demonstrate the sale satisfied the standards for a chapter 11 sale of
16 substantially all assets outside a plan, including showing that the transaction served a legitimate
17 business purpose, benefited the estates and unsecured creditors, or provided a viable path to
18 reorganization; (iii) that the proposed transaction would effectively operate as a de facto
19 foreclosure for Conterra's benefit while leaving unsecured creditors without meaningful recovery
20 and potentially rendering the estates administratively insolvent; and (iv) that any sale proceeds
21 should not be distributed to Conterra pending resolution of disputes regarding its claims and liens
22 and consideration of whether the equities of the case warranted preserving value for unsecured
23 creditors.

24 Due to the Committee's Challenge, and pursuant to paragraph 26 of the Bidding
25 Procedures Order, the deadlines established therein were extended. Accordingly, on May 22,
26 2026, the Debtors filed and served their amended Notice of Auction and Sale Hearing [D.I. 266] in
27 the form and manner approved by the Bidding Procedures Order (the "**Amended Sale Notice**"),
28 establishing revised dates and deadlines for the Sale and Auction. Pursuant to the Amended Sale

1 Notice, the Auction was rescheduled from May 27, 2026, to June 24, 2026, at 10:00 a.m. (PT); the
2 Bid Deadline was extended from May 22, 2026, to June 18, 2026, at 5:00 p.m. (PT); and the Sale
3 Hearing was continued from June 2, 2026, to June 30, 2026, at 9:30 a.m. (PT).

4 Additionally, objections to the assumption and assignment of any executory contract or
5 unexpired lease identified on the Cure Schedule were required to be filed with the Bankruptcy
6 Court no later than June 22, 2026 (previously May 22, 2026), at 4:00 p.m. (PT). Any written
7 replies in support of the Sale were required to be filed and served on the Notice Parties on or
8 before June 23, 2026. Objections relating solely to the conduct of the Auction, the identity of
9 Conterra as the Successful Bidder, or adequate assurance of future performance by any Successful
10 Bidder other than the Stalking Horse Bidder were required to be filed with the Bankruptcy Court
11 and served on the Notice Parties so as to be received no later than June 29, 2026 (previously June
12 1, 2026), at 12:00 p.m. (PT).

13 On May 28, 2026, Conterra filed a motion [D.I. 351] to bifurcate and partially advance the
14 Sale Hearing with respect to Conterra's credit bidding rights and the Committee's Challenges
15 thereto.

16 On June 11, 2026, after reaching an agreement with Conterra and the Committee, the
17 Debtors filed a motion [D.I. 390] (the "**Settlement Motion**") under section 9019 of the
18 Bankruptcy Code to approve the Stipulation resolving the disputes between Conterra and the
19 Committee concerning the disposition of avoidance actions, and all claims the Committee may
20 have against Conterra. The Stipulation provides for the establishment, on the Effective Date of the
21 Stipulation, of a carveout (as defined in the Stipulation, the "**GUC Carveout**") for the sole benefit
22 of holders of allowed general unsecured claims. Specifically, the GUC Carveout includes the
23 following assets (as conditioned therein) as set forth in Section 1 of the Stipulation, which is
24 incorporated in its entirety into this Plan, and the terms of which control over any inconsistent
25 language in this Plan:

- 26 1. Avoidance Actions (excluding the Insider Chapter 5 Claims, which are assigned to
27 Conterra);
- 28 2. Commercial Tort Claims (excluding Assigned Insider Commercial Tort Claims,

1 which are assigned to Conterra);

2 3. An Initial Cash Carveout of \$500,000 from Conterra;

3 4. An Additional Cash Carveout of up to \$3 million of (A) 0.5% of any recovery by
4 Conterra against insiders or family of insiders, including recovery on the
5 guarantees given to or in favor of Conterra on the Land Loan and/or the Operating
6 Loan, so long as Conterra has a Prepetition Lender Deficiency Claim greater than
7 \$13 million; and (B) once the Prepetition Lender Deficiency Claim equals or is less
8 than \$13 million after all payments made to Conterra from all sources, then 20% of
9 all payments or recoveries that Conterra receives thereafter from all sources
10 (inclusive of the amounts in in satisfaction of the Land Loan or Operating Loan or
11 guarantees thereof, and/or the Insider Chapter 5 Claims); and

12 5. Any of the Debtors' assets that are not sold pursuant to the Sale Motion and are not
13 encumbered by a lien held by Conterra.

14 In consideration of these benefits, the Committee agreed to resolve and withdraw the
15 Adversary Proceeding, its objection to the Sale Motion, and its Challenge to Conterra's credit bid,
16 and, upon receipt of the initial cash carveout, to release all claims against Conterra. The
17 Stipulation further provides that Conterra may participate as a general unsecured creditor to the
18 extent it holds a deficiency claim (the "**Prepetition Lender Deficiency Claim**") following the
19 Sale. In addition, Conterra's liens on the assets of Hronis Fruit Company LLC and Hronis
20 Resource Management, LLC arising under the Operating Loan are avoided, while Conterra retains
21 any lien rights arising under the Land Loan, and the DIP Facility. The Debtors must propose a
22 liquidating chapter 11 plan consistent with the terms of the Stipulation, and both the Committee
23 and Conterra have agreed to support confirmation of such plan. On June 25, 2026, the Bankruptcy
24 Court approved the Settlement Motion [D.I. 446]. The Debtors submit that this Plan is consistent
25 with the Stipulation.

26 On June 24, 2026, the Auction was conducted and concluded, with Conterra designated as
27 the Successful Bidder for the majority of the Debtors' assets and each of SSJMD, Mark
28 Kovacevich, Louis Pandol, SE Land Company, and Malley designated as a Successful Bidder for

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Error! Unknown document property name.

certain other assets (together with Conterra, collectively, the “**Successful Bidders**”). *See Notice of Successful Bidders and Backup Bidders and Auction Report* [D.I. 448]. On June 30, 2026, the Bankruptcy Court conducted the Sale Hearing and entered an order approving the sale of the Debtors’ assets to the Successful Bidders. Based upon the outcome of the auction, and pursuant to the Stipulation, Conterra must fund an initial cash carve-out of \$500,000, with the potential for additional carve-out amounts up to \$3 million.

Pursuant to the asset purchase agreement with Conterra (the “**APA**”), Conterra or its designee will take assignment of certain assets, including the Conterra Acquired Real Estate, and assume certain liabilities of the Debtors.

E. The Confirmation Schedule

After consultation with the Committee and Conterra, the Debtors proposed at the hearing on June 30, 2026, and the Court approved a schedule, subject to notice and opportunity for all parties to be heard, as follows:

Event	Date
Plan Filing and Solicitation Deadline	July 10, 2026
Motion for Approval of Plan, Solicitation and Voting Procedures, and any Confirmation Brief Deadline	July 14, 2026
Confirmation and Disclosure Statement Objection Deadline	July 28, 2026.
Reply Deadline	August 18, 2026.
Voting Deadline	August 5, 2026.
Deadline to File Voting Report	August 7, 2026.
Confirmation Hearing Date	August 25, 2026 at 9:30 a.m., prevailing Pacific Time.

F. Alternate Plan

If this Plan is not confirmed, the Debtors could attempt to formulate a different plan, but there is no assurance that the Prepetition Lender would continue to provide access to the DIP Facility as set forth herein. Further, the additional costs, including, among other amounts,

1 additional professional fees or asserted substantial contribution claims, all of which could
2 constitute Administrative Expense Claims (subject to allowance), could be so significant that one
3 or more parties in interest could request that the Chapter 11 Cases be converted to chapter 7.
4 Accordingly, the Debtors believe this Plan enables Creditors to realize the best return under the
5 circumstances.

6 The allowance, classification and treatment of Allowed Claims and Allowed Equity
7 Interests provided for herein takes into account the relative priority and rights of such Claims and
8 Equity Interests in connection with any contractual, legal and equitable subordination rights
9 relating thereto, whether arising under general principles of equitable subordination, Section 510
10 of the Bankruptcy Code or otherwise.

11 The Debtors believe this Plan is beneficial to all of the Debtors' Creditors, as the Plan
12 avoids costly and protracted litigation between the Committee and the Prepetition Lender, permits
13 the payment of all Allowed Administrative Expense Claims, Priority Tax Claims, Priority Non-
14 Tax Claims and Professional Fee Claims, provides a mechanism and some initial funding for the
15 pursuit of Causes of Action and should provide greater recoveries to Holders of Allowed Claims
16 than any other possible alternative.

17 For all these reasons, the Debtors believe this Plan is in the best interests of their Estates.

18 **G. Best Interests Test**

19 Section 1129(a)(7) of the Bankruptcy Code requires that each Holder of an Impaired claim
20 or interest either (a) accept this Plan or (b) receive or retain under this Plan property of a value, as
21 of the Effective Date, that is not less than the value such Holder would receive if the Debtors were
22 liquidated under chapter 7 of the Bankruptcy Code.

23 Here, as reflected in the analysis attached hereto as **Exhibit D**, the value of any
24 Distributions to Holders of Claims if the Debtors' Chapter 11 Cases were converted to cases under
25 chapter 7 of the Bankruptcy Code would be less than the value of Distributions under this Plan.
26 This is because conversion of the Chapter 11 Cases to chapter 7 cases would require the
27 appointment of a chapter 7 trustee, and in turn, such chapter 7 trustee's likely retention of new
28 professionals. The "learning curve" that the trustee and new professionals would face comes with

1 potential additional costs to the Estates. A chapter 7 trustee would also be entitled to a statutory
2 commission based on disbursements.

3 As a result, the Debtors believe that the Estates would have fewer funds available for
4 distribution on account of Allowed Claims in a hypothetical chapter 7 liquidation than they would
5 if this Plan is confirmed and that, as such, Holders of Allowed Claims would recover less in
6 hypothetical chapter 7 cases. Accordingly, the Debtors believe that the “best interest” test of
7 Bankruptcy Code Section 1129 is satisfied.

8 **H. Certain Risk Factors to be Considered**

9 Holders of Claims and Equity Interests should read and consider carefully the risk factors
10 below, as well as the other information set forth in this Plan, the documents attached to this Plan,
11 and the documents referred to or incorporated by reference in this Plan. These factors should not
12 be regarded as constituting the only risks present in connection with this Plan and its
13 implementation.

14 **1. Risk Factors that May Affect the Debtors’ Ability to Consummate this Plan**

15 **a. Debtors May Not Be Able to Secure Confirmation of this Plan**

16 As is described in greater detail below, Section 1129 of the Bankruptcy Code sets forth the
17 requirements for confirmation of a chapter 11 plan. While, as set forth below, the Debtors believe
18 that this Plan complies with or will comply with all such requirements, there can be no guarantee
19 that the Bankruptcy Court will agree.

20 **b. Risk of Non-Occurrence of the Effective Date**

21 Although the Debtors believe that the Effective Date will occur and may occur quickly
22 after the Confirmation Date, there can be no assurance as to such timing, or as to whether the
23 Effective Date will, in fact, occur.

24 **c. Parties May Object to the Classification of Claims and Equity Interests**

25 Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity
26 interest in a particular class only if such claim or equity interest is substantially similar to the other
27 claims or equity interests in such class. The Debtors believe that the classification of Claims and
28 Equity Interests under the Plan complies with the requirements set forth in the Bankruptcy Code.

1 Nevertheless, there can be no assurance the Bankruptcy Court will reach the same conclusion.

2 **2. Risk Factors that may Affect Distributions under this Plan**

3 The estimates of Allowed Claims and recoveries for Holders of Allowed Claims set forth
4 in this Plan are based on various assumptions. Should one or more of the underlying assumptions
5 ultimately prove to be incorrect, the actual Allowed amounts of Claims may vary significantly
6 from the estimated Allowed Claim amounts contained in this Plan. Moreover, the Debtors cannot
7 determine with any certainty at this time the number or amount of Claims that will ultimately be
8 Allowed. Such differences may materially and adversely affect, among other things, the
9 recoveries to Holders of Allowed Claims under this Plan.

10 **I. Certain Federal Income Tax Consequences**

11 The confirmation and execution of this Plan may have tax consequences to Holders of
12 Claims and Equity Interests. The Debtors do not offer an opinion as to any federal, state, local or
13 other tax consequences to Holders of Claims and Equity Interests as a result of the confirmation of
14 this Plan. All Holders of Claims and Equity Interests are urged to consult their own tax advisors
15 with respect to the federal, state, local and foreign tax consequences of this Plan. This Plan is not
16 intended, and should not be construed, as legal or tax advice to any Creditor, Equity Interest
17 Holder or other party in interest.

18 **V. TREATMENT OF UNCLASSIFIED CLAIMS**

19 **A. Administrative Expense Claims**

20 Requests for Allowance of Administrative Expense Claims arising under Section 503(b)(9)
21 of the Bankruptcy Code were required to be filed or asserted by the General Bar Date. Requests
22 for Allowance of all other Administrative Expense Claims, other than Claims arising under 28
23 U.S.C. § 1930 and Administrative Expense Claims described in sections 503(b)(1)(B) or (C) of the
24 Bankruptcy Code, must be filed by no later than the Administrative Expense Bar Date.

25 Each Holder of an Allowed Administrative Expense Claim, if any, shall receive Cash from
26 the SAP Claims Reserve Account in an amount equal to such Allowed Administrative Expense
27 Claim on, or as soon as reasonably practicable after, the later of (i) the Effective Date, if the
28 Administrative Expense Claim is an Allowed Administrative Expense Claim on the Effective

1 Date, or (ii) the date such Claim becomes an Allowed Administrative Expense Claim.

2 Unpaid, Allowed Administrative Expense Claims are projected to be less than \$250,000.

3 **B. Priority Tax Claims**

4 Each Holder of an Allowed Priority Tax Claim, if any, shall receive Cash from the SAP
5 Claims Reserve Account in an amount equal to such Allowed Priority Tax Claim on, or as soon as
6 reasonably practicable after, the later of (i) the Effective Date, if the Priority Tax Claim is an
7 Allowed Priority Tax Claim on the Effective Date, or (ii) the date such Claim becomes an
8 Allowed Priority Tax Claim.

9 Unpaid, Allowed Priority Tax Claims are projected to be less than \$100,000.

10 **C. Professional Fee Claims**

11 All final requests for Professional Fee Claims incurred prior to the Effective Date shall be
12 filed and served on the Notice Parties by no later than forty-five (45) days after the Effective Date,
13 unless otherwise agreed by the Debtors or the Liquidating Trustee. On the Effective Date, any
14 requirement that Professionals comply with Sections 327 through 331 of the Bankruptcy Code in
15 seeking retention or compensation for services rendered after such date terminates, and
16 Professionals may be employed and paid in the ordinary course of business without any further
17 notice to, or action, Order, or approval of, the Bankruptcy Court.

18 On or as soon as reasonably practicable after the later of (i) the Effective Date or (ii) the
19 date a Professional Fee Claim becomes an Allowed Professional Fee Claim, a Holder of an
20 Allowed Professional Fee Claim shall receive Cash from the Professional Fee Claims Reserve
21 equal to the unpaid portion of the Allowed Professional Fee Claim; provided, however, with
22 respect to Professional Fee Claims incurred prior to the Effective Date, the Allowed Professional
23 Fee Claim shall not exceed the “carve out” agreed upon with respect to such Professional Fee
24 Claim by and among the Prepetition Lender, the Debtors and the Committee.

25 Unpaid, Allowed Professional Fee Claims are projected to be less than \$100,000.

26 **D. Payment of Statutory Fees**

27 All Statutory Fees incurred prior to the Effective Date shall be paid by the Debtors on the
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Effective Date. After the Effective Date, the Liquidating Trustee shall pay any and all such fees attributable to the administration of Trust Assets, and the Post-Effective Date Debtors shall pay any and all fees attributable to the administration of other Estate assets, when due and payable, and each shall file with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the UST. Notwithstanding the limited procedural consolidation of the Debtors called for in this Plan, each of the Debtors remains obligated to pay quarterly fees to the UST until the earliest of that particular Debtor's case being closed, dismissed or converted to a case under chapter 7 of the Bankruptcy Code.

**VI. SUMMARY OF TREATMENT OF CLAIMS AND EQUITY INTERESTS AND
ESTIMATED RECOVERIES**

The following chart provides a summary of the treatment of each Class of Claims and Equity Interests (other than Administrative Expense Claims, Professional Fee Claims and Priority Tax Claims) and an estimate of the recoveries of each Class.² The actual Allowed amount of Claims may differ from the amounts set forth in the summary chart below.

<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
1	Priority Non-Tax Claims	\$0	\$0	Unimpaired / Deemed to Accept	Except to the extent that a Holder of an Allowed Priority Non-Tax Claim against the Debtors has been paid prior to the Effective Date or agrees to a different treatment, on or as soon as reasonably practicable after the later of (i) the Effective Date, if the Priority Non-Tax Claim is an Allowed Priority Non-Tax Claim on the

² The amounts set forth below represent estimated Allowed Claims, and do not represent amounts actually asserted by the Creditors in proofs of claim or otherwise. The Debtors have not completed their analysis of Claims in the Chapter 11 Cases and objections to such Claims have not been fully litigated. Therefore, there can be no assurances of the exact amount of the Allowed Claims at this time. Rather, the actual amount of the Allowed Claims may be more or less than estimated.

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<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
					Effective Date, or (ii) the date such Claim becomes an Allowed Priority Non-Tax Claim, the Liquidating Trustee shall pay to each Holder of an Allowed Priority Non-Tax Claim, Cash from the SAP Claims Reserve Account in an amount equal to such Allowed Priority Non-Tax Claim. Anticipated recovery: 100%
2	PACA Claims	N/A	\$117,840.00	Unimpaired / Deemed to Accept	Allowed PACA Claims are assumed liabilities under the APA, to be paid by Conterra. Except to the extent that a Holder of an Allowed PACA Claim against the Debtors has been paid prior to the Effective Date or agrees to a different treatment, on or as soon as reasonably practicable after the later of (i) the Effective Date, if the PACA Claim is an Allowed PACA Claim on the Effective Date, or (ii) the date such Claim becomes an Allowed PACA Claim, Conterra shall pay to each Holder of an Allowed PACA Claim, in full. Anticipated recovery: 100%
3	Prepetition Lender Secured Claim	\$146,125.916 (excluding DIP)	\$136,716,724.17	Impaired / Entitled to Vote	The Prepetition Lender has a secured claim to the extent of its collateral, in the amount of the cash proceeds of

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<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
					sales to the Successful Bidders, the Prepetition Lender’s credit bid as a Successful Bidder, and collection of the Debtors’ pre-confirmation accounts receivable (subject to resolution of the dispute with DLP Funding). For the avoidance of doubt, the Prepetition Lender Secured Claim includes all DIP Claims arising under the DIP Facility, including any unpaid principal, accrued interest, fees, costs, and expenses. By agreement, the Prepetition Lender will receive or be assigned, on or before the Effective Date, the cash proceeds of the Sale, the assets for which the Prepetition Lender was the Successful Bidder, including the Conterra Acquired Real Estate, the Assigned Insider Commercial Tort Claim, and pre-confirmation accounts receivable. By agreement, the Prepetition Lender will receive the cash proceeds of the Sale, the assets for which the Prepetition Lender was the Successful Bidder, including the Conterra Acquired Real Estate, plus pre-confirmation accounts receivable (including, without limitation, the accounts receivable subject to the dispute with DLP Funding), on account of

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<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
					its existing liens. To the extent that the Prepetition Lender's Claim is not satisfied by the amount of the Prepetition Lender's credit bid, plus payment from Sale proceeds, plus collections on pre-confirmation accounts receivable, the Prepetition Lender Deficiency Claim is bifurcated pursuant to 11 U.S.C. § 506(a) and treated as a General Unsecured Claim in Class 5. Anticipated recovery: ~100%
4(a)	Undersecured Claims – Sun Pacific	N/A	Unknown	Impaired / Entitled to Vote	Confirmation of the Plan constitutes a determination that all Class 4(a) Claims are not secured by any valuable collateral owned by the Debtors or their estates, pursuant to 11 U.S.C. § 506(a)(1), and must be treated like unsecured claims. Except to the extent that a Holder of an Allowed Class 4(a) Claim against the Debtors agrees to a different treatment, each Holder of an Allowed Class 4(a) Claim shall receive a Pro Rata Share of any Distributable Proceeds. Notwithstanding anything to the contrary set forth herein (i) no Holder of an Allowed Class 4(a) Claim shall be

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<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
					entitled to receive Cash under the Plan in excess of 100% of such Holder's Allowed Class 4(a) Claim plus interest thereon accrued after the Petition Date at the Federal Judgment Rate; and (ii) the Liquidating Trustee may delay any Distribution otherwise payable hereunder to Holders of Allowed Class 4(a) Claims if the Liquidating Trustee determines, in consultation with the Plan Oversight Committee, that the cost of making such Distribution is not cost-effective, in relation to the amount of the Distribution.
					Anticipated recovery: Less than 5%
4(b)	Undersecured Claims – DLP	\$5,145,160.16	Unknown	Impaired / Entitled to Vote	DLP Funding's treatment is subject to the outcome of the DLP Adversary. If the outcome of the DLP Adversary provides DLP Funding with an Allowed Secured Claim which is partially or completely secured by the DLP Disputed Fund Account pursuant to 11 U.S.C. § 506(a), DLP Funding will retain its lien on the collateral securing its Allowed Secured Claim, and will have an Allowed Secured Claim to the extent of the value of its interest in the DLP Disputed Fund Account.

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<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
					with the balance of its claim treated as an unsecured claim. If the outcome of the DLP Adversary does not provide DLP Funding with an Allowed Secured Claim which is partially or completely secured by the DLP Disputed Fund Account pursuant to 11 U.S.C. § 506(a), DLP Funding's Allowed Claim will be treated like other unsecured claims. Except to the extent that a Holder of an Allowed Class 4(b) Claim against the Debtors agrees to a different treatment, each Holder of an Allowed Class 4(b) Claim shall receive a Pro Rata Share of any Distributable Proceeds solely on account of the Allowed unsecured portion of the Claim. Notwithstanding anything to the contrary set forth herein (i) no Holder of an Allowed Class 4(b) Claim shall be entitled to receive Cash under the Plan in excess of 100% of such Holder's Allowed Class 4(b) Claim plus interest thereon accrued after the Petition Date at the Federal Judgment Rate; and (ii) the Liquidating Trustee may delay any Distribution otherwise payable hereunder to Holders of Allowed Class 4(b) Claims if the

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<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
					Liquidating Trustee determines, in consultation with the Plan Oversight Committee, that the cost of making such Distribution is not cost-effective, in relation to the amount of the Distribution.
					Anticipated recovery: Less than 5%
4(c)	Undersecured Claims – Peter Hronis	N/A	Unknown	Impaired / Entitled to Vote	Confirmation of the Plan constitutes a determination that all Class 4(c) Claims are not secured by any valuable collateral owned by the Debtors or their estates, pursuant to 11 U.S.C. § 506(a)(1), and must be treated like unsecured claims. Except to the extent that a Holder of an Allowed Class 4(c) Claim against the Debtors agrees to a different treatment, each Holder of an Allowed Class 4(c) Claim shall receive a Pro Rata Share of any Distributable Proceeds. Notwithstanding anything to the contrary set forth herein (i) no Holder of an Allowed Class 4(c) Claim shall be entitled to receive Cash under the Plan in excess of 100% of such Holder's Allowed Class 4(c) Claim plus interest thereon accrued after the Petition Date at the Federal Judgment Rate; and (ii) the Liquidating

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<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
					Trustee may delay any Distribution otherwise payable hereunder to Holders of Allowed Class 4(c) Claims if the Liquidating Trustee determines, in consultation with the Plan Oversight Committee, that the cost of making such Distribution is not cost-effective, in relation to the amount of the Distribution. Anticipated recovery: Less than 5%
5	General Unsecured Claims	\$70.3 million	~\$65 million (For the avoidance of doubt, Class 5 includes the Allowed Prepetition Lender Deficiency Claim.)	Impaired / Entitled to Vote	Except to the extent that a Holder of an Allowed General Unsecured Claim against the Debtors agrees to a different treatment, each Holder of an Allowed Unsecured Claim shall receive a Pro Rata Share of any Distributable Proceeds. Notwithstanding anything to the contrary set forth herein (i) no Holder of an Allowed General Unsecured Claim shall be entitled to receive Cash under the Plan in excess of 100% of such Holder's Allowed General Unsecured Claim plus interest thereon accrued after the Petition Date at the Federal Judgment Rate; and (ii) the Liquidating Trustee may delay any Distribution otherwise payable hereunder to Holders of Allowed General

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<i>Class</i>	<i>Class Name</i>	<i>Amounts of Filed and Scheduled Claims</i>	<i>Estimated Allowed Claim Amounts</i>	<i>Voting Status</i>	<i>Estimated Recovery & Treatment</i>
					Unsecured Claims if the Liquidating Trustee determines, in consultation with the Plan Oversight Committee, that the cost of making such Distribution is not cost-effective, in relation to the amount of the Distribution. Anticipated recovery: Less than 5%
6	Intercompany Claims	N/A	N/A	Impaired / Deemed to Reject	Holders of Intercompany Claims shall not receive a Distribution on account of their Intercompany Claims. Anticipated recovery: 0%.
7	Equity Interests	N/A	N/A	Impaired / Deemed to Reject	On the Effective Date, all Equity Interests shall be deemed canceled, extinguished and discharged and of no further force or effect, and the Holders of Equity Interests shall not be entitled to receive or retain any property on account of such Equity Interests. Anticipated recovery: 0%

VII. CONFIRMATION PROCEDURES

A. Confirmation Procedure

1. Confirmation Hearing

A hearing before the Honorable René Lastreto II was scheduled for **August 11, 2026 at 9:30 a.m. (PT)** and was continued to **August 25, 2026 at 9:30 a.m. (PT)**, at the United States

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1 Bankruptcy Court for the Eastern District of California, Robert E. Coyle United States
2 Courthouse, 2500 Tulare Street, Fresno, CA 93721, Courtroom 13 (5th Floor) to (A) approve the
3 Plan as providing adequate information pursuant to Section 1125 of the Bankruptcy Code on a
4 final basis and (B) consider confirmation of the Plan pursuant to Section 1129 of the Bankruptcy
5 Code. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court
6 without further notice, except for an announcement of the adjourned date made at the
7 Confirmation Hearing or by filing a notice with the Bankruptcy Court.

8 **2. Procedure for Objections**

9 Any objection to confirmation of this Plan must: (i) be in writing; (ii) state the name and
10 address of the objecting party and the nature of the Claim or Equity Interest of such party; (iii) state
11 with particularity the legal and factual basis and nature of any objection; and (iv) be filed with the
12 Bankruptcy Court and served so as to be actually received on or before **July 28, 2026**, by (a) counsel
13 for the Debtors, Saul Ewing LLP, 1888 Century Park East, Suite 1500, Los Angeles, California
14 90067 (Attn: Jeffrey C. Hampton, Zev Shechtman, and Turner N. Falk, Esq.)
15 (Jeffrey.hampton@saul.com, zev.shechtman@saul.com, and turner.falk@saul.com); (b) counsel for
16 the Committee, Raines Feldman Littrell, LLP, 4675 MacArthur Court, Suite 1550
17 Newport Beach, CA 92660 (Attn: Robert S. Marticello and Stephen M. Mott, Esq.)
18 (rmarticello@raineslaw.com and smott@raineslaw.com) and 30 North LaSalle Street, Suite 3100
19 Chicago, IL 60602 (Attn: Mark S. Melickian, Esq.) (mmelickian@raineslaw.com); (c) counsel to
20 the Prepetition Lender, Miller Nash LLP, 340 Golden Shore, Suite 450 Long Beach, California
21 90802 (Attn: Bernie Kornberg, Brianna Morrison, and Andrew Morton, Esq.)
22 (bernie.kornberg@millernash.com, brianna.morrison@millernash.com, and
23 andy.morton@millernash.com), and Royer Cooper Cohen Braunfeld LLC, 1120 Avenue of the
24 Americas, 4th Floor New York, NY 10036 (Attn: Marc Hirschfield and Marc F. Skapof)
25 (mhirschfield@rccblaw.com and mskapof@rccblaw.com); and (d) the UST, 2500 Tulare Street,
26
27
28

1 Suite 1401 Fresno, CA 93720 (Attn: Peter C. Anderson, Gregory S. Powell, Michael J. Fletcher,
2 and Jared A. Day, Esq.) (Peter.C.Anderson@usdoj.gov, Greg.Powell@usdoj.gov,
3 michael.fletcher@usdoj.gov, and Jared.A.Day@usdoj.gov) (collectively, the “Notice Parties”).

4 **Unless an objection is timely filed and served by the Confirmation Objection Deadline, such**
5 **objection may not be considered by the Bankruptcy Court at the Confirmation Hearing.**

6
7 **3. Requirements for Confirmation**

8 The Bankruptcy Court will confirm the Plan only if it meets all the applicable requirements
9 of Section 1129 of the Bankruptcy Code. Among the requirements for confirmation in these
10 Chapter 11 Cases is that the Plan: (i) be accepted by all Impaired Classes of Claims and Equity
11 Interests or, if rejected by an Impaired Class, that the Plan “does not discriminate unfairly”
12 against, and is “fair and equitable” with respect to, such Class; and (ii) be feasible. The
13 Bankruptcy Court must also find that:

- 14 a. the Plan has classified Claims and Equity Interests in a permissible manner;
- 15 b. the Plan complies with the technical requirements of Chapter 11 of the
16 Bankruptcy Code; and
- 17 c. the Plan has been proposed in good faith.

18 The Debtors believe that the Plan complies, or will comply, with all such requirements.

19 **4. Classification of Claims and Equity Interests**

20 Section 1122 of the Bankruptcy Code requires the Plan to place a Claim or Equity Interest
21 in a particular Class only if such Claim or Equity Interest is substantially similar to the other
22 Claims or Equity Interests in such Class. The Plan creates separate Classes to deal respectively
23 with the Prepetition Lender Secured Claim, Priority Non-Tax Claims, Undersecured Claims,
24 General Unsecured Claims, Intercompany Claims, and Equity Interests. The Debtors believe that
25 the Plan’s classifications place substantially similar Claims or Equity Interests in the same Classes
26 and thus meet the requirements of Section 1122 of the Bankruptcy Code.

27 **5. Impaired Claims or Equity Interests**

28 Pursuant to Section 1124 of the Bankruptcy Code, a Class of Claims or Equity Interests

1 may be Impaired if the Plan alters the legal, equitable or contractual rights of the Holders of such
2 Claims or Equity Interests treated in such Class. The Holders of Claims not Impaired by the Plan
3 are deemed to accept the Plan and do not have the right to vote on the Plan. The Holders of
4 Intercompany Claims and Equity Interests are deemed to reject this Plan and do not have the right
5 to vote on the Plan. Finally, the Holders of Claims whose Claims are not classified under the Plan
6 are not entitled to vote on the Plan.

7 **6. Elimination of Vacant Classes**

8 Any Class of Claims or Equity Interests that does not contain, as of the date of
9 commencement of the Confirmation Hearing, a Holder of an Allowed Claim or Equity Interest,
10 shall be deemed deleted from the Plan for all purposes.

11 **VIII. TREATMENT OF CLAIMS AND EQUITY INTERESTS**

12 **A. Treatment of Claims**

13 **1. Class 1 –Priority Non-Tax Claims**

14 **a. Classification**

15 Class 1 consists of Priority Non-Tax Claims.

16 **b. Impairment and Voting**

17 Class 1 is Unimpaired by the Plan. Holders of Allowed Priority Non-Tax Claims are
18 deemed to have accepted the Plan and therefore, are not entitled to vote to accept or reject the
19 Plan.

20 **c. Treatment**

21 Except to the extent that a Holder of an Allowed Priority Non-Tax Claim against the
22 Debtors has been paid prior to the Effective Date or agrees to a different treatment, on or as soon
23 as reasonably practicable after the later of (i) the Effective Date, if the Priority Non-Tax Claim is
24 an Allowed Priority Non-Tax Claim on the Effective Date, or (ii) the date such Claim becomes an
25 Allowed Priority Non-Tax Claim, the Liquidating Trustee shall pay to each Holder of an Allowed
26 Priority Non-Tax Claim, Cash from the SAP Claims Reserve Account in an amount equal to such
27 Allowed Priority Non-Tax Claim.

1 **2. Class 2 – PACA Claims**

2 **a. Classification**

3 Class 2 consists of all Allowed PACA Claims.

4 **b. Impairment and Voting**

5 Class 2 is Unimpaired by the Plan. Holders of Class 2 Other Secured Claims are deemed
6 to have accepted the Plan and therefore, are not entitled to vote to accept or reject the Plan.

7 **c. Treatment**

8 Allowed PACA Claims are assumed liabilities under the APA, to be paid by Conterra.
9 Except to the extent that a Holder of an Allowed PACA Claim against the Debtors has been paid
10 prior to the Effective Date or agrees to a different treatment, on or as soon as reasonably
11 practicable after the later of (i) the Effective Date, if the PACA Claim is an Allowed PACA Claim
12 on the Effective Date, or (ii) the date such Claim becomes an Allowed PACA Claim, Conterra
13 shall pay to each Holder of an Allowed PACA Claim, in full.
14

15 **3. Class 3 – Prepetition Lender Claim**

16 **a. Classification**

17 Class 3 consists of the Prepetition Lender Secured Claim.

18 **b. Impairment and Voting**

19 Class 3 is Impaired. The Prepetition Lender is entitled to vote on the Plan.

20 **c. Treatment**

21 The Prepetition Lender has a secured claim to the extent of its collateral, in the amount of
22 the cash proceeds of sales to the Successful Bidders, the Prepetition Lender's credit bid as a
23 Successful Bidder, and collection of the Debtors' pre-confirmation accounts receivable (subject to
24 resolution of the dispute with DLP Funding). For the avoidance of doubt, the Prepetition Lender
25 Secured Claim includes all DIP Claims arising under the DIP Facility, including any unpaid
26 principal, accrued interest, fees, costs, and expenses.

27 By agreement, the Prepetition Lender will receive or be assigned, on or before the
28 Effective Date, the cash proceeds of the Sale, the assets for which the Prepetition Lender was the

Successful Bidder, including the Conterra Acquired Real Estate, the Assigned Insider Commercial Tort Claim, and pre-confirmation accounts receivable (including, without limitation, the accounts receivable subject to the dispute with DLP Funding to the extent determined by the Bankruptcy Court in the DLP Adversary or as may be agreed by the Prepetition Lender and DLP in resolution of the DLP Adversary), on account of its existing liens. To the extent that the Prepetition Lender's Claim is not satisfied by the amount of the Prepetition Lender's credit bid, plus payment from Sale proceeds, plus collections on pre-confirmation accounts receivable, the Prepetition Lender Deficiency Claim is bifurcated pursuant to 11 U.S.C. § 506(a) and treated as a General Unsecured Claim in Class 5.

4. Class 4(a) - Undersecured Claims – Sun Pacific

a. Classification

Class 4(a) consists of the Claim of Sun Pacific.

b. Impairment and Voting

This Class is Impaired, and entitled to vote on the Plan.

c. Treatment

Confirmation of the Plan constitutes a determination that all Class 4(a) Claims are not secured by any collateral owned by the Debtors or their estates, pursuant to 11 U.S.C. § 506(a)(1), and must be treated like unsecured claims.

Except to the extent that a Holder of an Allowed Class 4(a) Claim against the Debtors agrees to a different treatment, each Holder of an Allowed Class 4(a) Claim shall receive a Pro Rata Share of any Distributable Proceeds.

Notwithstanding anything to the contrary set forth herein (i) no Holder of an Allowed Class 4(a) Claim shall be entitled to receive Cash under the Plan in excess of 100% of such Holder's Allowed Class 4(a) Claim plus interest thereon accrued after the Petition Date at the Federal Judgment Rate; and (ii) the Liquidating Trustee may delay any Distribution otherwise payable hereunder to Holders of Allowed Class 4(a) Claims if the Liquidating Trustee determines, in consultation with the Plan Oversight Committee, that the cost of making such Distribution is not cost-effective, in relation to the amount of the Distribution.

a. Classification

b. Impairment and Voting

c. Treatment

Notwithstanding anything to the contrary set forth herein (i) no Holder of an Allowed Class 4(b) Claim shall be entitled to receive Cash under the Plan in excess of 100% of such Holder's Allowed Class 4(b) Claim plus interest thereon accrued after the Petition Date at the Federal Judgment Rate; and (ii) the Liquidating Trustee may delay any Distribution otherwise payable hereunder to Holders of Allowed Class 4(b) Claims if the Liquidating Trustee determines, in consultation with the Plan Oversight Committee, that the cost of making such Distribution is not cost-effective, in relation to the amount of the Distribution.

1 **6. Class 4(c) - Undersecured Claims – Peter Hronis**

2 **a. Classification**

3 Class 4(c) consists of the Claim of Peter Hronis.

4 **b. Impairment and Voting**

5 This Class is Impaired, and entitled to vote on the Plan.

6 **c. Treatment**

7 Confirmation of the Plan constitutes a determination that all Class 4(c) Claims are not
8 secured by any collateral owned by the Debtors or their estates, pursuant to 11 U.S.C. § 506(a)(1),
9 and must be treated like unsecured claims.

10 Except to the extent that a Holder of an Allowed Class 4(c) Claim against the Debtors
11 agrees to a different treatment, each Holder of an Allowed Class 4(c) Claim shall receive a Pro
12 Rata Share of any Distributable Proceeds.

13 Notwithstanding anything to the contrary set forth herein (i) no Holder of an Allowed
14 Class 4(c) Claim shall be entitled to receive Cash under the Plan in excess of 100% of such
15 Holder's Allowed Class 4(c) Claim plus interest thereon accrued after the Petition Date at the
16 Federal Judgment Rate; and (ii) the Liquidating Trustee may delay any Distribution otherwise
17 payable hereunder to Holders of Allowed Class 4(c) Claims if the Liquidating Trustee determines,
18 in consultation with the Plan Oversight Committee, that the cost of making such Distribution is
19 not cost-effective, in relation to the amount of the Distribution.

20 **7. Class 5 – General Unsecured Claims**

21 **a. Classification**

22 Class 5 consists of General Unsecured Claims other than the claims addressed in Classes
23 4(a), (b) and (c) but including the Prepetition Lender Deficiency Claim).

24 **b. Impairment and Voting**

25 Class 5 is Impaired. Holders of Allowed General Unsecured Claims in Class 5 are entitled
26 to vote on the Plan.

27 **c. Treatment**

28 Except to the extent that a Holder of an Allowed Class 5 General Unsecured Claim against

the Debtors agrees to a different treatment, each Holder of an Allowed Class 5 General Unsecured Claim shall receive a Pro Rata Share of any Distributable Proceeds.

Notwithstanding anything to the contrary set forth herein (i) no Holder of an Allowed Class 5 General Unsecured Claim shall be entitled to receive Cash under the Plan in excess of 100% of such Holder's Allowed Class 5 General Unsecured Claim plus interest thereon accrued after the Petition Date at the Federal Judgment Rate; and (ii) the Liquidating Trustee may delay any Distribution otherwise payable hereunder to Holders of Allowed Class 5 Claims if the Liquidating Trustee determines, in consultation with the Plan Oversight Committee, that the cost of making such Distribution is not cost-effective, in relation to the amount of the Distribution.

8. Class 6 – Intercompany Claims

a. Classification

Class 6 consists of all Intercompany Claims.

b. Impairment and Voting

Class 6 is impaired and deemed to reject the Plan.

c. Treatment

Allowed Intercompany Claims shall not receive a Distribution under the Plan.

9. Class 7 – Equity Interests

a. Classification

Class 7 consists of all Equity Interests.

b. Impairment and Voting

Class 7 is impaired and deemed to reject the Plan.

c. Treatment

On the Effective Date, all Equity Interests shall be deemed canceled, extinguished and discharged and of no further force or effect, and the Holders of Equity Interests are not entitled to receive or retain any property on account of such Equity Interests.

B. Modification of Treatment of Claims

The Liquidating Trustee reserves the right to modify the treatment of any Allowed Claim in any manner adverse only to the Holder of such Claim at any time after the Effective Date upon

the consent of the Holder of the Claim whose Allowed Claim is being adversely affected.

C. Cramdown and No Unfair Discrimination

With respect to the Impaired Classes of Claims and Equity Interests that reject or that are deemed to have rejected the Plan, the Debtors hereby request, without any delay in the occurrence of the Confirmation Hearing or Effective Date, that the Bankruptcy Court confirm the Plan in accordance with Section 1129(b) of the Bankruptcy Code with respect to such non-accepting Classes, in which case the Plan shall constitute a motion for such relief.

Confirming the Plan under such a circumstance is what is known as a “cramdown.” Among other things, a “cramdown” is appropriate where the Bankruptcy Court finds that such plan does not unfairly discriminate against the objecting class, is fair and equitable with respect to such objecting class, and at least one class of impaired creditors has voted to accept the plan. A plan unfairly discriminates against a class if another class of equal rank in priority will receive greater value under the plan than the non-accepting class without reasonable justification. A plan is fair and equitable if no claim or interest junior to the objecting class shall receive or retain any claim or interest under the plan.

IX. PROVISIONS REGARDING THE POST-CONFIRMATION LIQUIDATING TRUST

A. Appointment of the Liquidating Trustee

On the Effective Date, the Trust Assets will be transferred to and deemed automatically vested in the Liquidating Trust and the Liquidating Trustee shall be appointed and thereafter serve in accordance with this Plan and the Liquidating Trust Agreement. The Liquidating Trustee shall not be required to give any bond or surety or other security for the performance of his duties unless otherwise directed by the Bankruptcy Court. The material terms of the Liquidating Trustee’s compensation are included in the Liquidating Trust Agreement.³ .

B. Rights and Powers of the Liquidating Trustee

Subject to the rights and duties of the Plan Oversight Committee set forth below, the Liquidating Trustee shall, in addition to any powers and authority specifically set forth in other

³ A copy of the proposed form of Liquidating Trust Agreement is attached hereto as **Exhibit B**.

provisions of the Plan or in the Liquidating Trust Agreement, be empowered to act on behalf of the Liquidating Trust to (i) effect all actions and execute all agreements, instruments and other documents necessary to perform its duties under the Plan or the Liquidating Trust Agreement, (ii) establish and maintain the Distribution Account and the Post-Effective Date Liquidating Trust Account, (iii) make Distributions from Trust Assets in accordance with the Plan, (iv) object to and/or settle Claims asserted in Classes 4(a), (b), (c), and 5 (excluding Prepetition Lender Deficiency Claims other than if there is a dispute concerning the calculation of the Prepetition Lender Deficiency Claims in accordance with the Plan and the Prepetition Lender and the Liquidating Trustee are unable to resolve such after meeting and conferring), as appropriate, (v) employ and compensate professionals to represent the Liquidating Trustee with respect to his responsibilities, (vi) assert any of the Debtors' claims, Causes of Action, rights of setoff, or other legal or equitable defenses that are assigned to the Liquidating Trust under this Plan, and (vii) exercise such other powers as may be vested in the Liquidating Trustee by Order of the Bankruptcy Court, pursuant to this Plan, by the Liquidating Trust Agreement, or as deemed by the Liquidating Trustee to be necessary and/or desirable to implement the provisions hereof. The Liquidating Trustee may take any and all actions that he deems reasonably necessary or appropriate to defend against any Claim asserted in Classes 4(a), (b), (c), and 5, including the right to: (a) exercise any and all judgment and discretion with respect to the manner in which to defend against or settle any such Claim, including the retention of professionals, experts and consultants; and (b) enter into a settlement agreement or agreements without approval of the Bankruptcy Court. Post-Effective Date Liquidating Trust Expenses shall be paid by the Liquidating Trustee from the Post-Effective Date Liquidating Trust Account.

C. Plan Oversight Committee

On the Effective Date, there shall be established a Plan Oversight Committee consisting of three members, one of whom shall be the Prepetition Lender and two of whom shall be selected by the Committee after consulting with the Debtors. The Plan Oversight Committee shall have the responsibility to oversee and advise the Liquidating Trustee with respect to the liquidation and distribution of the Trust Assets in accordance with the Plan, as specified below. A member of the

1 Plan Oversight Committee shall recuse him/herself from considering any matter in which he/she is
2 not disinterested; provided, however, such member shall not be considered non-disinterested
3 solely as a result of such member's affiliation with or employment by the Holder of a Claim
4 (including the Prepetition Lender or any member of the Committee). The proposed members of
5 the Plan Oversight Committee are identified on Exhibit E attached hereto or will otherwise be
6 identified in the Plan Supplement. Vacancies on the Plan Oversight Committee shall be filled by a
7 Person designated by the remaining member or members of the Plan Oversight Committee from
8 among the holders of Class 5 General Unsecured Claims; provided, however, that any vacancy
9 with respect to any member appointed by the Prepetition Lender shall be filled by a Person
10 designated by the Prepetition Lender. A majority of the Plan Oversight Committee may remove
11 or replace members of the Plan Oversight Committee for cause, and any party-in-interest shall
12 have the authority to seek an order from the Bankruptcy Court removing or replacing members of
13 the Plan Oversight Committee for cause. Any successor appointed pursuant to this Section shall
14 become fully vested with all of the rights, powers, duties and obligations of his or her predecessor.
15 For the avoidance of doubt, no member of the Plan Oversight Committee shall be compensated for
16 serving as a member of the Plan Oversight Committee; provided, however, that such members
17 may be reimbursed by the Liquidating Trustee, from funds in the Post-Effective Date Liquidating
18 Trust Account, for documented reasonable out-of-pocket costs and expenses related to service on
19 the Plan Oversight Committee.

20 The rights, powers and duties of the Plan Oversight Committee shall be as follows:

21 (i) To terminate by majority vote the Liquidating Trustee for cause, and upon such
22 termination (or upon the resignation, death or incapacity of the Liquidating Trustee), appoint a
23 successor Liquidating Trustee in accordance with the terms of the Plan;

24 (ii) To approve any release or indemnity in favor of any third party granted or agreed to
25 by the Liquidating Trustee, other than as set forth in the Plan;

26 (iii) To approve the settlement of any Cause of Action or dispute, for which the amount
27 in controversy exceeds \$100,000;

28 (iv) To approve the allowance of any Disputed Claim in Classes 4(a), (b), (c), and 5 if

1 the proposed Allowed amount of such Claim exceeds \$50,000;

2 (v) To approve the sale of any Trust Assets that have a value of \$100,000 or more by
3 the Liquidating Trustee;

4 (vi) To approve or object to fees and expenses of professionals retained by the
5 Liquidating Trustee pursuant to procedures established in the Liquidating Trust Agreement; and

6 (vii) To consider and, if appropriate, approve any action proposed by the Liquidating
7 Trustee that is not specifically authorized by the Plan that would have a material effect upon the
8 administration of the Liquidating Trust, provided, however, nothing contained herein shall be
9 deemed to authorize the Liquidating Trustee to take any action that is inconsistent with the terms
10 of the Plan.

11 **D. Post Confirmation Date Expenses of the Liquidating Trustee and the Post-Effective**
12 **Date Debtors**

13 Without further order of the Bankruptcy Court, the Liquidating Trustee or Post-Effective
14 Date Debtors shall, from the applicable Reserve Account, receive reasonable compensation for
15 services rendered to the Estates, the Post-Effective Date Debtors and/or the Liquidating Trust
16 pursuant to the Plan and/or the Liquidating Trust Agreement.

17 In addition, the Liquidating Trustee and Post-Effective Date Debtors may pay, from the
18 applicable Reserve Account, all reasonable fees and expenses incurred by the Liquidating Trustee
19 or Post-Effective Date Debtors on or after the Effective Date (including reasonable attorney and
20 professional fees and expenses) without further order of the Bankruptcy Court.

21 **X.PROVISIONS GOVERNING DISTRIBUTIONS UNDER THE PLAN**

22 **A. Method of Payment**

23 Unless otherwise expressly agreed in writing, all Cash payments to be made pursuant to
24 the Plan shall be made by check drawn on a domestic bank or an electronic wire.

25 **B. Objections to and Resolution of Claims**

26 The Post-Effective Date Debtors have the right to file objections to and/or motions to
27 estimate any and all Administrative Expense Claims and Priority Claims after the Effective Date.
28 The resolution of all such claims is subject to Bankruptcy Court order.

1 Subject to the rights and duties of the Plan Oversight Committee noted above, the
2 Liquidating Trustee shall have the right to file objections to and/or motions to estimate any and all
3 Claims in Classes 4(a), (b), (c) and 5 (excluding Prepetition Lender Deficiency Claims other than
4 if there is a dispute concerning the calculation of the Prepetition Lender Deficiency Claims in
5 accordance with the Plan and the Prepetition Lender and the Liquidating Trustee are unable to
6 resolve such after meeting and conferring) after the Effective Date. The Liquidating Trustee shall
7 have the authority to compromise, settle, otherwise resolve or withdraw any objections to such
8 Claims, without approval of the Bankruptcy Court. The Liquidating Trustee shall further have the
9 authority to resolve and settle any and all such Claims without approval of the Bankruptcy Court.

10 **C. Claims Objection Deadline**

11 The Liquidating Trustee or the Post-Effective Date Debtors, as the case may be, and any
12 other party in interest to the extent permitted pursuant to Section 502(a) of the Bankruptcy Code,
13 shall file and serve any objection to any Claims, including Administrative Expense Claims for
14 which an earlier objection deadline has not been established, no later than the Claims Objection
15 Deadline, as such Claims Objection Deadline may be extended from time to time upon motion by
16 the Liquidating Trustee or the Post-Effective Date Debtors in accordance with the terms of this
17 Plan, except that the Liquidating Trustee has no right to object to the Prepetition Lender
18 Deficiency Claim.

19 **D. No Distribution Pending Allowance**

20 Notwithstanding any other provision of the Plan, no payment or Distribution of Cash or
21 other property shall be made with respect to any portion of a Disputed Claim unless and until all
22 objections to such Claim are resolved by Final Order or as otherwise permitted by this Plan.

23 **E. Claims Reserve**

24 On any date that Distributions are to be made under the terms of the Plan, the party
25 responsible for potential distributions to a holder of a Disputed Claim – the Liquidating Trustee, in
26 the case of a Claim in Class 4(a), (b), (c) or 5, and the Post-Effective Date Debtors, in the case of
27 all other Claims - shall reserve Cash or property in the Liquidating Trust or the Post-Effective
28 Date Estate, as the case may be, equal to one-hundred percent (100%) of the Cash or property that

1 would be Distributed on such date on account of Disputed Claim as if such Disputed Claim was
2 an Allowed Claim, unless otherwise Ordered by the Bankruptcy Court following notice to the
3 affected Claim Holder. Such Cash or property, as the case may be, shall be held in reserve by the
4 Liquidating Trustee or the Post-Effective Date Debtors, as appropriate, for the benefit of the
5 Holders of all such Disputed Claims pending determination of their entitlement thereto.

6 **F. Adjustments to Claims Without Objection**

7 After the Effective Date, upon 10 days' written notice to the affected Claimant, any Claim
8 that has been paid or satisfied, or any Claim that has been amended or superseded, may be marked
9 as satisfied, adjusted or expunged on the register of Claims in the Chapter 11 Cases by the
10 Balloting Agent at the direction of the Post-Effective Date Debtors or Liquidating Trustee without
11 a Claims objection having to be filed.

12 **G. Late Claims and Amendments to Claims**

13 Except as provided herein or otherwise agreed, any and all Holders of proofs of claim filed
14 after the applicable Bar Date shall not be treated as Creditors for purposes of Distribution pursuant
15 to Bankruptcy Rule 3003(c)(2) unless, on or before the Confirmation Date, such late Claim has been
16 deemed timely filed by a Final Order.

17 **H. Distribution Record Date**

18 Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of
19 Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the Distribution
20 Record Date will be treated as the Holders of those Claims for all purposes. The Liquidating
21 Trustee and the Post-Effective Date Debtors shall have no obligation to recognize any transfer of
22 any Claim occurring after the Distribution Record Date. In making any Distribution with respect
23 to any Claim, the Liquidating Trustee or the Post-Effective Date Debtors, as the case may be, shall
24 be entitled instead to recognize and deal with, for all purposes hereunder, only the Entity that is
25 listed on the proof of claim filed with respect thereto or on the Schedules as the Holder thereof as
26 of the close of business on the Distribution Record Date and upon such other evidence or record of
27 transfer or assignment that are actually known to the Liquidating Trustee or the Post-Effective
28

1 Date Debtors as of the Distribution Record Date.

2 **I. Delivery of Distributions**

3 Except as provided herein, Distributions to Holders of Allowed Claims shall be made:
4 (1) at the addresses set forth on the respective proofs of claim filed by such Holders; (2) at the
5 addresses set forth in any written notices of address changes delivered to the Liquidating Trustee
6 and the Post-Effective Date Debtors after the date of any related proof of claim; or (3) at the
7 address reflected in the Schedules if no proof of claim is filed and the Liquidating Trustee and
8 Post-Effective Date Debtors have not received a written notice of a change of address.

9 If the Distribution to the Holder of any Claim is returned to the Liquidating Trustee and
10 Post-Effective Date Debtors as undeliverable, no further Distribution shall be made to such Holder
11 unless and until the Liquidating Trustee and Post-Effective Date Debtors are notified in writing of
12 such Holder's then current address. Undeliverable Distributions shall remain in the possession of
13 the Liquidating Trustee or Post-Effective Date Debtors, as the case may be, until the earlier of (i)
14 such time as a Distribution becomes deliverable or (ii) such time as an undeliverable Distribution
15 becomes an Unclaimed Distribution.

16 The Liquidating Trustee and Post-Effective Date Debtors shall make reasonable efforts to
17 update or correct contact information for recipients of undeliverable Distributions; provided,
18 however, nothing contained in the Plan shall require the Liquidating Trustee or Post-Effective
19 Date Debtors to locate any Holder of an Allowed Claim.

20 **J. Unclaimed Distributions**

21 Any Unclaimed Distributions that are not claimed on or before the Unclaimed Distribution
22 Deadline shall revert to the source of the Unclaimed Distribution (the Liquidating Trust or the
23 Post-Effective Date Estate); provided, however, the Liquidating Trust or the Post-Effective Date
24 Estate shall thereafter, and within one hundred twenty (120) days after the Final Distribution Date,
25 donate such Unclaimed Distributions to a 501(c)(3) charity to be selected by the Liquidating
26 Trustee in consultation with the Plan Oversight Committee.

27 **K. De Minimis Distributions**

28 The Liquidating Trustee shall not distribute cash to the Holder of an Allowed Claim in

1 Class 4(a), (b), (c), or 5 if the amount of Cash to be distributed on account of such Claim is less
2 than \$100.00 in the aggregate. Any holder of an Allowed Claim in Class 4(a), (b), (c), or 5 on
3 account of which the amount of Cash to be distributed is less than \$100.00 in the aggregate will be
4 forever barred from asserting its claim for such distribution against the Liquidating Trustee, the
5 Liquidating Trust, the Debtors, the Post-Effective Date Debtors, or the Post-Effective Date Estate.
6 Any Cash not distributed pursuant to this Article X(K) of the Plan will be property of the Estates
7 and transferred to the Liquidating Trust.

8 **L. Setoff**

9 The Liquidating Trustee shall have and retain the right to reduce any Claim in Classes 4(a),
10 (b), (c), or 5 by way of setoff in accordance with the Debtors' Books and Records.

11 **XI.IMPLEMENTATION AND EFFECT OF CONFIRMATION OF COMBINED PLAN**
12 **AND DISCLOSURE STATEMENT**

13 **A. Means for Implementation of the Plan**

14 In addition to the provisions set forth elsewhere in the Plan, the following provisions of
15 this Article constitute the means for implementation of the Plan.

16 **B. Limited Consolidation**

17 The Plan provides for the limited consolidation of the Debtors' Estates, but solely for the
18 purposes of this Plan, including making any Distributions to Holders of Allowed Claims. The
19 Debtors propose limited consolidation to promote efficient administration and effectuation of the
20 Plan, including for purposes of Distributions to be made under the Plan, and to avoid the
21 inefficiency of proposing Entity-specific Claims for which there would be little to no impact on
22 Distributions. On the Effective Date, (i) all assets and liabilities of the Debtors shall, solely for
23 Distribution purposes, be treated on a aggregated basis, (ii) each Claim against any of the Debtors
24 shall be deemed a single Claim against and a single obligation of all of the Debtors, (iii) any
25 Claims scheduled, filed or to be filed in the Chapter 11 Cases shall be deemed single Claims
26 against the Debtors, (iv) all guarantees of one Debtor of the payment, performance, or collection
27 of obligations of another Debtor shall be eliminated and canceled, (v) all transfers, disbursements
28 and Distributions on account of Claims made by or on behalf of any of the Debtors' Estates

1 hereunder will be deemed to be made by or on behalf of all of the Debtors' Estates, and (vi) any
2 obligation of the Debtors as to Claims will be deemed to be one obligation of all of the Debtors.
3 Holders of Allowed Claims entitled to Distributions under this Plan shall be entitled to their share
4 of assets available for Distribution to such Claims as specified in the treatment for such Claims
5 without regard to which Debtor was originally liable for such Claims. Except as set forth herein,
6 such limited consolidation shall not (other than for purposes related to this Plan) affect the legal
7 and corporate structures of the Debtors. Moreover, notwithstanding the limited consolidation
8 provided for herein, each and every Debtor shall remain responsible for the payment of quarterly
9 fees associated with administration of the Post-Effective Date Debtors and the Post-Effective Date
10 Estate (excluding any Distributions by the Liquidating Trustee) pursuant to the provisions of 28
11 U.S.C. §1930(a)(6) until the earlier of such time that a particular case is closed, dismissed, or
12 converted.

13 Absent such deemed consolidation, it would be necessary to (i) allocate the purchase price
14 received from various purchasers for the assets of the various Estates, (ii) allocate the expenses of
15 administration of the Chapter 11 Cases across the various Estates, and (iii) reconcile intercompany
16 balances, indemnity, and contribution rights, if any, between the Debtors, all before it would be
17 possible to determine the appropriate amount to be distributed to creditors of each Estate. The
18 Debtors believe that the administrative costs of taking these measures would consume, if not
19 totally exhaust, the limited assets available for distribution in these Chapter 11 Cases, to the
20 detriment of all creditors.

21 This Plan serves as a motion seeking entry of an order consolidating the Debtors, as
22 described and to the limited extent set forth above. Unless an objection to such consolidation is
23 made in writing by any creditor affected by the Plan, filed with the Bankruptcy Court and served
24 in accordance with the objection procedures established by the Bankruptcy Court, the
25 consolidation order (which may be the Confirmation Order) may be entered by the Bankruptcy
26 Court. In the event any such objections are timely filed, a hearing with respect thereto shall occur
27 at or before the Confirmation Hearing.

1 **C. Implementation of Settlement with the Committee**

2 As described above, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy
3 Rule 9019, the Plan incorporates a compromise and settlement of the Committee's Challenge to
4 the Liens and Claims of the Prepetition Lender as reflected in the Stipulation, as well as any other
5 Challenges (as defined in the Final DIP Order) that could have been brought by the Committee
6 pursuant to the terms of the Final DIP Order pursuant to the Stipulation, which is incorporated
7 herein.

8 **D. Establishment of the Liquidating Trust; Transfer of Assets**

9 On the Effective Date, the Liquidating Trust shall be established. Except as otherwise
10 specifically provided in the Plan or the Confirmation Order, (1) upon the Effective Date, the assets
11 and rights to payment included in and comprising the GUC Carveout, including, without
12 limitation, the Initial Cash Carveout and the Additional Cash Carveout (as defined in the
13 Stipulation), the Avoidance Actions, the D&O Commercial Tort Claims, and the rights of the
14 Committee under the Stipulation, and (2) upon the final dissolution of the Post-Effective Date
15 Debtors, any other remaining assets of any of the Debtors' Estates that are not included in the
16 GUC Carveout and are not subject to a lien in favor of Conterra, to the fullest extent provided in
17 11 U.S.C. § 541, including any Causes of Action (collectively, the "Trust Assets"), shall
18 automatically transfer to and vest in the Liquidating Trust, free and clear of any Liens, Claims,
19 encumbrances and interests of any kind. For the avoidance of doubt, Trust Assets do not include
20 the Insider Chapter 5 Claims or the Assigned Insider Commercial Tort Claims, each of which is
21 assigned to Conterra pursuant to the Stipulation subject to the terms of the Stipulation. Thereafter,
22 the Liquidating Trust (at the direction of the Liquidating Trustee) may use, acquire and dispose of
23 the Trust Assets free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules or
24 Bankruptcy Court approval, except as otherwise provided in the Plan. The Post-Effective Date
25 Debtors shall comply with reasonable requests for information from the Liquidating Trustee
26 concerning any assets that may be vested in the Liquidating Trust upon the final dissolution of the
27 Post-Effective Date Debtors.

1 **E. Funding of the Reserve Accounts**

2 1. Professional Fee Claims Reserve. On or as soon as practicable after the Effective
3 Date, the Post-Effective Date Debtors shall fund the Professional Fee Claims Reserve from Cash,
4 including any amounts held in reserve pursuant to the Final DIP Order, in the amount set forth in
5 the Plan Supplement or as otherwise provided in the Confirmation Order. There shall be
6 deposited into the Professional Fee Claims Reserve an amount sufficient for the payment of all
7 Professional Fee Claims that are anticipated to be Allowed.

8 Any Cash remaining in the Professional Fee Claims Reserve after payment of all Allowed
9 Professional Fee Claims shall be transferred by the Post-Effective Date Debtors to the Post-
10 Effective Date Debtor Reserve Account.

11 The Professional Fee Claims Reserve shall be established, and at all times be maintained,
12 as a segregated account.

13 2. Post-Effective Date Debtor Reserve Account. On or as soon as practicable after the
14 Effective Date, the Post-Effective Date Debtors shall fund the Post-Effective Date Debtor Reserve
15 Account in the amount set forth in the Plan Supplement or as otherwise provided in the
16 Confirmation Order in order to fund the Post-Effective Date Debtor Expenses. The Post-Effective
17 Date Debtors, may at any time increase or decrease the amount of the Post-Effective Date Debtor
18 Reserve Account. The Post-Effective Date Debtor Reserve Account shall at all times be
19 maintained in a segregated account. All Post-Effective Date Debtor Expenses shall be paid from
20 the Post-Effective Date Debtor Reserve Account.

21 Unless otherwise specifically provided hereunder, all Cash obtained by the Post-Effective
22 Date Debtors from whatever source, except on account of or that constitutes (1) Trust Assets or
23 the proceeds or products thereof, which shall be paid to the Liquidating Trust, or (2) assets subject
24 to a lien in favor of Conterra or the proceeds or products thereof, which shall be paid to Conterra,
25 shall be deposited by the Post-Effective Date Debtors into the Post-Effective Date Debtor Reserve
26 Account.

27 Upon the dissolution of the Post-Effective Date Debtors, and only after full payment of, or
28 other provision for, all actual and anticipated Post-Effective Date Debtor Expenses, the Post-

Effective Date Debtors shall transfer all Cash remaining in the Post-Effective Date Debtor Reserve Account to the Post-Effective Date Liquidating Trust Account.

3. Post-Effective Date Liquidating Trust Account. On or as soon as practicable after the Effective Date, the Debtors shall pay to the Liquidating Trust, and the Liquidating Trustee shall fund the Post-Effective Date Liquidating Trust Account with, the Initial Cash Carveout. The Liquidating Trustee shall fund the Post-Effective Date Liquidating Trust Account with the Initial Cash Carveout and any other cash received by the Liquidating Trust, including, without limitation, amounts payable to the Committee pursuant to the Stipulation and subject to the cap therein. The Liquidating Trust, in consultation with the Plan Oversight Committee, may at any time increase or decrease the amount of the Post-Effective Date Liquidating Trust Account. The Post-Effective Date Liquidating Trust Account shall at all times be maintained in a segregated account.

Unless otherwise specifically provided hereunder, all Cash obtained by the Liquidating Trust from whatever source, including, without limitation, the proceeds or products of the Trust Assets, shall be deposited by the Liquidating Trustee into the Post-Effective Date Liquidating Trust Reserve Account.

After full payment of, or other provision for, all actual and anticipated Post-Effective Date Liquidating Trust Expenses, the Liquidating Trust shall transfer all Cash remaining in the Post-Effective Date Liquidating Trust Account to the Distribution Account.

4. SAP Claims Reserve Account. On or as soon as practicable after the Effective Date, the Post-Effective Date Debtors shall establish the SAP Claims Reserve Account and fund such account from the Debtors' Cash for: (i) all Administrative Claims asserted against any of the Debtors; (ii) all Priority Tax Claims asserted against any of the Debtors, and (iii) all Priority Non-Tax Claims asserted against any of the Debtors. If and to the extent any such Administrative Claims, Priority Tax Claims, or Priority Non-Tax Claims become Disallowed, withdrawn or reduced, the Post-Effective Date Debtors shall reduce the amount in the SAP Claims Reserve Account in a corresponding amount and shall transfer such amount from the SAP Claims Reserve Account to the Post-Effective Date Debtor Reserve Account.

The SAP Claims Reserve Account shall be established, and at all times be maintained, as a

1 segregated account.

2 Notwithstanding anything to the contrary set forth herein, the SAP Claims Reserve
3 Account shall not be funded multiple times with respect to the same Claim.

4 **F. Funding of the Distribution Account**

5 Distribution Account. On or as soon as practicable after the Effective Date, and as
6 Available Trust Proceeds become available, the Liquidating Trustee shall transfer such proceeds to
7 the Distribution Account in accordance with the terms of the Plan.

8 The Distribution Account shall be established, and at all times be maintained, as a
9 segregated account.

10 **G. Implementing Actions**

11 Unless otherwise provided in the Plan, on the Effective Date or as soon thereafter as
12 practicable, the following shall occur in implementation of the Plan: (i) all actions, documents and
13 agreements necessary to implement the Plan shall have been effected or executed; (ii) the Debtors
14 shall have received all authorizations, consents, regulatory approvals, rulings, opinions or other
15 documents, if any, that are determined by the Debtors to be necessary to implement the Plan; (iii)
16 the Liquidating Trustee shall make all Distributions, if any, required to be made on the Effective
17 Date pursuant to the Plan; and (iv) the Professional Fee Claims Reserve Account, the Post-
18 Effective Date Debtor Reserve Account, the Post-Effective Date Liquidating Trust Account, and
19 the SAP Claims Reserve Account, shall be established and funded in a manner consistent with
20 Article XI(D) of the Plan. All Cash in such accounts shall be deposited or invested in accordance
21 with section 345 of the Bankruptcy Code.

22 **H. Corporate Action; Effectuating Documents; Further Transactions**

23 From and after the Effective Date, the Post-Effective Date Debtors shall continue in
24 existence for all purposes contemplated or required by the Plan, including (i) winding up their
25 affairs as expeditiously as reasonably possible, (ii) filing appropriate tax returns, and
26 (iii) dissolution. Upon the Effective Date, all transactions and other actions provided for under the
27 Plan shall be deemed to be authorized and approved by the Debtors without any requirement of
28 further action by the Debtors, the Debtors' members, the Debtors' shareholders or the Debtors'

1 boards of directors.

2 On the Effective Date, without any further action or any Person or Entity, the members of
3 the board of directors or the managing members of each Debtor prior to the Effective Date, in their
4 capacities as such, have no continuing obligations to any of the Post-Effective Date Debtors on or
5 after the Effective Date. As of the Effective Date, Allen Soong shall be deemed to be the sole
6 equity holder and the only duly authorized, board-appointed officer, director or manager of each of
7 the Post-Effective Date Debtors and all by-laws, articles or certificates of incorporation or
8 agreements and related corporate documents of the Post-Effective Date Debtors shall be deemed
9 to have been amended by the Plan to permit and authorize such sole appointment.

10 After the Effective Date, the Post-Effective Date Debtors shall be authorized to take, in
11 their discretion, all actions reasonably necessary to dissolve one or more of the Debtors under
12 applicable law, and, from the Post-Effective Date Debtor Reserve, to pay all reasonable costs and
13 expenses in connection with such dissolution, including the costs of preparing or filing any
14 necessary paperwork or documentation. Upon the Final Distribution Date, any Post-Effective
15 Date Debtors that have not been previously dissolved shall be deemed dissolved for all purposes
16 without the necessity for other or further actions to be taken by or on behalf of the Post-Effective
17 Date Debtors, and the Post-Effective Date Debtors shall be authorized to file any documents as
18 they may deem necessary or desirable in connection with such dissolution. Further, upon the entry
19 of a final decree or other order of the Bankruptcy Court, the Post-Effective Date Debtors shall be
20 authorized to discard or destroy any and all of the Post-Effective Date Debtors' Books and
21 Records except to the extent that such books relate to open tax years, are necessary for the
22 completion and filing of tax returns, the administration of any of the Trust Assets, or the analysis
23 or prosecution of Causes of Action, or are required to be retained pursuant to an agreement of sale
24 approved by a Sale Order and any ancillary documents or agreements entered in connection
25 therewith.

26 **I. Dissolution of the Committee**

27 On the Effective Date, the Committee shall be dissolved and the members thereof shall be
28 released and discharged of and from all further authority, duties, responsibilities and obligations

1 related to, arising from or in connection with the Chapter 11 Cases, and the retention or
2 employment of the Committee's attorneys, accountants, and other agents, if any, shall terminate,
3 except for purposes of filing and prosecuting Final Fee Applications or any appeal of the
4 Confirmation Order.

5 **J. Treatment of DLP Adversary**

6 On the Effective Date, Conterra or its designee, as purchaser under the APA, shall be
7 responsible for defending the claims against the Debtors in the DLP Adversary. Upon and as of
8 the Effective Date, the Liquidating Trust is deemed substituted as the real party in interest for the
9 Debtors in the DLP Adversary and responsible for prosecuting the counterclaims made by the
10 Debtors against DLP Funding. Conterra, its designee, and/or the Liquidating Trustee may take
11 appropriate action to substitute themselves as parties to the DLP Adversary.

12 **K. Rule 2004 Discovery**

13 On and after the Effective Date, Conterra or its designee, as purchaser under the APA, the
14 Post-Effective Date Debtors and/or the Liquidating Trust have the right to take discovery pursuant
15 to Bankruptcy Rule 2004. Further, Conterra or its designee shall have the rights of the Debtors
16 pursuant to the Bankruptcy Rule 2004 order regarding Peter Hronis (Docket no. 325) and the
17 Bankruptcy Rule 2004 order regarding Kosta Hronis (Docket no. 349).

18 **L. Preservation of All Causes of Action**

19 The Plan reserves for the Liquidating Trustee all rights to commence and pursue, as
20 appropriate, any and all Causes of Action whether arising prior to or after the Petition Date, in any
21 court or other tribunal. On the Effective Date, the Liquidating Trustee is vested with the authority
22 to enforce, file, litigate, prosecute, settle, and collect all Causes of Action although the Liquidating
23 Trustee will not be required to do so unless the Liquidating Trustee determines that doing so
24 would be in the best interests of the Liquidating Trust.

25 While the Debtors have attempted to identify all Causes of Action, including Avoidance
26 Actions, that may be pursued or the transfers or transactions that may give rise to such Causes of
27 Action in their respective schedules or in this Plan, and hereby incorporate by reference those
28 disclosures and provisions, the failure to list any potential Cause of Action, Avoidance Action, or

1 defendant, generally or specifically, is not intended to and shall not limit the rights of Liquidating
2 Trustee to pursue any Cause of Action or Avoidance Action after the Effective Date. The Debtors'
3 investigation of potential Causes of Action is ongoing. The Causes of Action that may be pursued
4 by the Liquidating Trustee include, without limitation, Causes of Action identified in the Plan
5 Supplement and D&O Commercial Tort Claims against beneficiaries of applicable directors' and
6 officers' insurance.

7 Unless a Cause of Action or Avoidance Action against any Person is expressly waived,
8 relinquished, released, compromised, or settled as provided or identified in the Plan, any
9 Confirmation Order or prior Bankruptcy Court order, the Debtors expressly reserve Causes of
10 Action and Avoidance Actions for later pursuit and adjudication by the Liquidating Trustee.
11 Therefore, no preclusion doctrine, including, without limitation, the doctrine of res judicata,
12 collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or
13 laches shall apply to any Cause of Action or Avoidance Action upon or after Confirmation or
14 consummation of the Plan.

15 Except for the Causes of Action expressly released in the Plan or prior order of the
16 Bankruptcy Court, all Causes of Action or Avoidance Actions are preserved under the Plan for the
17 Liquidating Trust.

18 The Liquidating Trust shall not have the right to assert any Claim or Cause of Action
19 against any: (i) Exculpated Party; and (ii) party released by the Debtors pursuant to, and subject to
20 the provisions of, Article XII(B)(2) of the Plan solely with respect to any claim released in Article
21 XII(B)(2).

22 **M. Treatment of DIP Financing Agreement, Utility Deposits**

23 On the Effective Date, the DIP Financing Agreement is deemed terminated.
24 Notwithstanding anything to the contrary in this Plan, any deposits held by any utility company on
25 account of a Debtor are property of the Debtors or Post-Effective Date Debtors. Any utility
26 deposits will be transferred to Conterra upon receipt, on account of Conterra's lien.

XII.EXCULPATION, RELEASES AND INJUNCTIONS

A. Exculpation and Limitation of Liability

EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, EACH OF THE EXCULPATED PARTIES SHALL NOT BE LIABLE FOR ANY CLAIM, ACTION, PROCEEDING, CAUSE OF ACTION, SUIT, ACCOUNT, CONTROVERSY, AGREEMENT, PROMISE, RIGHT TO LEGAL REMEDIES, RIGHT TO EQUITABLE REMEDIES, RIGHT TO PAYMENT OR CLAIM (AS DEFINED IN SECTION 101(5) OF THE BANKRUPTCY CODE), WHETHER KNOWN, UNKNOWN, REDUCED TO JUDGMENT, NOT REDUCED TO JUDGMENT, LIQUIDATED, UNLIQUIDATED, FIXED, CONTINGENT, MATURED, UNMATURED, DISPUTED, UNDISPUTED, SECURED OR UNSECURED AND WHETHER ASSERTED OR ASSERTABLE DIRECTLY OR DERIVATIVELY, IN LAW, EQUITY OR OTHERWISE TO ONE ANOTHER OR TO ANY HOLDER OF A CLAIM OR EQUITY INTEREST, OR ANY OTHER PARTY IN INTEREST, OR ANY OF THEIR RESPECTIVE AGENTS, EMPLOYEES, REPRESENTATIVES, FINANCIAL ADVISORS, ATTORNEYS, OR ANY OF THEIR SUCCESSORS OR ASSIGNS, FOR ANY ACT OR OMISSION ORIGINATING OR OCCURRING ON OR AFTER THE PETITION DATE THROUGH AND INCLUDING THE EFFECTIVE DATE IN CONNECTION WITH, RELATING TO, OR ARISING OUT OF THE CHAPTER 11 CASES, THE NEGOTIATION AND FILING OF THE PLAN OR ANY PRIOR PLANS, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION OF THE PLAN OR ANY PRIOR PLANS, ANY SALE ORDER, THE CONSUMMATION OF THE PLAN, OR THE ADMINISTRATION OF THE PLAN OR THE PROPERTY TO BE LIQUIDATED AND/OR DISTRIBUTED UNDER THE PLAN, EXCEPT FOR WILLFUL MISCONDUCT, GROSS NEGLIGENCE OR FRAUD AS DETERMINED BY A FINAL ORDER OF A COURT OF COMPETENT JURISDICTION.

1 **B. Releases**

2 **1. Prepetition Lender Pursuant to Settlement and Stipulation**

3 **ON THE EFFECTIVE DATE, PURSUANT TO THE SETTLEMENT, THE**
4 **DEBTORS (ON BEHALF OF THEMSELVES AND THEIR ESTATES), THE**
5 **COMMITTEE, THE LIQUIDATING TRUST, THE LIQUIDATING TRUSTEE, AND**
6 **ANY OTHER PERSON SEEKING TO EXERCISE THE DERIVATIVE RIGHTS OF THE**
7 **ESTATES SHALL RELEASE UNCONDITIONALLY, AND HEREBY ARE DEEMED TO**
8 **FOREVER RELEASE UNCONDITIONALLY, THE PREPETITION LENDER,**
9 **MAGNETAR CAPITAL AND ITS AFFILIATES , AND THE PREPETITION LENDER'S**
10 **AND MAGNETAR CAPITAL'S CURRENT AND FORMER EMPLOYEES, AGENTS,**
11 **ATTORNEYS, FINANCIAL ADVISORS, OFFICERS DIRECTORS, AND THEIR**
12 **AFFILIATES, SUBSIDIARIES, PREDECESSORS, SUCCESSORS AND ASSIGNS, AND**
13 **SUCH ENTITIES' RESPECTIVE HEIRS, EXECUTORS, ESTATES, SERVANTS AND**
14 **NOMINEES, IN EACH CASE, FROM ANY AND ALL CLAIMS (INCLUDING CLAIMS**
15 **UNDER CHAPTER 5 OF THE BANKRUPTCY CODE), OBLIGATIONS, SUITS,**
16 **JUDGMENTS, DAMAGES, RIGHTS, CAUSES OF ACTION AND LIABILITIES**
17 **WHATSOEVER (OTHER THAN THE RIGHT TO ENFORCE THE PERFORMANCE OF**
18 **THEIR RESPECTIVE OBLIGATIONS, IF ANY, TO THE DEBTORS UNDER THE**
19 **PLAN, AND THE CONTRACTS, INSTRUMENTS, RELEASES AND OTHER**
20 **AGREEMENTS DELIVERED UNDER THE PLAN), WHETHER LIQUIDATED OR**
21 **UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN**
22 **OR UNKNOWN, FORESEEN OR UNFORESEEN, DIRECTLY OR DERIVATIVELY,**
23 **THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY OR OTHERWISE**
24 **THAT ARE BASED IN WHOLE OR IN PART ON ANY ACT OR OMISSION,**
25 **TRANSACTION, EVENT OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR**
26 **TO THE EFFECTIVE DATE IN ANY WAY RELATING TO THE DEBTORS, THE**
27 **CHAPTER 11 CASES, THE PLAN, THE PREPETITION CREDIT AGREEMENT, THE**
28 **PREPETITION LOAN DOCUMENTS; PROVIDED, HOWEVER, THAT**

1 NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED HEREIN IS
2 INTENDED TO OR SHALL OPERATE AS A RELEASE OF ANY OF THEIR
3 OBLIGATIONS OR THE RIGHTS OF THE ESTATES, COMMITTEE, THE
4 LIQUIDATING TRUST, AND THE LIQUIDATING TRUSTEE UNDER THE
5 STIPULATION AND ANY CLAIMS FOR WILLFUL MISCONDUCT OR FRAUD, AS
6 DETERMINED BY A FINAL ORDER OF A COURT OF COMPETENT JURISDICTION.

7 **2. Other Parties**

8 ON THE EFFECTIVE DATE, THE DEBTORS, ON BEHALF OF THEMSELVES
9 AND THEIR ESTATES, SHALL RELEASE UNCONDITIONALLY, AND HEREBY ARE
10 DEEMED TO FOREVER RELEASE UNCONDITIONALLY THE DEBTORS'
11 RESPECTIVE ADVISORS EMPLOYED OR RETAINED POSTPETITION (INCLUDING
12 THE DEBTORS' CO-CHIEF RESTRUCTURING OFFICERS AND PALADIN, THE
13 DEBTORS' INDEPENDENT DIRECTOR MATTHEW ENGLISH, AND ARCH & BEAM
14 GLOBAL, LLC), PROFESSIONALS, CONSULTANTS, AND ATTORNEYS, SOLELY IN
15 THEIR RESPECTIVE CAPACITIES AS SUCH, FROM ANY AND ALL CLAIMS,
16 OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, RIGHTS, CAUSES OF ACTION
17 AND LIABILITIES WHATSOEVER (OTHER THAN THE RIGHT TO ENFORCE THE
18 PERFORMANCE OF THEIR RESPECTIVE OBLIGATIONS, IF ANY, UNDER THE
19 PLAN, AND THE CONTRACTS, INSTRUMENTS, RELEASES AND OTHER
20 AGREEMENTS DELIVERED UNDER THE PLAN), WHETHER LIQUIDATED OR
21 UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN
22 OR UNKNOWN, FORESEEN OR UNFORESEEN, DIRECTLY OR DERIVATIVELY,
23 THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY OR OTHERWISE
24 THAT ARE BASED IN WHOLE OR IN PART ON ANY ACT OR OMISSION,
25 TRANSACTION, EVENT OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR
26 TO THE EFFECTIVE DATE IN ANY WAY RELATING TO THE DEBTORS, THE
27 CHAPTER 11 CASES, THE PLAN, THE PREPETITION CREDIT AGREEMENT, THE
28 PREPETITION LOAN DOCUMENTS; PROVIDED, HOWEVER, THAT

1 NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED HEREIN IS
2 INTENDED TO OR SHALL OPERATE AS A RELEASE OF (1) ANY CLAIMS FOR
3 WILLFUL MISCONDUCT, GROSS NEGLIGENCE OR FRAUD, AS DETERMINED BY
4 A FINAL ORDER OF A COURT OF COMPETENT JURISDICTION, OR (2) ANY D&O
5 COMMERCIAL TORT CLAIM, ASSIGNED INSIDER COMMERCIAL TORT CLAIM,
6 OR INSIDER CHAPTER 5 CLAIM.

7 C. Injunction

8 EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, FROM AND AFTER THE
9 EFFECTIVE DATE, ALL PERSONS WHO HAVE HELD, HOLD OR MAY HOLD
10 CLAIMS AGAINST OR INTERESTS IN ANY OF THE DEBTORS ARE
11 PERMANENTLY ENJOINED FROM TAKING ANY OF THE FOLLOWING ACTIONS
12 AGAINST ANY OF THE DEBTORS OR THEIR ESTATES, ANY DEBTOR'S
13 PROPERTY, THE LIQUIDATING TRUST, THE LIQUIDATING TRUSTEE, THE
14 PREPETITION LENDER, MAGNETAR CAPITAL AND ITS AFFILIATES, OR THE
15 EXCULPATED PARTIES, ON ACCOUNT OF ANY SUCH CLAIMS OR INTERESTS
16 ARISING PRIOR TO THE EFFECTIVE DATE: (A) ENFORCING, ATTACHING,
17 COLLECTING OR RECOVERING IN ANY MANNER ANY JUDGMENT, AWARD,
18 DECREE OR ORDER; (B) CREATING, PERFECTING OR ENFORCING ANY LIEN OR
19 ENCUMBRANCE; (C) ASSERTING A SETOFF OR RIGHT OF SUBROGATION OF
20 ANY KIND AGAINST ANY DEBT, LIABILITY OR OBLIGATION DUE TO ANY
21 DEBTOR; (D) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY
22 PLACE, ANY ACTION THAT DOES NOT COMPLY WITH OR IS INCONSISTENT
23 WITH THE PROVISIONS OF THE PLAN; AND (E) TAKING ANY ACTION WHICH
24 INTERFERES WITH THE IMPLEMENTATION OR CONSUMMATION OF THE
25 PLAN; PROVIDED, HOWEVER, THAT NOTHING CONTAINED IN THE PLAN SHALL
26 PRECLUDE SUCH PERSONS FROM EXERCISING AND/OR ENFORCING THEIR
27 RIGHTS PURSUANT TO AND CONSISTENT WITH THE TERMS OF THE PLAN OR
28 THE CONFIRMATION ORDER. NOTWITHSTANDING ANYTHING TO THE

1 CONTRARY SET FORTH HEREIN, WITH RESPECT TO BLOOM FRESH
2 INTERNATIONAL LIMITED'S CLAIMS AGAINST AG FUNDING SC III, LLC, A
3 DELAWARE LIMITED LIABILITY COMPANY, IF ANY, ARISING UNDER THE
4 BLOOM FRESH AGREEMENTS AS DEFINED UNDER THAT CERTAIN
5 ASSUMPTION AND ASSIGNMENT AGREEMENT DATED AUGUST 17, 2026, THIS
6 INJUNCTION PROVISION SHALL NOT APPLY TO AG FUNDING SC III, LLC.

7 **XIII. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

8 **A. Rejection of Executory Contracts and Unexpired Leases**

9 On the Effective Date, all Executory Contracts not assumed before the Effective Date, or
10 subject to a pending motion to assume as of the Effective Date, are deemed rejected. The
11 Confirmation Order constitutes an Order approving such rejection as of the Effective Date.

12 **B. Deadline for Filing Proofs of Claim Relating to Executory Contracts and Unexpired**
13 **Leases Rejected Pursuant to the Plan**

14 If the rejection by the Debtors of an Executory Contract pursuant to the Plan gives rise to a
15 Claim, a proof of claim must be submitted to the **Hronis, Inc., et al. Claims Processing c/o**
16 **Donlin, Recano & Company, LLC, P.O. Box 2053, New York, NY 10272-2042**
17 **(hronisinfo@angeiongroup.com)**, by no later than thirty (30) days after service of the notice of
18 the Effective Date. Any proofs of claim not filed and served within such time period will be
19 forever barred from assertion against the Debtors and their Estates. Unless otherwise Ordered by
20 the Bankruptcy Court, all Claims arising from the rejection of Executory Contracts shall be treated
21 as Class 5 General Unsecured Claims under the Plan. For the avoidance of doubt, any Claims
22 arising from the rejection of an Executory Contract pursuant to a separate motion or order are
23 subject to the applicable Rejection Bar Date.

24 **C. Debtors' Insurance Policies**

25 Notwithstanding anything to the contrary contained in the Plan, all Insurance Policies shall
26 remain in full force and effect unless otherwise validly terminated, and issuers of such Insurance
27 Policies shall remain responsible for Claims and Causes of Action (including D&O Commercial
28 Tort Claims), in accordance with the terms and provisions of such Insurance Policies. The

Debtors do not consider Insurance Policies that have expired as of the Effective Date (whether or not entered into prior or subsequent to the Petition Date) to be executory contracts subject to assumption or rejection. However, the issuers of Insurance Policies shall be responsible for continuing coverage obligations thereunder, regardless of the payment status of any retrospective or other insurance premiums. Nothing in the Plan shall constitute or be deemed to be a waiver of any Cause of Action that the Debtors may hold against Persons, including any issuer under any Insurance Policy of the Debtors, including, without limitation, any D&O Commercial Tort Claims.

Nothing in the Plan and/or the Confirmation Order alters the rights and obligations of the Debtors (and their Estates) and the Debtors' insurers (and third-party claims administrators) under the Insurance Policies or modifies the coverage or benefits provided thereunder or the terms or conditions thereof or diminishes or impairs the enforceability of the Insurance Policies.

XIV. CONDITIONS PRECEDENT TO AND OCCURRENCE OF CONFIRMATION AND THE EFFECTIVE DATE

A. Conditions Precedent to Confirmation

The following are conditions precedent to Confirmation that must be satisfied or waived:

(i) The Confirmation Order is reasonably acceptable in form and substance to the Debtors and the Prepetition Lender, in consultation with the Committee; and

(ii) The Plan Supplement and any other exhibits or schedules incorporated as part of the Plan, including the Liquidating Trust Agreement, are reasonably acceptable in form and substance to the Debtors and the Prepetition Lender, in consultation with the Committee.

B. Conditions Precedent to the Effective Date

The Plan will not become effective unless and until the following conditions shall have been satisfied or, solely with respect to item (ii) below, waived:

(iii) Entry of the Confirmation Order;

(iv) The Confirmation Order becomes a Final Order;

(v) The Sale of the Conterra Acquired Real Estate has closed and all documents and instruments necessary to effect the conveyance of the Conterra Acquired Real Estate have been made, delivered, and filed as required by law or practice; and

(vi) Sufficient Cash is available to fund the Reserve Accounts in accordance with the terms of the Plan.

C. Establishing the Effective Date

The Effective Date shall be a Business Day on or promptly following the satisfaction or waiver of all conditions to the Effective Date, which date will be selected by the Debtors. On or within two (2) Business Days after the Effective Date, the Post-Effective Date Debtors shall file and serve a notice of occurrence of the Effective Date. Such notice shall contain, among other things, notice of the Administrative Expense Bar Date, the deadline by which Professionals must file and serve any Professional Fee Claims and the deadline to file a proof of claim relating to damages from the rejection of any Executory Contract pursuant to the terms of the Plan.

D. Effect of Failure of Conditions

In the event the Effective Date does not occur, the Plan shall be null and void in all respects.

E. Waiver of Conditions to Confirmation and Effective Date

Each of the conditions to the Effective Date that is subject to waiver may be waived, in whole or in part, by the Debtors and the Prepetition Lender, in consultation with the Committee, without notice to or an order of the Bankruptcy Court.

XV. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, following the Effective Date, the Bankruptcy Court retains such jurisdiction over the Chapter 11 Cases, and all proceedings arising in or related to the Chapter 11 Cases, as is legally permissible, including such jurisdiction as is necessary to ensure that the interests and purposes of the Plan are carried out. Without limiting the generality of the foregoing, the Bankruptcy Court shall have jurisdiction of all matters arising out of, and related to, the Chapter 11 Cases and the Plan pursuant

1 to, and for the purposes of, Sections 105(a) and 1142 of the Bankruptcy Code and for, among other
2 things, the following purposes:

3 (i) To hear and determine any objections to Claims and to address any issues relating to
4 Disputed Claims;

5 (ii) To hear and determine Causes of Action (including the Causes of Action identified
6 in Exhibit A hereto);

7 (iii) To enter and implement such Orders as may be appropriate in the event the
8 Confirmation Order is for any reason stayed, revoked, modified or vacated;

9 (iv) To issue such Orders in aid of execution and consummation of the Plan, to the extent
10 authorized by Section 1142 of the Bankruptcy Code;

11 (v) To consider any amendments to or modifications of the Plan, to cure any defect or
12 omission, or reconcile any inconsistency in any Order of the Bankruptcy Court, including the
13 Confirmation Order;

14 (vi) To hear and determine all requests for compensation and reimbursement of expenses
15 to the extent Allowed by the Bankruptcy Court under Sections 330 or 503 of the Bankruptcy Code;

16 (vii) To hear and determine disputes arising in connection with the interpretation,
17 implementation or enforcement of the Plan;

18 (viii) To hear and determine matters concerning state, local and federal taxes in accordance
19 with Sections 346, 505 and 1146 of the Bankruptcy Code (including any request by the Debtors or
20 the Liquidating Trustee for an expedited determination of tax under Section 505(b) of the
21 Bankruptcy Code);

22 (ix) To hear any other matter not inconsistent with the Bankruptcy Code;

23 (x) To enter a final decree closing the Chapter 11 Cases (or any of them);

24 (xi) To ensure that Distributions to Holders of Allowed Claims are accomplished
25 pursuant to the provisions of the Plan;

26 (xii) To decide or resolve any motions, adversary proceedings, contested or litigated
27 matters and any other matters and grant or deny any applications involving the Debtors that may be
28 pending on the Effective Date;

(xiii) To issue injunctions, enter and implement other Orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with the occurrence of the Effective Date or enforcement of the Plan, except as otherwise provided herein;

(xiv) To determine any other matters that may arise in connection with or related to the Plan, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created or implemented in connection with the Plan;

(xv) To enforce, interpret, and determine any disputes arising in connection with any stipulations, orders, judgments, injunctions, exculpations, and rulings entered in connection with the Chapter 11 Cases (whether or not the Chapter 11 Cases have been closed);

(xvi) To resolve disputes concerning any reserves with respect to Disputed Claims or the administration thereof;

(xvii) To resolve any disputes concerning whether a Person or Entity had sufficient notice of the Chapter 11 Cases, the General Bar Date, the Governmental Unit Bar Date, the Rejection Bar Date, the Administrative Expense Bar Date, and/or the hearing on the approval of the Plan for the purpose of determining whether a Claim, or Equity Interest is discharged and/or enjoined hereunder or for any other purpose; and

(xviii) To resolve any other matter or for any purpose specified in the Plan, the Confirmation Order, or any other document entered into in connection with any of the foregoing.

XVI. MISCELLANEOUS PROVISIONS

A. Books and Records

On the Effective Date, the Debtors will transfer an electronic copy of the Debtors' Books and Records to the Liquidating Trust in their original native format (or other format agreed to by the Liquidating Trustee) to administer the Plan and the Liquidating Trust.

B. Common Interest in Privileged Material

On the Effective Date, the Liquidating Trust is deemed to have a common legal interest with the Post-Effective Date Debtors solely to the extent necessary to accomplish the duties of the Liquidating Trust, including, without limitation, the pursuit of Causes of Action vested in the Liquidating Trust. All attorney-client privilege, attorney work-product privilege, or other similar

1 privilege or immunity held by the Debtors related to any of the Trust Assets, the Liquidating
2 Trust's administration of such assets, and/or the duties of the Liquidating Trust set forth in this
3 Plan is held in common by the Liquidating Trust and the Post-Effective Date Debtors until the
4 dissolution of the Post-Effective Date Debtors when thereby it shall be held solely by the
5 Liquidating Trust. The Debtors and the Liquidating Trustee shall enter into a mutually agreeable
6 form of protective order to be approved by the Bankruptcy Court to effectuate the transfer, use,
7 and protection of privileged information as contemplated by this Section XVI.B.

8 **C. Injunctions or Stays**

9 All injunctions or stays provided for in the Chapter 11 Cases under sections 105 or 362 of
10 the Bankruptcy Code or otherwise, and in existence on the Confirmation Date, remain in full force
11 and effect.

12 **D. Amendment or Modification of the Plan**

13 Alterations, amendments or modifications of the Plan may be proposed in writing by the
14 Debtors at any time before the Confirmation Date, provided that the Plan, as altered, amended or
15 modified, satisfies the conditions of Sections 1122 and 1123 of the Bankruptcy Code and the
16 Debtors shall have complied with Section 1125 of the Bankruptcy Code, and the Prepetition
17 Lender has consented in writing to such alteration, amendment or modification (such consent not
18 to be unreasonably withheld).

19 **E. Severability**

20 In the event the Bankruptcy Court determines, before the Confirmation Date, that any
21 provision in the Plan is invalid, void or unenforceable, such provision shall be invalid, void or
22 unenforceable with respect to the Holder or Holders of such Claims or Equity Interests as to which
23 the provision is determined to be invalid, void or unenforceable. The invalidity, voidability or
24 unenforceability of any such provision shall in no way limit or affect the enforceability and
25 operative effect of any other provision of the Plan.

26 **F. Revocation or Withdrawal of the Plan**

27 The Debtors, with the consent of the Prepetition Lender, and in consultation with the
28 Committee, reserve the right to revoke or withdraw the Plan before the Confirmation Date. If the

1 Debtors revoke or withdraw the Plan before the Confirmation Date, then the Plan shall otherwise
2 be deemed null and void. In such event, nothing contained herein shall constitute or be deemed a
3 waiver or release of any Claims by or against the Debtors.

4 **G. Binding Effect**

5 The Plan shall be binding upon and inure to the benefit of the Debtors, the Holders of
6 Claims and the Holders of Equity Interests, and their respective successors and assigns.

7 **H. Notices**

8 All notices, requests and demands to or upon the Liquidating Trustee or the Post-Effective
9 Date Debtors, as applicable, to be effective shall be in writing and, unless otherwise expressly
10 provided herein, shall be deemed to have been duly given or made when actually delivered or, in
11 the case of notice by facsimile transmission, when received and telephonically confirmed,
12 addressed as shall be set forth in the Confirmation Order.

13 **I. Governing Law**

14 Except to the extent the Bankruptcy Code, Bankruptcy Rules or other federal law is
15 applicable, or to the extent an exhibit to the Plan provides otherwise, the rights and obligations
16 arising under the Plan shall be governed by, and construed and enforced in accordance with, the
17 laws of the State of California, without giving effect to the principles of conflicts of law of such
18 jurisdiction.

19 **J. Withholding and Reporting Requirements**

20 In connection with the consummation of the Plan, the Post-Effective Date Debtors and
21 Liquidating Trustee shall comply with all withholding and reporting requirements imposed by any
22 federal, state, local or foreign taxing authority and all distributions hereunder shall be subject to
23 any such withholding and reporting requirements. Notwithstanding the above, each Holder of an
24 Allowed Claim that is to receive a Distribution under the Plan shall have the sole and exclusive
25 responsibility for the satisfaction and payment of any tax obligations imposed on such Holder by
26 any Governmental Unit, including income, withholding and other tax obligations, on account of
27 such Distribution. The Post-Effective Date Debtors and the Liquidating Trustee have the right,
28 but not the obligation, to not make a Distribution until such Holder has made arrangements

1 satisfactory to any disbursing party for payment of any such tax obligations.

2 The Post-Effective Date Debtors and/or Liquidating Trustee may require, as a condition to
3 receipt of a Distribution, that the Holder of an Allowed Claim complete and return a Form W-9. If
4 the Post-Effective Date Debtors and/or Liquidating Trustee make such a request and the Holder
5 fails to comply before the date that is ninety (90) days after the request is made, the amount of
6 such Distribution shall irrevocably revert to the Liquidating Trustee and any Claim in respect of
7 such Distribution shall be disallowed and forever barred from assertion against the Post-Effective
8 Date Debtors or the Liquidating Trustee, or their respective property.

9 **K. Exhibits/Schedules**

10 All exhibits and schedules to the Plan are incorporated into and are a part of the Plan as if
11 set forth in full herein.

12 **L. Filing of Additional Documents**

13 On or before substantial consummation of the Plan, the Debtors shall file with the
14 Bankruptcy Court such agreements and other documents as may be necessary or appropriate to
15 effectuate and further evidence the terms and conditions of the Plan.

16 **M. No Admissions**

17 Notwithstanding anything herein to the contrary, nothing contained in the Plan shall be
18 deemed as an admission by any Entity with respect to any matter set forth herein.

19 **N. Successors and Assigns**

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

23 **O. Reservation of Rights**

24 Except as expressly set forth herein, the Plan shall have no force or effect unless the
25 Bankruptcy Court shall enter the Confirmation Order. None of the filing of the Plan, any
26 statement or provision contained herein, or the taking of any action by the Debtors with respect to
27 the Plan shall be or shall be deemed to be an admission or waiver of any rights of the Debtors or
28 Holders of Claims or Equity Interests before the Effective Date.

1 **P. Implementation**

2 The Debtors and the Liquidating Trustee shall take all steps, and execute all documents,
3 necessary to effectuate the provisions contained in this Plan.

4 **Q. Inconsistency**

5 In the event of any inconsistency among the Plan and any other instrument or document
6 created or executed pursuant to the Plan, excluding the Stipulation which shall govern over the
7 Plan, the provisions of the Plan govern. In the event of any inconsistency between the Plan and
8 the Confirmation Order, the Confirmation Order governs.

9 **R. Final Decrees**

10 Following the occurrence of the Effective Date and upon the filing of a certification of the
11 Post-Effective Date Debtors' counsel, after consultation with the Office of the United States
12 Trustee, the Court shall enter final decrees and orders closing the Chapter 11 Cases of all Debtors
13 except Hronis, Inc. (the "**Non-Lead Debtors**"). Following closure of the Non-Lead Debtors'
14 Chapter 11 Cases, any and all recourse for any Claims, Interests, or equitable relief with respect to
15 the Non-Lead Debtors shall proceed exclusively in the Chapter 11 Case of Hronis, Inc., in
16 accordance with the Plan and any Final Orders entered in the Chapter 11 Cases.

17 **S. Release of Responsible Officer of Post-Effective Date Debtors**

18 After the Post-Effective Date Debtors are dissolved and they completed all of the tasks
19 necessary to fully and completely wind down, dissolve and/or terminate the Debtors and to
20 otherwise comply with its obligations under the terms of the Plan, the responsible officer(s) of the
21 Post-Effective Date Debtors shall have fully completed their duties under the Plan and thereby
22 shall be fully released and discharged of their duties and obligations to carry out the terms of the
23 Plan.

24 **T. Termination of the Liquidating Trust and Release of Trustee**

25 After the Chapter 11 Cases are closed and the Liquidating Trustee has completed all of the
26 tasks necessary to fully and completely comply with its obligations under the terms of the Plan,
27 the Liquidating Trustee shall have fully completed its duties under the Plan and thereby shall be
28 fully released and discharged of his duties and obligations to carry out the terms of the Plan, and

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1 the Liquidating Trust shall terminate.

2 **U. Compromise of Controversies**

3 Pursuant to Bankruptcy Rule 9019, and in consideration for the classification, distribution
4 and other benefits provided under the Plan, the provisions of this Plan shall constitute a good faith
5 compromise and settlement of all Claims or controversies resolved pursuant to the Plan and in
6 these Chapter 11 Cases. The entry of the Confirmation Order shall constitute the Bankruptcy
7 Court's approval of each of the foregoing compromises or settlements, and all other compromises
8 and settlements provided for in the Plan and the Chapter 11 Cases, and the Bankruptcy Court's
9 findings shall constitute its determination that such compromises and settlements are in the best
10 interests of the Debtors and their Estates.

11 **V. Request for Expedited Determination of Taxes**

12 The Debtors and the Liquidating Trustee shall have the right to request an expedited
13 determination under Section 505(b) of the Bankruptcy Code with respect to tax returns filed, or to
14 be filed, for any and all taxable periods ending after the Petition Date through the Effective Date.

15 Dated: July 10, 2026

16 HRONIS, INC., a California corporation
17 HRONIS CAPITAL ASSETS, LP, a California limited partnership
18 HRONIS CAPITAL MANAGEMENT, LLC, a California limited liability company
19 HRONIS CITRUS, LLC, a California limited liability company
20 HRONIS FARMING, LP, a California limited partnership
21 HRONIS FRUIT COMPANY LLC, a California limited liability company
22 HRONIS LAND COMPANY, a California general partnership
23 HRONIS RANCH, LLC, a California limited liability company
24 HRONIS RESOURCE MANAGEMENT, LLC, a California limited liability company
25 THE HRONIS FAMILY LIMITED PARTNERSHIP, a California limited partnership

26 By: Paladin Management Group, in its capacity as financial advisor and co-chief restructuring
27 officers to each of the foregoing Debtors

28 By: _____
Name: Allen Soong
Title: Co-CRO

Exhibit A

Causes of Action Include But Are Not Limited to the Following:

- Claims or causes of action (excluding the Insider Chapter 5 Claims and the Assigned Insider Commercial Tort Claims) against present or former officers, directors, members or managers of the Debtors that are not otherwise released under the Plan, including, but not limited to, unreleased claims or causes of action (i) arising under federal bankruptcy or applicable state fraudulent conveyance laws on account of any transfers to or for the benefit of such persons, or payments of debts owed to such persons; (ii) arising under applicable common law for fraud, for breaches of contractual obligations or fiduciary duties owed to the Debtors, or for aiding and abetting any of the foregoing, in connection with the management of the Debtors (including specifically, without limitation, in connection with the valuation of any Debtor's inventory); and (iii) arising under applicable state laws on account of any wrongful dividends paid by the Debtors, or for aiding and abetting any of the foregoing;
- Claims or causes of action under Chapter 5 of the Bankruptcy Code, or any applicable claims in law or equity, contract or tort, under applicable non-bankruptcy law (excluding the Insider Chapter 5 Claims and the Assigned Insider Commercial Tort Claims) against Credit Line Capital Group; MCA Servicing Company; Oakwood Business Funding, LLC; Parkside Funding Group, LLC; Wynwood Capital Group LLC; Sun Pacific Farming Cooperative, Inc. and Evans AG GP, Inc.; Agpeak Holdings; Sunkist Growers, Inc.; UBS/Agrivest; Peter J. Hronis; Kosta Hronis; Antonia Hronis; Chase Hronis, Demetrius A. Hronis; Hailey Hronis; Peter N. Hronis; Stephanie Hronis; Hronis Trust for Antonia S. Hronis; Hronis Trust for Chase J. Hronis; Hronis Trust for Demetri A. Hronis; Hronis Trust for Hailey L. Hronis; Hronis Trust for Paige Hronis; Hronis Trust for Peter N. Hronis; and Sophia Hronis Revocable Trust; Claims or causes of action under Chapter 5 of the Bankruptcy Code, including claims against any recipient of payment listed in response to items 3 and/or 4 in

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any of the Debtors' Statements of Financial Affairs, and causes of action to equitably subordinate any Allowed Claim pursuant to 11 U.S.C. § 510(c).

For the avoidance of doubt, the Insider Chapter 5 Claims and the Assigned Insider Commercial Tort Claims assigned to the Prepetition Lender pursuant to the Stipulation and subject to its terms are not included in the Causes of Action.

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Exhibit B
Liquidating Trust Agreement

LIQUIDATING TRUST AGREEMENT

This Liquidating Trust Agreement (“Liquidating Trust Agreement” or “Agreement”), dated as of September __, 2026, by and between Hronis, Inc., *et al.* (the “Debtors”) and Dundon Advisers LLC as Liquidating Trustee (the “Liquidating Trustee” or “Trustee”) under that certain *Debtors’ Combined Chapter 11 Plan of Liquidation and Disclosure Statement* dated July 10, 2026 (as amended, modified, and/or supplemented, the “Plan”),¹ is hereby being executed to facilitate the implementation of the Plan, which provides for the establishment of the Liquidating Trust (as defined below) created by this Liquidating Trust Agreement and the administration and disposition of the Trust Assets (as defined below), all for the benefit of the holders of certain Claims as set forth in the Plan.¹ The Liquidating Trustee’s powers and duties are as set forth herein.

WHEREAS, on March 6, 2026 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Eastern District of California (the “Bankruptcy Court” or “Court”);

WHEREAS, the Official Committee of Unsecured Creditors (the “Committee”) was appointed by the United States Trustee on March 20, 2026;

WHEREAS, on July 10, 2026, the Debtors filed the Plan;

WHEREAS, on September __, 2026, the Bankruptcy Court entered an order confirming the Plan (the “Confirmation Order”);

WHEREAS, the Plan and the Confirmation Order provide for the establishment of a Liquidating Trust (as defined in the Plan, the “Liquidating Trust”) pursuant to this Liquidating Trust Agreement and the appointment of the Liquidating Trustee to (i) administer the Liquidating Trust for the benefit of the Holders of all Allowed Class 4(a), Class 4(b), Class 4(c) and Class 5 Claims (collectively, “Allowed General Unsecured Claims”) under the Plan² and (ii) provide administrative services relating to the Plan’s implementation;

WHEREAS, the Plan will become effective on the Effective Date;

WHEREAS, Dundon Advisers LLC is hereby appointed Liquidating Trustee;

WHEREAS, an oversight committee (the “Oversight Committee”) has been appointed effective as of the Effective Date to oversee the Liquidating Trust and consult with the Liquidating Trustee in the performance of the Liquidating Trustee’s duties and obligations;

WHEREAS, the Oversight Committee currently consists of the persons and/or entities identified on Schedule 1 attached hereto;

¹ Unless otherwise defined in this Liquidating Trust Agreement, all capitalized terms contained in this Liquidating Trust Agreement have the meanings ascribed to them in the Plan. To the extent that a definition of a term in the text of this Liquidating Trust Agreement and the definition of such term in the Plan are inconsistent, the definition in the Plan shall control.

WHEREAS, the Plan provides for, *inter alia*:

- (a) the transfer to the Liquidating Trust, on the Effective Date, of (a) the assets and rights to payment included in and comprising the GUC Carveout, including, without limitation, the Initial Cash Carveout and the Additional Cash Carveout (as defined in the Stipulation), the Avoidance Actions, and the D&O Commercial Tort Claims, and (2) upon the final dissolution of the Post-Effective Date Debtors, any other assets of any of the Debtors' Estates that are not subject to a lien in favor of Conterra, to the fullest extent provided in 11 U.S.C. § 541, including any Causes of Action (collectively, the "Trust Assets") and (b) any and all proceeds of any Trust Assets, free and clear of all Claims, Liens, charges, and other encumbrances;
- (b) the distribution of Distributable Proceeds, in accordance with the terms of the Plan, for the benefit of Liquidating Trust beneficiaries (the "Beneficiaries;" *provided, however*, that to the extent any General Unsecured Claim is not an Allowed Claim, the Holder of such Claim shall not be deemed a Beneficiary hereunder);
- (c) distributions, if any, to Beneficiaries shall be made solely from Trust Assets;
- (d) the federal income tax treatment (i) of the Beneficiaries as the grantors and owners of the Liquidating Trust and (ii) of the transfer of the Trust Assets to the Liquidating Trust as a deemed transfer from the Debtors to the Beneficiaries followed by a deemed transfer by the Beneficiaries to the Liquidating Trust;
- (e) the establishment of (i) a disputed claims reserve from which payments may be made to a Holder of a Disputed General Unsecured Claim if such Claim becomes an Allowed Claim; and (ii) other appropriate reserves, including as may be reasonably necessary to pay Post-Effective Date Liquidating Trust Expenses;
- (f) the payment, in accordance with the terms of the Plan, of Allowed General Unsecured Claims; and distributions on account of Claims that were Disputed or otherwise not Allowed as of the Effective Date, if such Claims become Allowed; and
- (g) the administration of the Liquidating Trust and the Trust Assets by the Liquidating Trustee for the purposes and in the manner set forth in this Liquidating Trust Agreement subject to the Plan; and

WHEREAS, the Liquidating Trust is intended to be treated as a liquidating trust pursuant to United States Treasury Regulation Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684, and as a grantor trust subject to the provisions of Subtitle A, Chapter 1, Subchapter J, Part 1, Subpart E of the Tax Code (hereinafter defined) owned by the Beneficiaries as grantors;

NOW, THEREFORE, pursuant to the Plan and in consideration of the premises, the mutual agreements of the parties contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and affirmed, the parties hereby agree as follows:

ARTICLE 1

DECLARATION OF TRUST

1.1 Purpose of the Liquidating Trust. The Debtors and the Liquidating Trustee, pursuant to the Plan and the Confirmation Order, and in accordance with the Bankruptcy Code and applicable tax statutes, rules, and regulations, to the extent incorporated in this Agreement, hereby constitute and create a trust (*i.e.*, the Liquidating Trust) for the purpose of liquidating the Trust Assets for the benefit of the Beneficiaries, with no objective to continue or engage in the conduct of a trade or business (except to the extent reasonably necessary to carry out, and consistent with, the liquidation purpose of the Liquidating Trust, provided that any such conduct will not affect the Liquidating Trust's tax status as a liquidation trust). In particular, the Liquidating Trust, through the Liquidating Trustee, shall (i) pending the reduction to Cash of the Trust Assets (and any non-Cash proceeds thereof), manage, and collect and obtain proceeds from the Trust Assets, with the goal of reducing the Trust Assets (and any non-Cash proceeds thereof) to Cash; (ii) make distributions pursuant to this Agreement, the Plan, and the Confirmation Order; and (iii) take such steps as are reasonably necessary to accomplish such purposes, all as more fully provided in, and subject to the terms and provisions of, the Plan, the Confirmation Order, and this Liquidating Trust Agreement. The Liquidating Trust shall not have authority to engage in a trade or business, and no portions of the Trust Assets shall be used in the conduct of a trade or business, except as is reasonably necessary for the prompt and orderly collection and reduction to Cash of the Trust Assets (and any non-Cash proceeds thereof) and an orderly wind down of the Debtors' affairs, with the goal of maximizing such assets for the benefit of the Beneficiaries.

1.2 Name of the Liquidating Trust. The Liquidating Trust established hereby shall be known as the "Hronis Liquidating Trust." In connection with the exercise of the Liquidating Trustee's powers, the Liquidating Trustee may use such name or such variation thereof as the Liquidating Trustee sees fit and may transact the business and affairs of the Liquidating Trust in such name.

1.3 Transfer of Assets to Create Liquidating Trust. Pursuant to the Plan and the Confirmation Order, the Debtors and their Estates hereby irrevocably grant, release, assign, transfer, convey, and deliver to the Liquidating Trustee, as of the Effective Date, the Trust Assets, to have and to hold by the Liquidating Trustee and the Liquidating Trustee's successors in trust and to be applied as specified in the Plan and this Liquidating Trust Agreement. On the Effective

Date and from time to time thereafter, upon the reasonable direction of the Liquidating Trustee, the Debtors shall execute and deliver to the Liquidating Trustee any and all such documents, in recordable form where necessary or appropriate, and the Debtors shall take such further or other action, as the Liquidating Trustee may reasonably deem appropriate, to vest or perfect in or confirm to the Liquidating Trustee, title to and possession of all of the Trust Assets. The Liquidating Trustee shall be responsible for establishing and maintaining such accounts as the Liquidating Trustee shall deem necessary or appropriate to carry out the provisions of this Liquidating Trust Agreement, and to perform all obligations specified for the Liquidating Trustee under the Plan, the Confirmation Order, and this Liquidating Trust Agreement.

1.4 Acceptance by Liquidating Trustee. The Liquidating Trustee hereby accepts: (i) the appointment to serve as Liquidating Trustee; (ii) the transfer of the Trust Assets on behalf of the Liquidating Trust; and (iii) the trust imposed on the Liquidating Trustee by this Liquidating Trust Agreement. The Liquidating Trustee agrees to receive, hold, administer, and distribute the Trust Assets and the income or other proceeds derived therefrom, if any, pursuant to the terms of the Plan, the Confirmation Order, and this Liquidating Trust Agreement. The Liquidating Trustee agrees to perform all activities reasonably necessary to ensure the transfer of the Trust Assets to the Liquidating Trustee on behalf of the Liquidating Trust.

ARTICLE 2

LIQUIDATION TRUSTEE - GENERALLY

2.1 Appointment. The initial Liquidating Trustee shall be Dundon Advisers LLC, which shall be supported in that role by its professionals and staff.

2.2 Term of Service. The Liquidating Trustee shall serve until (i) the termination of the Liquidating Trust in accordance with Article 9 of this Liquidating Trust Agreement, or (ii) the Liquidating Trustee's resignation, death, or removal, all in accordance with the provisions of this Liquidating Trust Agreement.

2.3 Services. The Liquidating Trustee (solely in his, her, or its individual capacity) shall be entitled to engage in such other activities unrelated to the administration of the Liquidating Trust as the Liquidating Trustee deems appropriate and which are not in conflict with the Plan, the Confirmation Order, this Liquidating Trust Agreement, or the interests of the Beneficiaries resulting from this Liquidating Agreement. The Liquidating Trustee shall devote such time as is necessary to fulfill all the Liquidating Trustee's duties as Liquidating Trustee.

2.4 Resignation, Death, or Removal of Liquidating Trustee. The Liquidating Trustee may resign at any time upon ninety (90) days' written notice to the Oversight Committee. Such resignation may become effective prior to the expiration of such ninety (90) day notice period upon the appointment of a successor Liquidating Trustee by the Liquidating Trustee, in consultation with the Oversight Committee. Such appointment of a successor Liquidating Trustee shall not require application to or further order of the Bankruptcy Court, but such successor Liquidating Trustee shall be required to execute an

instrument accepting such appointment and file such acceptance in the Liquidating Trust records; *provided, however*, that the Liquidating Trustee may seek Bankruptcy Court approval of such successor Liquidating Trustee's appointment in the Liquidating Trustee's sole discretion. The Liquidating Trustee may be removed by the Bankruptcy Court upon application for good cause shown. In the event the Liquidating Trustee position becomes vacant, the vacancy shall be filled as determined (x) by the Oversight Committee, or (y) if the Oversight Committee does not identify a successor Liquidating Trustee, by the Bankruptcy Court upon submissions from any interested party or parties. Upon appointment pursuant to this Section 2.4, any successor Liquidating Trustee, without any further act, shall become fully vested with all the rights, powers, duties, and obligations of such successor Liquidating Trustee's predecessor.

2.5 Trust Continuance. The death, resignation, or removal of the Liquidating Trustee shall not terminate the Liquidating Trust or revoke any existing agency (other than any agency of such Liquidating Trustee as Liquidating Trustee) created pursuant to this Liquidating Trust Agreement or invalidate any action theretofore taken by the Liquidating Trustee, and the successor Liquidating Trustee appointed in such event agrees that the provisions of this Liquidating Trust Agreement shall be binding upon and inure to the benefit of such successor Liquidating Trustee and all such successor Liquidating Trustee's heirs and legal and personal representatives, successors, or assigns.

2.6 Compensation and Expenses of Liquidating Trustee. The Liquidating Trustee shall receive (i) reimbursement of reasonable, actual, and necessary costs, fees (including attorneys' fees and other professional fees), and expenses incurred by the Liquidating Trustee in connection with the performance of the Liquidating Trustee's duties hereunder, and (ii) fair and reasonable compensation for the Liquidating Trustee's services as Liquidating Trustee as set forth on Schedule 2 attached hereto. All such reimbursements and compensation shall be paid (or reserved for, as applicable) from the Trust Assets prior to any distribution to the Beneficiaries. Nothing in the Plan, the Confirmation Order, or this Liquidating Trust Agreement shall prohibit the Liquidating Trustee from seeking approval of a fee enhancement for extraordinary performance.

2.7 Retention of Professionals. The Liquidating Trustee may, without the necessity for application to or approval of the Bankruptcy Court, retain and engage such attorneys, accountants, and other professionals and persons as may be necessary to carry out the Liquidating Trustee's duties under this Agreement on such terms as the Liquidating Trustee deems appropriate in the Liquidating Trustee's sole discretion, including any law, accounting, or financial advisory firm of which the Liquidating Trustee is a partner or otherwise affiliated from time to time and any law, accounting, or financial advisory firm that was retained as a professional in the Debtors' bankruptcy case. The fees and expenses of all professionals retained consistent with this Section 2.7 shall be borne exclusively by the Liquidating Trust, and such professionals may be compensated monthly upon submission of invoices to the Liquidating Trustee without review or approval of the Bankruptcy Court or any other party, except as provided in Section 2.8. All fees and expenses of administration of the Liquidating Trust and the Liquidating Trustee, including pursuant to Section 2.6 and this Section 2.7, shall be paid from the Liquidating Trust, and the Liquidating Trustee may establish one or more reserves for this purpose.

2.8 No Court Approval Needed for Payment. Neither the Liquidating Trustee nor any professional retained by the Liquidating Trustee is required to seek Bankruptcy Court authorization before the payment of any fees, or expenses, of the Liquidating Trustee or any professional retained by the Liquidating Trustee. In addition, the Liquidating Trustee may pay Professionals in the ordinary course of business for any work authorized by the Liquidating Trustee performed on and after the Effective Date, including those fees and expenses incurred by Professionals in connection with the implementation and consummation of the Plan, in each case without further application or notice to, or order of, the Bankruptcy Court.

2.9 Review of Fees and Expenses by Oversight Committee. Any invoices of the Liquidating Trustee and his professionals will be provided to the Oversight Committee for review and approval. If the Oversight Committee objects to any fees or expenses, any such objection must be made in writing within seven (7) days after receiving the pertinent invoice(s) and identify the time entries or expenses subject to the objection and the grounds therefor. The parties will engage in good faith discussions to resolve the objection. If the objection is not resolved, the undisputed portion of the fees and expenses will be promptly paid and the party seeking payment shall have the right to seek approval of any disputed portion from the Bankruptcy Court. Failure to timely object to requested fees and/or expenses shall be deemed a waiver of any such objection and the Oversight Committee's consent to the payment of such fees and expenses.

ARTICLE 3

POWERS AND LIMITATIONS OF LIQUIDATION TRUSTEE

3.1 General Powers of Liquidating Trustee. In connection with the administration of the Liquidating Trust, except as otherwise set forth herein, the Liquidating Trustee shall have the power and authority to make all decisions with respect to the Trust Assets and perform those acts necessary or desirable to accomplish the purposes of the Liquidating Trust. The Liquidating Trust shall succeed to all the rights of the Debtors and its Estates necessary to protect, conserve, and liquidate the Trust Assets as quickly as reasonably practicable consistent with the purposes of the Liquidating Trust. Subject to the limitations set forth in this Liquidating Trust Agreement, the Plan, and the Confirmation Order, and in addition to any powers and authority conferred by law, by the Plan, and by the Confirmation Order, or by any other section or provision of this Liquidating Trust Agreement, the Liquidating Trustee may exercise all powers granted to the Liquidating Trustee hereunder related to, or in connection with, the administration and liquidation of Trust Assets and distribution of Distributable Proceeds derived therefrom in accordance with this Liquidating Trust Agreement, the Plan, and the Confirmation Order. Without limitation, but subject to the rights and duties of the Plan Oversight Committee set forth below, the Liquidating Trustee shall be empowered to act on behalf of the Liquidating Trust to

- a. effect all actions and execute all agreements, instruments and other documents necessary to perform its duties under the Plan or the Liquidating Trust Agreement;
- b. establish and maintain the Distribution Account and the Post-Effective Date Liquidating Trust Account;

- c. make Distributions from Trust Assets in accordance with the Plan;
- d. set and maintain appropriate cash reserves;
- e. hold legal title to any and all Trust Assets;
- f. take any and all actions that he or she deems reasonably necessary or appropriate to defend against any Claim asserted in Classes 4(a), (b), (c), and 5, including the right to: (i) exercise any and all judgment and discretion with respect to the manner in which to defend against or settle any such Claim, including the retention of professionals, experts and consultants; (ii) seek an estimation of contingent or unliquidated General Unsecured Claims pursuant to 11 U.S.C. § 502(c); and (iii) enter into a settlement agreement or agreements to settle any General Unsecured Claim without approval of the Bankruptcy Court.
- g. employ and compensate professionals to represent the Liquidating Trustee and the Liquidating Trust;
- h. use, manage, sell, lease, license, abandon, convert to Cash, and/or otherwise dispose of the Trust Assets for the purpose of making Distributions of Distributable Proceeds;
- i. assert and pursue any of the Debtors' claims, Causes of Action, rights of setoff, or other legal or equitable defenses that are assigned to the Liquidating Trust under the Plan;
- j. prepare and file tax returns for the Liquidating Trust to the extent required by law;
- k. if the Liquidating Trustee determines that any of the Beneficiaries or the Liquidating Trust may, will, or has become subject to adverse tax consequences, taking such actions that the Liquidating Trustee, in the Liquidating Trustee's reasonable discretion, determines are intended to alleviate such adverse tax consequences, including, without limitation, dividing the Trust Assets into several trusts or other structures;
- l. obtain, renew, replace, or supplement insurance policies and to pay any associated obligations, including the payment of associated premiums, and to exercise any other power or authority necessary or incidental thereto;
- m. participate in or file any post-Effective Date motion(s) to amend or modify the Plan or this Liquidating Trust Agreement, or any appeal(s) of the Confirmation Order
- n. participate in or file any motion or action to enforce or interpret the Plan to the extent necessary to protect Trust Assets;
- o. file motions, pleadings, reports, and other documents as may be appropriate or required in connection with the administration and closing of the Liquidating Trust;

- p. represent the Liquidating Trust before governmental and other regulatory or administrative bodies;
- q. invest Cash as deemed appropriate by the Liquidating Trustee in Cash equivalents; *provided, however*, that the scope of any such permissible investments shall be limited to include only those investments, or shall be expanded to include any additional investments, as the case may be, that a “liquidating trust,” within the meaning of Treasury Regulation Section 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements, or otherwise; *provided further, however*, that any investment of Cash must be with institutions and in investment vehicles covered by Federal Deposit Insurance Corporation (“FDIC”) insurance;
- r. hold title to any investment in the Liquidating Trustee’s name as Liquidating Trustee or in a nominee’s name;
- s. to the extent arising from Trust Assets, collect amounts due and exercising and enforcing all voting and other rights (including, without limitation, any foreclosure or similar rights), under or attendant to any notes, accounts receivable, general partnership interests, limited partnership interests, stock holdings, settlement agreements, life insurance policies or agreements, or other contracts or contract rights, or other assets, in each case that constitute Trust Assets, or proceeds thereof;
- t. delegate any or all of the discretionary power and authority herein conferred at any time with respect to any portion of the Trust Assets or other powers enumerated herein to any one or more reputable individuals or recognized institutional advisors or investment managers or consultants without any liability for any action taken or omission made because of such delegation, except to the extent such delegation constituted gross negligence, willful misconduct, or fraud;
- u. pay any statutory fees owed to the U.S. Trustee arising from administration of Trust Assets;
- v. open and maintain bank accounts on behalf of or in the name of the Liquidating Trust, calculating and making distributions, and taking other actions consistent with the Plan and the implementation thereof, including the establishment, re-evaluation, adjustment, and maintenance of appropriate reserves, in the name of the Liquidating Trust;
- w. abandon in any commercially reasonable manner, including abandonment or donation to a charitable organization of the Liquidating Trustee’s choice, any Trust Assets the Liquidating Trustee concludes are of no benefit to the Liquidating Trust;
- x. take all other actions not inconsistent with the provisions of the Plan that the Liquidating Trustee deems reasonably necessary or desirable in connection with the

administration or implementation of the Liquidating Trust; and

- y. exercise such other powers as may be vested in the Liquidating Trustee by Order of the Bankruptcy Court, pursuant to the Plan, by this Liquidating Trust Agreement, or as deemed by the Liquidating Trustee to be necessary and/or desirable to implement the provisions hereof.

3.2 Appointment of a Trustee in Another Jurisdiction. If any performance under this Liquidating Trust Agreement by the Liquidating Trustee is subject to the laws of any state or other jurisdiction in which the Liquidating Trustee is not qualified to act as trustee, the Liquidating Trustee may nominate and appoint a Person or Entity duly qualified to act as trustee in such state or jurisdiction and require from each such trustee such security as designated by the Liquidating Trustee. The Liquidating Trustee may confer upon such trustee any and all of the rights, powers, privileges, and duties of the Liquidating Trustee, subject to the conditions and limitations of this Agreement and applicable law. The Liquidating Trustee shall require such trustee to be answerable to the Liquidating Trustee for all monies, assets, and other property that may be received in connection with the administration of all property. The Liquidating Trustee may remove such trustee, with or without cause, and appointing a successor trustee at any time by the execution by the Liquidating Trustee of a written instrument declaring such trustee removed from office, and specify the effective date and time of removal.

3.3 Limitations on the Liquidating Trustee. Notwithstanding anything in this Liquidating Trust Agreement to the contrary, the Liquidating Trustee shall not do or undertake any of the following without an order of the Bankruptcy Court approving such decision or action:

- (a) take any action in contravention of the Plan, the Confirmation Order, or this Liquidating Trust Agreement;
- (b) take any action that would significantly jeopardize treatment of the Liquidating Trust as a “liquidating trust” for federal income tax purposes;
- (c) lend any Trust Assets to the Liquidating Trustee;
- (d) purchase Trust Assets from the Liquidating Trust;
- (e) transfer Trust Assets to another trust with respect to which the Liquidating Trustee serves as trustee;
- (f) grant liens on any of the Trust Assets; or
- (g) guarantee any debt incurred by any third party.

3.4 Liquidating Trustee Conflicts of Interest. If the Liquidating Trustee determines, in the exercise of the Liquidating Trustee’s discretion, that the Liquidating Trustee has a conflict of interest with respect to any matter, the Liquidating Trustee may authorize the Oversight Committee to exercise the rights and authority of the Liquidating Trustee with respect to such

matter or, after notice to the Debtors, the U.S. Trustee and Oversight Committee, request that the Bankruptcy Court approve the Liquidating Trustee's choice of a designee to act on behalf of the Liquidating Trust solely with respect to such matter, with the Oversight Committee's or such designee's authority to so act on behalf of the Liquidating Trust to terminate upon the matter's conclusion.

ARTICLE 4

LIABILITY OF LIQUIDATION TRUSTEE

4.1 Trustee Standard of Care; Exculpation; Limitation on Liability; Indemnification. The Liquidating Trustee shall not be liable for any act the Liquidating Trustee may do or omit to do as Liquidating Trustee under the Plan and this Liquidating Trust Agreement while acting in good faith and in the exercise of the Liquidating Trustee's reasonable business judgment; nor will the Liquidating Trustee be liable in any event except for an act or omission that is determined by Final Order of a court of competent jurisdiction to have constituted gross negligence, willful misconduct, or fraud. The foregoing limitation on liability also will apply to each member of the Oversight Committee (and each such member's representative(s) on the Oversight Committee) any Person or Entity employed by the Liquidating Trustee and acting on behalf of the Liquidating Trustee in the fulfillment of the Liquidating Trustee's duties hereunder or under the Plan. In addition, the Liquidating Trustee, each member of the Oversight Committee (and each such member's representative(s) on the Oversight Committee), and any Person or Entity employed by the Liquidating Trustee and acting on behalf of the Liquidating Trustee shall be entitled to indemnification and defense out of the assets of the Liquidating Trust against any losses, liabilities, expenses (including attorneys' fees and disbursements), damages, taxes, suits, or claims that they may incur or sustain by reason of being, or having been, a member of the Oversight Committee (or a representative of such a member on the Oversight Committee) or employed by the Liquidating Trust or the Liquidating Trustee or for performing any functions incidental to such service; *provided, however*, that the foregoing shall not relieve the Liquidating Trustee, any member of the Oversight Committee (or any such member's representative on the Oversight Committee), or any Person employed by the Liquidating Trustee from liability, nor entitle any of the foregoing entities to indemnification pursuant to the Plan or this Liquidating Trust Agreement, for an act or omission that is determined by Final Order to have constituted gross negligence, willful misconduct, or fraud. Persons or Entities dealing with the Liquidating Trustee or any of the foregoing parties in their respective capacities as such, or seeking to assert claims against the Liquidating Trustee or any of the foregoing parties in their capacities as such, shall have recourse only to the Trust Assets (excluding any fund or reserve to pay Trust Expenses) to satisfy any liability incurred by the Liquidating Trustee or any of the foregoing parties in their respective capacities as such to such Persons or Entities in carrying out the terms of the Plan and this Liquidating Trust Agreement. Satisfaction of any obligation of the Liquidating Trust arising pursuant to the terms of this section shall be payable only from the Trust Assets, and such right to payment shall be prior and superior to any other rights to receive on behalf of any Beneficiary any distribution of Trust Assets or proceeds thereof. The Liquidating Trust shall have the right to control the defense and settlement of claims as to which it is obligated to indemnify.

4.2 Bond. The Liquidating Trustee shall not be obligated to give any bond or surety for the performance of any of the Liquidating Trustee's duties unless otherwise ordered by the Bankruptcy Court or other court of competent jurisdiction. If so ordered, all costs and expenses of procuring a bond or surety shall be deemed a Trust Expense and payable from the Trust Assets.

4.3 No Liability for Acts of Predecessor Liquidating Trustees. No successor Liquidating Trustee shall be in any way personally liable for the acts or omissions of any predecessor Liquidating Trustee unless a successor Liquidating Trustee expressly in writing assumes such responsibility.

4.4 Reliance by Liquidating Trustee and Oversight Committee on Documents. Except as may be otherwise provided in the Plan, the Confirmation Order, or this Liquidating Trust Agreement, the Liquidating Trustee and the Oversight Committee may rely, and shall be protected in acting upon, any resolution, certificate, statement, installment, opinion, report, notice, request, consent, order, or other paper or document it reasonably believes to be genuine and signed or presented by the proper party.

4.5 Insurance. The Liquidating Trustee may cause the Liquidating Trust to purchase errors and omissions insurance with regard to any liabilities, losses, damages, claims, costs, and expenses the Liquidating Trustee may incur, including but not limited to attorneys' fees, arising out of or due to the Liquidating Trustee's actions or omissions, or consequences of such action or omissions, other than as a result of the Liquidating Trustee's fraud, gross negligence, or willful misconduct, with respect to the implementation and administration of the Plan, the Liquidating Trust, and this Liquidating Trust Agreement.

ARTICLE 5

DUTIES OF LIQUIDATION TRUSTEE

5.1 General. The Liquidating Trustee shall have all the duties specified in the Plan, the Confirmation Order, and this Liquidating Trust Agreement, including to consult with the Oversight Committee from time to time as provided in the Plan and this Liquidating Trust Agreement.

5.2 Books and Records. The Liquidating Trustee shall maintain, in respect of the Liquidating Trust, books and records relating to the Trust Assets and income and proceeds realized therefrom, and the payment of expenses of and claims against or assumed by the Liquidating Trust, in such detail and for such period of time as may be necessary to enable the Liquidating Trustee to make full and proper reports in respect thereof. Except as expressly provided in this Liquidating Trust Agreement, the Plan, or the Confirmation Order, nothing in this Liquidating Trust Agreement is intended to require the Liquidating Trustee to file any accounting or seek approval of any court with respect to the administration of the Liquidating Trust, or as a condition for making any payment or distribution out of the Trust Assets or proceeds therefrom.

5.3 Establishment of Accounts and Reserves.

(a) On or as soon as practicable after the Effective Date, the Liquidating Trust shall fund the Post-Effective Date Liquidating Trust Account with the Initial Cash Carveout. The Liquidating Trustee shall fund the Post-Effective Date Liquidating Trust Account with the Initial Cash Carveout, and any other cash made available to the Liquidating Trust, including amount payable to the Committee pursuant to the Stipulation, subject to the cap therein, in the amount set forth in the Plan Supplement or as otherwise provided in the Confirmation Order. The Liquidating Trust, in consultation with the Plan Oversight Committee, may at any time increase or decrease the amount of the Post-Effective Date Liquidating Trust Account. The Post-Effective Date Liquidating Trust Account shall at all times be maintained in a segregated account.

(b) The Liquidating Trustee shall create, from time to time, such other accounts and reserves as the Liquidating Trustee deems necessary and appropriate to accomplish the goals and obligations of the Liquidating Trust. Consistent with the Plan, the Liquidating Trustee, in the Liquidating Trustee's sole discretion, on and after the Effective Date, shall have authority to establish or close such accounts or increase or decrease such reserves as appropriate.

(c) Except as otherwise provided in the Plan, Confirmation Order, and this Liquidating Trust Agreement, the Liquidating Trustee shall make distributions to Holders of Allowed Claims in accordance with the terms of the Plan in the exercise of the Liquidating Trustee's sound discretion, based on, among other things, the amount of Cash on hand, the amount needed to fund any applicable reserves, including any reserves to cover the Post-Effective Date Liquidating Trust Expenses.

ARTICLE 6

BENEFICIARIES

6.1 Effect of Death, Incapacity, or Bankruptcy of Beneficiary. The death, incapacity, or bankruptcy of a Beneficiary during the term of the Liquidating Trust shall not operate to terminate the Liquidating Trust during the term of the Liquidating Trust, nor shall it entitle the representatives or creditors of the deceased, incapacitated, or bankrupt Beneficiary to an accounting, or to take any action in any court or elsewhere for the distribution of the Trust Assets or for a petition thereof, nor shall it otherwise affect the rights and obligations of the Beneficiary's representatives and creditors (in such capacity) under this Liquidating Trust Agreement or in the Liquidating Trust.

6.2 Standing of Beneficiary. Except as may be expressly provided in this Liquidating Trust Agreement, the Plan, or the Confirmation Order, a Beneficiary does not have standing to direct the Liquidating Trustee to do or not to do any act or to institute any action or proceeding at law or in equity against any party (other than the Liquidating Trustee) upon or with respect to the Liquidating Assets.

6.3 Release of Liability by Beneficiary. A Beneficiary shall not relieve the Liquidating Trustee from any duty, responsibility, restriction, or liability that would otherwise be imposed under this Liquidating Trust Agreement unless such relief is approved by Final Order of the Bankruptcy Court.

ARTICLE 7

DISTRIBUTIONS

7.1 Distributions from Trust Assets. All payments to be made by the Liquidating Trustee to any Person or Entity shall be made only in accordance with the Plan, the Confirmation Order, and this Liquidating Trust Agreement, and from the Distributable Proceeds of Trust Assets, and only to the extent that the Liquidating Trust has sufficient cash to make such payments in accordance with and to the extent provided for in the Plan, the Confirmation Order, and this Liquidating Trust Agreement. The Liquidating Trustee shall distribute to the Beneficiaries the net income of the Liquidating Trust plus all net proceeds from the collection, liquidation, or sale of Trust Assets at least annually; *provided* that (i) the Liquidating Trust may retain an amount of net proceeds or net income reasonably necessary to maintain the value of its assets and fund reserves provided for in, or otherwise not inconsistent with, the terms of the Plan, the Confirmation Order, or this Liquidating Trust Agreement. Any distribution made by the Liquidating Trustee in good faith shall be binding and conclusive on all interested parties, absent manifest error.

7.2 Distributions; Withholding. The Liquidating Trustee shall make distributions at such times, consistent with the terms of the Plan, the Confirmation Order, and this Liquidating Trust Agreement, as the Liquidating Trustee deems appropriate from Distributable Proceeds; *provided, however* that the Liquidating Trust may retain such amounts (i) as are reasonably necessary to meet known, anticipated and contingent liabilities and to maintain the value of the Trust Assets during the term of the Liquidating Trust; (ii) to pay reasonable administrative expenses, including, without limitation, the compensation and the reimbursement of reasonable costs, fees (including attorneys' and other professional fees), and expenses of the Liquidating Trustee in connection with the performance of the Liquidating Trustee's duties under this Liquidating Trust Agreement, the Plan, and the Confirmation Order; and (iii) to satisfy all other liabilities incurred or assumed by the Liquidating Trust (or to which the Trust Assets are otherwise subject) in accordance with the Plan, the Confirmation Order, and this Liquidating Trust Agreement. All such distributions shall be made, subject to any withholding or reserve, as provided in this Liquidating Trust Agreement, the Plan, or the Confirmation Order. Additionally, the Liquidating Trustee may withhold from amounts otherwise distributable on behalf of Beneficiaries any and all amounts, determined in the Liquidating Trustee's reasonable sole discretion, required by any law, regulation, rule, ruling, directive, or other governmental requirement. The Liquidating Trustee may withhold the entire distribution to any Holder of an Allowed General Unsecured Claim until such time as the Holder provides the Liquidating Trustee with the necessary information to comply with any withholding requirements of any governmental unit.

Notwithstanding any other provision of this Liquidating Trust Agreement, (i) each Holder of an Allowed General Unsecured Claim that is to receive a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of such distribution; and (ii) no distribution shall be made to or on behalf of such Holder pursuant to this Liquidating Trust Agreement or the Plan unless and until such Holder has made arrangements satisfactory to the Liquidating Trustee for the payment and satisfaction of such

withholding tax obligations or such tax obligation that would be imposed upon any disbursing agent in connection with such distribution. Any property to be distributed pursuant to this Liquidating Trust Agreement or the Plan shall, pending the implementation of such arrangements, be treated as an undeliverable distribution under this Liquidating Trust Agreement or the Plan.

7.3 Non-Cash Property. Any non-Cash property of the Liquidating Trust may be sold, transferred, or abandoned by the Liquidating Trustee. If, in the Liquidating Trustee's judgment, such property cannot be sold in a commercially reasonable manner, the Liquidating Trustee shall have the right to abandon or otherwise dispose of such property, including by donation of such property to a charity designated by the Liquidating Trustee. Except in the case of gross negligence, willful misconduct, or fraud, no party in interest shall have a cause of action against the Debtors, any manager, partner, director, officer, trustee, employee, consultant, or professional of the Debtors; the Liquidating Trust; the Liquidating Trustee; or any manager, partner, director, officer, trustee, employee, consultant, or professional of the Liquidating Trust or Liquidating Trustee arising from or related to the disposition of non-Cash property in accordance with this section.

7.4 Method of Cash Distributions. Any cash payment to be made by the Liquidating Trust pursuant to the Plan will be in U.S. dollars and may be made, at the sole discretion of the Liquidating Trustee, by draft, check, wire transfer, or as otherwise required or provided in any relevant agreement or applicable law. Mailed distributions shall be sent to the address provided for the Holder of an Allowed Claim in its respective proof of claim filed with the Court or claims agent, if any, or if no proof of claim was filed, at the address provided on the Schedules or such Holder's last address known to the Debtors. The Liquidating Trustee shall not be required to locate the current address for any Holder of an Allowed Claim whose distribution is returned to the Liquidating Trustee as undeliverable, in accordance with Section 7.10 hereof.

7.5 Distributions on Non-Business Days. Any payment or distribution due on a day other than a Business Day shall be made, without interest, on the next Business Day.

7.6 Objections to Claims. Subject to the rights and duties of the Oversight Committee, the Liquidating Trustee shall have the right to file objections to and/or motions to estimate any and all Claims in Classes 4(a), (b), (c) and 5 after the Effective Date. The Liquidating Trustee shall have the authority to compromise, settle, otherwise resolve or withdraw any objections to such Claims, without approval of the Bankruptcy Court. The Liquidating Trustee shall further have the authority to resolve and settle any and all such Claims without approval of the Bankruptcy Court. The Liquidating Trustee shall have no ability or obligation to make a Distribution to any holder of a Disputed General Unsecured Claim until such claim has been Allowed by agreement or settlement with the Liquidating Trustee or by court order.

7.7 Minimum Distributions. If the amount of Cash to be distributed to the Holder of an Allowed Claim would be less than \$50 on a particular distribution date or in the aggregate, no such distribution will be made to such Holder at the discretion of the Liquidating Trustee.

7.8 Rounding. Whenever payment or distribution of a fraction of a dollar of value whether in the form of Cash or Securities would otherwise be called for, the actual payment or distribution may, at the discretion of the Liquidating Trustee, reflect a rounding down of such

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fraction to the nearest whole dollar or zero if the amount is less than one-half of one dollar and a rounding up of such fraction to the nearest whole dollar if the amount is one-half or more of one dollar.

7.9 Setoff and Recoupment. The Liquidating Trustee may, to the extent permitted under applicable law, setoff or recoup against any Allowed General Unsecured Claim and any distributions to be made pursuant to the Plan on account of such Allowed General Unsecured Claim, the claims, rights, and Causes of Action of any nature that the Liquidating Trustee may hold against the Holder of such Allowed General Unsecured Claim that are not otherwise waived, released, or compromised in accordance with the Plan; *provided, however*, that neither such a setoff, recoupment, nor the allowance of any General Unsecured Claim, shall constitute a waiver or release by the Liquidating Trustee of any such claims, rights, and Causes of Action that the Debtors, the Estates, or the Liquidating Trustee possesses against such Holder; *provided further*, that neither the failure to effect such a setoff or recoupment nor the allowance of any General Unsecured Claim shall constitute a waiver or release by the Liquidating Trustee of any such Claims, rights, or Causes of Action that the Debtors, the Estates, or the Liquidating Trustee may possess against such Holder.

7.10 Undeliverable Distributions.

If the distribution to the Holder of any Allowed General Unsecured Claim is returned to the Liquidating Trust as undeliverable, no further distribution shall be made to such Holder, and the Liquidating Trustee shall have no obligation to make any further distribution to the Holder, unless and until the Liquidating Trustee is notified in writing of such Holder's then-current address. The Liquidating Trustee shall have no independent obligation to check or identify a current mailing address for any Holder of an Allowed General Unsecured Claim. Subject to the terms of the Plan, undeliverable distributions shall remain in the possession of the Liquidating Trustee until such time as a distribution becomes deliverable.

Any entity or person that fails to claim any Cash or Securities within ninety (90) days from the date upon which a Plan Distribution to them is first made shall forfeit all rights to any distribution under the Plan. Entities or persons that fail to claim Cash or Securities under the Plan shall forfeit their rights thereto and shall have no claim whatsoever against the Debtors, the Estates, the Liquidating Trust, the Liquidating Trustee, or against any Holder of an Allowed General Claim to whom Plan Distributions are made by the Liquidating Trustee. Undeliverable Cash or Securities shall not be entitled to any interest, dividends, or other accruals of any kind. Any check that is not cashed or otherwise deposited within ninety (90) days after the check's date shall be deemed an undeliverable distribution under the Plan.

Any Holder of an Allowed General Unsecured Claim that does not assert a Claim pursuant to the Plan for an undeliverable distribution within ninety (90) days after the first attempted delivery shall have its Claim for such undeliverable distribution expunged and shall be forever barred from asserting any such Claim against the Debtors, the Estates, the Liquidating Trust, the Liquidating Trustee, or their respective property. In such cases, any Cash held for distribution on account of such Claims shall be property of the Liquidating Trust, free of any restrictions thereon, and shall revert to the account from which such payment was originally issued to be distributed

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pursuant to the Plan. Nothing contained in the Plan shall require the Liquidating Trustee to attempt to locate any Holder of an Allowed General Unsecured Claim. Similarly, checks or drafts issued pursuant to the Plan to Persons holding Allowed General Unsecured Claims and not presented for payment within ninety (90) days following mailing thereof to the last known address of such Person shall be deemed nonnegotiable thereafter. Any General Unsecured Claim in respect of such distribution shall be discharged and forever barred from assertion against the Debtors, the Estate, the Liquidating Trust, the Liquidating Trustee, and their property. Any distribution which is deemed nonnegotiable shall re-vest in the Liquidating Trust and be available for distribution consistent with the Plan.

ARTICLE 8

TAXES

8.1 Income Tax Status.

(a) It is intended that the Liquidating Trust be classified for federal income tax purposes as a liquidating trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684 and as a “grantor trust” subject to the provisions of Subtitle A, Chapter 1, Subchapter J, Part I, Subpart E of the Tax Code that is owned by its Beneficiaries. Accordingly, the parties hereto intend that the Beneficiaries of the Liquidating Trust be treated as if they had received a distribution of the applicable assets transferred to the Liquidating Trust and then contributed such assets to the Liquidating Trust. As such, notwithstanding anything set forth herein, the transfer of assets to the Liquidating Trust shall be treated for all purposes of the Tax Code as a transfer from the Estate to creditors to the extent the creditors are Beneficiaries of the Liquidating Trust followed by a deemed transfer by the Beneficiaries to the Liquidating Trust. The Beneficiaries will be treated as grantors and deemed owners of the Liquidating Trust.

(b) All parties, including the Debtors, the Liquidating Trustee, and all Beneficiaries of the Liquidating Trust, must value all assets transferred to the Liquidating Trust consistently, and those valuations must be used for all federal, state, and local income tax purposes. The Liquidating Trustee must file returns for the Liquidating Trust as a grantor trust pursuant to Treasury Regulation Section 1.671-4(a). The assets shall be valued based upon the Liquidating Trustee’s good faith determination of their fair market value.

(c) Anything set forth herein to the contrary notwithstanding, the Liquidating Trust shall not receive or retain Cash or Cash equivalents in excess of a reasonable amount to meet claims and contingent liabilities or to maintain the value of Trust Assets during liquidation. All income of the Liquidating Trust must be subject to tax on a current basis, including income retained in any reserve. The taxable income of the Liquidating Trust will be allocated to and among Beneficiaries who are grantors of the Liquidating Trust as required by virtue of their being grantors and deemed owners of the Liquidating Trust, and they shall each be responsible to report and pay taxes due on their appropriate share of Liquidating Trust income.

(d) The Liquidating Trust shall be classified as a liquidating trust pursuant to

Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684, and in the event of any inconsistency between any term or provision herein, in the Plan, or in the Confirmation Order necessary for the Liquidating Trust to be deemed at all times a liquidating trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684 and any other term or provision herein, in the Plan, or in the Confirmation Order, the term(s) and provision(s) necessary for the Liquidating Trust to be deemed a liquidating trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684 shall govern. Similarly, anything to the contrary set forth herein, in the Plan, or in the Confirmation Order notwithstanding, to the extent any term or provision herein, in the Plan, in the Confirmation Order would result in the Liquidating Trust not being classified as a liquidating trust at all times pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684, such term or provision shall be ineffective and reformed to the extent necessary for the Liquidating Trust to be classified at all times as a liquidating trust pursuant to Treasury Regulations Section 301.7701-4(d) and IRS Revenue Procedure 94-45, 1994-2 C.B. 684.

(e) As used in this Liquidating Trust Agreement, the following terms shall have the following meanings:

“Tax Code” shall mean the Internal Revenue Code of 1986, 26 U.S.C. § 1 et seq., as amended from time to time, and corresponding provisions of any subsequent federal revenue act. A reference to a section of the Tax Code shall include a reference to any and all Treasury Regulations interpreting, limiting or expanding such section of the Tax Code; and “Treasury Regulations” shall mean regulations promulgated under the Tax Code, including, but not limited to the Procedure and Administration Regulations, as such regulations may be amended from time to time.

8.2 Tax Returns. The Liquidating Trustee shall prepare and provide to, or file with, the appropriate parties such notices, tax returns, information returns, and other filings as may be required by the Tax Code and may be required by applicable law of other jurisdictions. The Liquidating Trustee shall be responsible for filing all required federal, state, and local tax returns and information returns of the Liquidating Trust. The Liquidating Trustee shall, when specifically requested by a Beneficiary in writing, make such tax information available to the Beneficiary for inspection and copying at the Beneficiary’s expense, as is necessary for the preparation by such Beneficiary of its income tax return.

ARTICLE 9

TERMINATION OF TRUST

9.1 Term. The Liquidating Trust shall terminate upon the earlier of (a) the date on which all of the Trust Assets are liquidated in accordance with the Plan, the funds in the Liquidating Trust have been completely distributed in accordance with the Plan, all tax returns and any other filings or reports have been filed with the appropriate state or federal regulatory authorities and the order closing the chapter 11 cases is a Final Order or (b) five (5) years from the date of creation of the Liquidating Trust, unless extended by the Bankruptcy Court as provided

herein. The Liquidating Trustee shall at all times endeavor to liquidate expeditiously the Trust Assets (or any non-Cash proceeds thereof), and in no event shall the Liquidating Trustee unduly prolong the duration of the Liquidating Trust. The foregoing notwithstanding, in the event that the Liquidating Trustee determines that all of the Trust Assets and/or proceeds thereof will not, despite reasonable efforts, be distributed by the date which is five (5) years from the date of creation of the Liquidating Trust, or for any other reason consistent with this Liquidating Trust Agreement and the Plan, and if warranted by the facts and circumstances, the Liquidating Trustee may petition the Bankruptcy Court to extend the term of the Liquidating Trust. Each and every such extension must be for a reasonable finite period based on the particular facts and circumstances, must be subject to the approval of the Bankruptcy Court and approved upon a finding that the extension is necessary to the liquidating purpose of the Liquidating Trust and must be approved by the Bankruptcy Court within six (6) months of the beginning of the extended term. At such time as the Liquidating Trust has been fully administered (*i.e.*, when all things requiring action by the Liquidating Trustee have been done, and the Plan has been substantially consummated) and in all events within sixty (60) days after the date of the final distribution under the Plan (the “Final Distribution Date”), the Liquidating Trustee will file an application for approval of the Liquidating Trustee’s final accounting and the entry of the final decree by the Bankruptcy Court. Upon final distribution pursuant to this Agreement, the Liquidating Trustee shall retain the books, records, and files that shall have been delivered to or created by the Liquidating Trustee. At the Liquidating Trustee’s discretion, all such records and documents may be destroyed at any time after two (2) years after the Final Distribution Date.

9.2 Event Upon Termination. Upon the termination of the Liquidating Trust, the Liquidating Trustee shall distribute the remaining Trust Assets (including any proceeds thereof), if any, consistent with the terms of this Agreement, the Plan, the Confirmation Order, or another order of the Bankruptcy Court.

9.3 Winding Up and Discharge of the Liquidating Trustee. For the purposes of winding up the affairs of the Liquidating Trust at its termination, the Liquidating Trustee shall continue to act as Liquidating Trustee until the Liquidating Trustee’s duties have been fully discharged. After doing so, the Liquidating Trustee, and the Liquidating Trustee’s agents, employees, and professionals, shall have no further duties or obligations hereunder, except as required by this Liquidating Trust Agreement, the Plan, the Confirmation Order, or applicable law concerning the termination of a trust. Upon a motion by the Liquidating Trustee, the Bankruptcy Court may enter an order discharging the Liquidating Trustee, and the Liquidating Trustee’s agents, employees, and professionals, and relieving them of any further duties.

ARTICLE 10

ADMINISTRATIVE EXPENSES

10.1 Funding. The costs and expenses of the Liquidating Trust, including, without limitation, the compensation to and the reimbursement of reasonable, actual, and necessary costs, fees (including attorneys’ and other professional fees), and expenses of the Liquidating Trustee in connection with the performance of the Liquidating Trustee’s duties in connection with the Plan and this Liquidating Trust Agreement, including the Trust Expenses, shall be paid from Trust

Assets and reserves set aside for such expenses without the necessity for any approval by the Bankruptcy Court (the “Trustee’s Administrative Expense Fund”).

ARTICLE 11

THE OVERSIGHT COMMITTEE

11.1 Oversight Committee Membership. On the Effective Date, there shall be established a Plan Oversight Committee consisting of three members, one of whom shall be the Prepetition Lender and two of whom shall be selected by the Committee after consulting with the Debtors. The Plan Oversight Committee shall have the responsibility to oversee and advise the Liquidating Trustee with respect to the liquidation and distribution of the Trust Assets in accordance with the Plan. A member of the Plan Oversight Committee shall recuse him/herself from considering any matter in which he/she is not disinterested; provided, however, such member shall not be considered non-disinterested solely as a result of such member’s affiliation with or employment by the Holder of a Claim (including the Prepetition Lender or any member of the Committee). The proposed members of the Plan Oversight Committee are identified on **Schedule 1** attached hereto.

11.2 Rights and Powers of the Oversight Committee. The rights, powers and duties of the Plan Oversight Committee shall be as follows:

- a. To terminate by majority vote the Liquidating Trustee for cause, and upon such termination (or upon the resignation, death or incapacity of the Liquidating Trustee), appoint a successor Liquidating Trustee in accordance with the terms of the Plan;
- b. To approve any release or indemnity in favor of any third party granted or agreed to by the Liquidating Trustee, other than as set forth in the Plan;
- c. To approve the settlement of any Cause of Action or dispute, for which the amount in controversy exceeds \$100,000;
- d. To approve the allowance of any Disputed Claim in Classes 4(a), (b), (c), and 5 if the proposed Allowed amount of such Claim exceeds \$100,000;
- e. To approve the sale of any Trust Assets that have a value of \$100,000 or more by the Liquidating Trustee;
- f. To approve or object to fees and expenses of professionals retained by the Liquidating Trustee pursuant to procedures established in the Liquidating Trust Agreement; and
- g. To consider and, if appropriate, approve any action proposed by the Liquidating Trustee that is not specifically authorized by the Plan that would have a material

effect upon the administration of the Liquidating Trust, provided, however, nothing contained herein shall be deemed to authorize the Liquidating Trustee to take any action that is inconsistent with the terms of the Plan.

11.3 Vacancies on the Oversight Committee. Any vacancy on the Oversight Committee shall be filled by a Person designated by the remaining member or members of the Plan Oversight Committee from among the holders of Class 5 General Unsecured Claims; *provided, however*, that any vacancy with respect to any member appointed by the Prepetition Lender shall be filled by a Person designated by the Prepetition Lender.

11.4 Removal or Replacement of a Member. A majority of the Plan Oversight Committee may remove or replace members of the Plan Oversight Committee for cause, and any party-in-interest shall have the authority to seek an order from the Bankruptcy Court removing or replacing members of the Plan Oversight Committee for cause. Any successor appointed pursuant to this Section shall become fully vested with all of the rights, powers, duties and obligations of his or her predecessor.

11.5 Expenses. The members of the Oversight Committee shall be reimbursed for all reasonable expenses incurred in the performance of their duties under the Plan and this Liquidating Trust Agreement, but shall not otherwise be compensated for their service to the Oversight Committee.

ARTICLE 12

MISCELLANEOUS PROVISIONS

12.1 Amendments. Subject to Oversight Committee approval, the Liquidating Trustee may propose to the Bankruptcy Court the modification, supplementing, or amendment of this Liquidating Trust Agreement. Such proposed modification, supplementing, or amendment shall be in writing and filed with the Bankruptcy Court. Unless otherwise ordered by the Bankruptcy Court, notice of such filing shall be served on the Post-Effective Date Debtors, the Prepetition Lender, members of the Oversight Committee, and the United States Trustee, and parties requesting special notice from the Bankruptcy Court (the “Post-Effective Date Notice List”). No modification, supplementing, or amendment of this Liquidating Trust Agreement shall be effective except upon a Final Order of the Bankruptcy Court.

12.2 Waiver. No failure by the Liquidating Trustee, any member of the Oversight Committee, or any Beneficiary to exercise or delay in exercising any right, power, or privilege hereunder shall operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any further exercise thereof, or of any other right, power, or privilege.

12.3 Cumulative Rights and Remedies. The rights and remedies provided in this Liquidating Trust Agreement are cumulative and are not exclusive of any rights under law or in equity.

12.4 Irrevocability. The Liquidating Trust is irrevocable.

12.5 Division of Trust. Under no circumstances shall the Liquidating Trustee have the right or power to divide the Liquidating Trust unless authorized to do so by the Bankruptcy Court.

12.6 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of California, without giving effect to rules governing the conflict of laws.

12.7 Retention of Jurisdiction. To the fullest extent permitted by law, the Bankruptcy Court shall retain exclusive jurisdiction over the Liquidating Trust after the Effective Date, including, without limitation, jurisdiction to resolve any and all controversies, suits, and issues that may arise in connection therewith, or this Liquidating Trust Agreement, or any Person or Entity's obligations incurred in connection therewith or herewith, including, without limitation, any action against the Liquidating Trustee or any professional retained by the Liquidating Trustee or the Liquidating Trust, in each case in its capacity as such. Each party to this Liquidating Trust Agreement hereby irrevocably consents to the exclusive jurisdiction of the Bankruptcy Court in any action to enforce, interpret, or construe any provision of this Liquidating Trust Agreement, or of any other agreement or document delivered in connection with this Liquidating Trust Agreement, and also hereby irrevocably waives any defense of improper venue, *forum non conveniens*, or lack of personal jurisdiction to any such action brought in the Bankruptcy Court. Each party further irrevocably agrees that (i) any action to enforce, interpret, or construe any provision of this Liquidating Trust Agreement will be brought only in the Bankruptcy Court and (ii) all determinations, decisions, rulings, and holdings of the Bankruptcy Court shall be final and non-appealable and not subject to reargument or reconsideration. Each party hereby irrevocably consents to the service as set forth in Section

12.10 of this Liquidating Trust Agreement or such other address as such party may designate from time to time by notice given in the manner provided above, of any process in any action to enforce, interpret, or construe any provision of this Liquidating Trust Agreement.

12.8 Severability. In the event that any provision of this Liquidating Trust Agreement or the application thereof to any person or circumstance shall be determined by the Bankruptcy Court or another court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Liquidating Trust Agreement, or the application of such provision to persons or circumstances, other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and such provision of this Liquidating Trust Agreement shall be valid and enforced to the fullest extent permitted by law.

12.9 Limitation of Benefits. Except as otherwise specifically provided in this Liquidating Trust Agreement, the Plan, or the Confirmation Order, nothing herein is intended or shall be construed to confer upon or to give any person other than the parties hereto and the Beneficiaries any rights or remedies under or by reason of this Liquidating Trust Agreement.

12.10 Notices. All notices, requests, demands, consents, and other communications hereunder shall be in writing and shall be deemed to have been duly given, if delivered in person, by facsimile with an electromechanical report of delivery, sent by overnight courier or by

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registered or certified mail with postage prepaid, return receipt requested, or sent via electronic mail to the following addresses (as applicable to the particular notice, request, demand, consent, or other communication at issue).

If to the Post-Effective Date Debtors:

If to the Liquidating Trustee:

If to the Prepetition Lender:

If to the Oversight Committee:

The parties may designate in writing from time to time other and additional places to which notices may be sent. All demands, requests, consents, notices, and communications shall be deemed to have been given (i) at the time of actual delivery thereof if by facsimile or electronic mail; (ii) if given by certified or registered mail, five (5) Business Days after being deposited in the United States mail, postage prepaid, and properly addressed; or (iii) if given by overnight courier, the next Business Day after being sent, charges prepaid, and properly addressed.

12.11 Further Assurances. From and after the Effective Date, the parties hereto covenant and agree to execute and deliver all such documents and notices and to take all such further actions as may reasonably be required from time to time to carry out the intent and purposes of this Liquidating Trust Agreement, and to consummate the transactions contemplated hereby.

12.12 Integration. This Liquidating Trust Agreement, the Plan, and the Confirmation Order constitute the entire agreement, by and among the parties with respect to the subject matter hereof, and there are no representations, warranties, covenants, or obligations except as set forth herein, in the Plan, or in the Confirmation Order. This Liquidating Trust Agreement, together with the Plan and the Confirmation Order, supersedes all prior and contemporaneous agreements, understandings, negotiations, and discussions, written or oral, of the parties hereto, relating to any transaction contemplated hereunder.

12.13 Successors or Assigns. The terms of this Liquidating Trust Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

12.14 Interpretation. The enumeration and section headings contained in this Liquidating Trust Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of this Liquidating Trust Agreement or of any term or provision hereof. Unless context otherwise requires, whenever used in this Liquidating Trust Agreement, the singular shall include the plural and the plural shall include the singular, and words importing the masculine gender shall include the feminine and the neuter, if appropriate, and vice versa, and

words importing persons shall include partnerships, associations, corporations, limited liability partnerships, limited liability companies, and similar entities. The words herein, hereby, and hereunder, and words with similar import, refer to this Liquidating Trust Agreement as a whole and not to any particular section or subsection hereof unless the context requires otherwise.

12.15 Relationship to the Plan. The principal purpose of this Liquidating Trust Agreement is to aid in the implementation of the Plan and, therefore, this Liquidating Trust Agreement incorporates and is subject to the provisions of the Plan and the Confirmation Order. In the event that any provision of this Liquidating Trust Agreement is found to be inconsistent with a provision of the Plan or the Confirmation Order, the provisions of the Plan or the Confirmation Order shall control.

12.16 Counterparts. This Liquidating Trust Agreement may be signed by the parties hereto in counterparts, each of which shall be deemed an original, and which, when taken together, shall constitute one and the same document. Delivery of any executed counterpart may be in “wet ink” form, via telecopy, or via electronic transmission attaching a copy in pdf format or the like.

IN WITNESS WHEREOF, the parties hereto have either executed this Liquidating Trust Agreement, or caused it to be executed on its behalf by its duly authorized officer, all as of the date first above written.

DEBTORS:

HRONIS, INC., AND ITS AFFILIATED DEBTORS

By:

LIQUIDATING TRUSTEE:

DUNDON ADVISERS, LLC

By: Eric B. Reubel
Managing Director

Schedule 1**Members of the Plan Oversight Committee**

Designee 1:	Conterra Agricultural Capital LLC Representative: Marc Hirschfield
Designee 2:	Buttonwillow Warehouse Company, Inc. Representative: Julisa Zavala
Designee 3:	Nutrien Ag Solutions Representative: Frank Struck, Jr.
Alternative Designee 1:	N/A
Alternative Designee 2:	N/A

Schedule 2**Terms of Compensation of Liquidating Trustee**

1. Compensation of Dundon Advisers LLC professionals at their current hourly rates, capped at \$600/hour.
2. Reimbursement of expenses.
3. Five per cent (5%) of gross asset recoveries of the Liquidating Trust.

Exhibit C

• Professional Fee Reserve Account – As to Debtor’s and Committee’s respective counsel and financial advisors, this has been effectuated by the funding of professional fees pursuant to the DIP Financing Order, as modified by the attached pre and post-effective date budgets which have been approved by Conterra.

• Post-Effective Date Liquidating Trust Account – As to the Liquidating Trustee’s counsel and other professionals, expenses will be funded from the Carveout and other recoveries, pursuant to the Liquidating Trust Agreement, and pursuant to the DIP Financing Order, as modified by the attached pre and post-effective date budgets which have been approved by Conterra.

• Post-Effective Date Debtor Reserve Account – As to the Post-Effective Date Debtors’ counsel and other professionals, this will be effectuated by the funding of professional fees pursuant to the DIP Financing Order, as modified by the attached pre and post-effective date budgets which have been approved by Conterra.

(\$ in 000s)				Accrued	Effective	Total
	Actuals	Actuals	Actuals	Admin Costs	Date 9/25	
Week #	1	2	3	4	5	
Week Ended	8/30	9/6	9/13	9/20	9/27	
CASH FLOW						
Total Receipts	-	-	-	-	-	-
Oper Disbursements						
Labor	450	52	46	64	-	611
Land/Facilities	72	0	-	534	279	885
Farm Advisor	-	-	-	33	-	33
Other Ord Course Professionals	-	-	-	15	-	15
SG&A	11	-	-	9	-	20
Packaging / Shipping Supplies	-	-	-	50	-	50
Freight & Fuel	1	-	-	24	-	25
2026 Crop Cost	102	35	7	130	-	275
Total Oper Disb	636	87	53	859	279	1,914
Operating Cash Flow	(636)	(87)	(53)	(859)	(279)	(1,914)
Non-Op Disbursements / Restructuring						
Priority Claims Filed / 503(b)(9) / PACA	-	-	-	-	475	475
Wind-Down Costs / Tax Returns	-	-	-	20	310	330
Independent Director	-	-	-	38	-	38
U.S. Trustee Fees	-	-	-	-	660	660
Claims Agent Fees	23	-	-	107	10	140
Lender Professionals (Adeq. Protection)	-	-	-	-	-	-
Rx Professional Fee Escrow	-	-	-	-	-	-
Total Non-Op Disb	23	-	-	164	1,455	1,643
Net Cash Flow	(660)	(87)	(53)	(1,023)	(1,734)	(3,556)
DIP Facility - Extension						
Beginning	21,780	21,831	21,882	21,933	21,984	21,780
Accrued Interest	51	51	51	51	51	255
Lender Advances	-	-	-	-	-	-
Ending DIP Balance	21,831	21,882	21,933	21,984	22,036	22,036
Beginning Cash on Hand	4,198	3,539	3,452	3,399	2,376	4,198
Net Cash Flow	(660)	(87)	(53)	(1,023)	(1,734)	(3,556)
Draw / (Repayment)	-	-	-	-	-	-
Ending Cash on Hand	3,539	3,452	3,399	2,376	642	642

(\$ in 000s)

	Month # Month Ended	1 Oct-26	2 Nov-26	3 Dec-26	Total
CASH FLOW					
Total Receipts		-	-	-	-
Oper Disbursements					
Labor		-	-	-	-
Land/Facilities		-	-	-	-
Farm Advisor		-	-	-	-
Other Ord Course Professionals		-	-	-	-
SG&A		-	-	-	-
Packaging / Shipping Supplies		-	-	-	-
Freight & Fuel		-	-	-	-
2026 Crop Cost		-	-	-	-
Total Oper Disb		-	-	-	-
Operating Cash Flow		-	-	-	-
Non-Op Disbursements / Restructuring					
Priority Claims		-	-	-	-
Wind-Down Costs / Tax Returns		20	20	-	40
Independent Director		30	30	30	90
U.S. Trustee Fees		-	-	1	1
Claims Agent Fees		-	-	-	-
Lender Professionals (Adeq. Protection)		-	-	-	-
Rx Professional Fee Escrow		-	-	-	-
Total Non-Op Disb		50	50	31	131
Net Cash Flow		(50)	(50)	(31)	(131)
Beginning Cash on Hand		642	592	542	642
Net Cash Flow		(50)	(50)	(31)	(131)
Draw / (Repayment)		-	-	(511)	(511)
Ending Cash on Hand		592	542	-	-

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Exhibit D
Liquidation Analysis

Liquidation Analysis

I. Overview and Purpose

Section 1129(a)(7) of the Bankruptcy Code (the “Best Interests Test”) requires that, for a plan to be confirmed, each holder of an impaired claim or interest either (i) has accepted the Plan, or (ii) will receive or retain under the Plan property of a value not less than what such holder would receive if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code.

To demonstrate compliance, the Debtors have prepared this Liquidation Analysis (the “Analysis”), which estimates (a) the cash proceeds that would be available if the Plan were not confirmed and the Chapter 11 Cases were converted to Chapter 7 proceedings, (b) the distribution to creditors under such a hypothetical liquidation (the “Chapter 7 Liquidation”), and (c) a comparison to recoveries projected under the proposed Plan (the “Plan Scenario”).

II. Basis of Analysis and Key Assumptions

This Analysis reflects the Debtors’ remaining assets and liabilities as of **August 25, 2026** (the “Conversion Date”), which is assumed for purposes of this Analysis to be on or around the date on which the Bankruptcy Court would otherwise consider confirmation of the Plan.

The Analysis presumes the Section 363 sale of the Debtors’ operating assets has been consummated, i.e., the purchased assets have been conveyed to the purchaser(s) or otherwise disposed of, and the stalking horse credit bid and any cash proceeds from such sale(s) have been applied to the Prepetition Loan. Accordingly, this Analysis strictly analyzes the residual assets of the estate and compares them to the remaining administrative obligations and prepetition claims. The residual assets of the estate comprise cash and retained avoidance actions.

Recoveries are presented under two scenarios:

Chapter 11 Plan: This scenario assumes confirmation and effectuation of the Plan, including collection and monetization of remaining estate assets, claims reconciliation, payment of allowed administrative expense claims and priority claims, payment of U.S. Trustee fees, and distribution of the Carve-Out for the benefit of the general unsecured creditors as agreed between the Senior Lender and the Unsecured Creditors Committee. The Plan further contemplates sufficient cash being left behind for the orderly wind-down of the Debtors.

Chapter 7 Liquidation: This scenario assumes immediate conversion of the Chapter 11 Cases to Chapter 7 Liquidation. Any proceeds available for distribution would be reduced by incremental Chapter 7 costs, including statutory trustee commissions under section 326(a) of the Bankruptcy Code and additional professional fees and administrative expenses incurred by a chapter 7 trustee and its professionals.

The Debtors believe that the Plan provides greater recovery for unsecured creditors than a Chapter 7 liquidation. Under the Plan, the Senior Lender is contributing \$500,000 in cash for the benefit of general unsecured creditors. Further, conversion to Chapter 7 would introduce

duplicative professional fees and commissions and adversely impact the timing and amount of gross recoveries with the appointment of a Chapter 7 trustee that lacks the institutional knowledge of the Debtors' Chapter 11 professionals.

III. Estimated Sources of Recovery

The principal sources of recovery reflected in this Analysis consist of cash remaining in the estate, retained avoidance actions, and the Carve-Out from insider avoidance actions acquired by the Senior Lender through the Section 363 Sale. As described above, all other assets are presumed to have been conveyed to their respective buyers. No recovery value is ascribed to accounts receivable, inventory, prepaid and other assets, property, plant and equipment, and intangible assets for purposes of this Analysis. Sources of recovery are higher under the Plan due to the Carve-Out contemplated in the settlement between the Senior Lender and the Unsecured Creditors Committee.

Source of Recovery	Chapter 11 Plan Scenario	Chapter 7 Liquidation	Notes
Post-sale cash	\$2.0 million	\$2.0 million	Remaining estate cash as of the Conversion Date after consummation of the sale and payment of accrued admin expenses; excludes proceeds already applied to the Prepetition Loan
Accounts receivable, inventory, prepaid / other, PP&E, and intangibles	\$0.0 million	\$0.0 million	No incremental estate recovery value; purchased or otherwise addressed in the auction sale or have no meaningful residual liquidation value
Causes of Action	\$3.0 million	\$1.5 million	Plan provides for bifurcation of Causes of Action between Non-Insider and Insider, with the latter assigned to Prepetition Lender subject to Carveout of up to \$3.0 million for unsecured creditors; for purposes of this analysis, Insider Causes of Action yield sufficient proceeds to fully fund Carveout while Non-Insider Causes of Action yield zero value. Under Chapter 7, all proceeds from any Cause of Action would typically inure to Prepetition Lender's senior secured claim first, leaving nothing for unsecured creditors, but for this analysis the presumption is the Ch7

Source of Recovery	Chapter 11 Plan Scenario	Chapter 7 Liquidation	Notes
			Trustee negotiates a lesser Carveout on behalf of the unsecured creditors.
Initial Cash Contribution	\$0.5 million	\$0.2 million	Plan provides for \$0.5M initial cash contribution from Prepetition Lender; under Chapter 7, partial contribution negotiated by Ch7 Trustee on behalf of the unsecured creditors.

IV. Estimated Costs and Claims

Estimated Recoveries are reduced by administrative expenses and wind-down costs. The Plan Scenario reflects \$1.8 million of aggregate administrative and wind-down costs, while the Chapter 7 Liquidation scenario reflects \$2.2 million – estimated chapter 7 costs of \$0.8 million more than offset possible savings from an expedited wind-down.

- Professional Fees – outside of scope; already funded by Professional Fee Escrow
- PACA Claims – placeholder amount for final resolution of filed PACA claims
- Administrative Claims / 503(b)(9) – contingency, as almost all post-petition expenses have been paid in advance or on delivery; only one 503(b)(9) claim for \$20k was filed
- Priority Claims – miscellaneous tax and water assessment claims per claims register
- US Trustee Fees – 0.9% of actual/estimated disbursements from Petition Date through final distributions sometime in Q4 2026
- Chapter 7 Trustee Fees – conservative estimate of fees, commissions, and expenses
- Chapter 7 Admin Costs – conservative estimate of fees to professionals serving the Chapter 7 Trustee and other incidental expenses (replaces Chapter 11 wind-down costs)
- Wind Down Costs – conservative estimate of fees and expenses required to settle all remaining affairs of the Debtors, such as final tax returns

(\$ in '000s)	Total
Wind-Down Disbursements	
Liquidation Trustee Advisors	\$ 45
Liquidation Trustee Counsel	45
Claims Administrator	45
Final Employee Tax Payments	50
Final Tax Returns	200
Payroll Processing (W2's)	10
Bank Fees	10
Total Wind-Down Disbursements	\$ 405

V. Liquidation Analysis and Best Interests Test Conclusion

After considering the effects that conversion to chapter 7 would have on proceeds available for distribution to creditors, including the incremental administrative costs, trustee commissions, and potential delays associated with a chapter 7 liquidation, the Debtors believe that recoveries under the Plan will be no less favorable than recoveries that would be realized in a hypothetical Chapter 7 Liquidation. The Plan scenario is expected to provide a more efficient and value-maximizing path because it preserves the negotiated creditor recoveries contemplated by the Plan, avoids duplicative chapter 7 administrative expenses, and enables the Debtors and their advisors to complete the remaining wind-down with the benefit of existing institutional knowledge. Accordingly, the Debtors believe that the Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code.

VI. Limitations and Disclaimer

THE DEBTORS BELIEVE THAT ANY ANALYSIS OF A HYPOTHETICAL CHAPTER 7 LIQUIDATION IS NECESSARILY SPECULATIVE. THERE ARE A NUMBER OF ESTIMATES AND ASSUMPTIONS UNDERLYING THIS LIQUIDATION ANALYSIS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE DEBTORS, THEIR ADVISORS, OR ANY CHAPTER 7 TRUSTEE. NEITHER THIS LIQUIDATION ANALYSIS NOR THE FINANCIAL INFORMATION ON WHICH IT IS BASED HAS BEEN EXAMINED OR REVIEWED BY INDEPENDENT ACCOUNTANTS IN ACCORDANCE WITH STANDARDS PROMULGATED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS. THERE CAN BE NO ASSURANCE THAT ACTUAL RESULTS WOULD NOT VARY MATERIALLY FROM THE HYPOTHETICAL RESULTS PRESENTED HEREIN.

The statements in this Liquidation Analysis, including estimates of allowed claims and potential recoveries, were prepared solely for the purpose of assisting the Bankruptcy Court in determining whether the Plan satisfies section 1129(a)(7) of the Bankruptcy Code and may not be used or relied upon for any other purpose. Nothing contained in this Liquidation Analysis is intended to be, or constitutes, a concession or admission by the Debtors, and the actual amount of allowed claims in the Chapter 11 Cases could differ materially from the estimated amounts set forth and used in the Analysis.

Hronis Liquidation Analysis

DRAFT - SUBJECT TO MATERIAL CHANGE

August 18, 2026: Post-Sale Estate

(\$ in 000's)

	Notes	Ch 11 Plan	Ch 7 Liquidation	Ch 11 vs Ch 7 Fav / (Unfav)
Cash	[1]	\$ 2,040	\$ 2,040	\$ -
Causes of Action	[2]	3,000	1,500	1,500
Initial Cash Contribution	[3]	500	200	300
Total Estimated Recoveries		\$ 5,540	\$ 3,740	\$ 1,800
<u>(-) Administrative & Priority Costs</u>				
Ch 7 Trustee Fees	[4]	-	(500)	500
Ch 7 Admin Costs	[5]	-	(300)	300
Total Ch 7 Costs		-	(800)	800
Funds Available for Distribution for Ch 11 Costs & Creditors		\$ 5,540	\$ 2,940	\$ 2,600
Professional Fees	[6]	-	-	-
PACA Claims	[7]	(250)	(250)	-
Administrative Claims / 503(b)(9)	[8]	(150)	(150)	-
Priority Claims	[9]	(205)	(205)	-
Ch 11 US Trustee Fees	[10]	(786)	(786)	-
Wind Down Costs	[11]	(405)	-	(405)
Other Costs		-	-	-
Total Ch 11 Costs		\$ (1,795)	\$ (1,390)	\$ (405)
Funds Available for Distribution to Creditors		\$ 3,744	\$ 1,549	\$ 2,195

Notes:

[1] DIP budget cash balance after all admin expenses paid thru 8/30/26; excludes auction proceeds

[2] Fully funded Carveout under Ch11; assumes Ch7 trustee negotiates a Carveout at 50% of Plan level

[3] Ch11 Plan provides for cash from Prepetition Lender; assumes Ch7 trustee negotiates a partial cash contribution from Prepetition Lender

[4] Estimated all-in fees to be funded out of recoveries

[5] Estimated cost of post-conversion activity

[6] Funded separately by Professional Fee Claims Reserve

[7] Placeholder for claims asserted under the Perishable Agricultural Commodities Act ("PACA")

[8] Contingency reserve for residual trade payables; most are paid on delivery or in advance; includes \$20k for single 503(b)(9) claim

[9] Per claims register

[10] Assumes all recoveries disbursed by end of 3Q26

[11] Estimated cost of wind down; to be addressed by Ch7 trustee if case is converted

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Exhibit E

Proposed Members of the Plan Oversight Committee

- Designee 1: Conterra Agricultural Capital LLC
 Representative: Marc Hirschfield
- Designee 2: Buttonwillow Warehouse Company, Inc.
 Representative: Julisa Zavala
- Designee 3: Nutrien Ag Solutions
 Representative: Frank Struck, Jr.

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Exhibit F
**STIPULATION SETTING FORTH SETTLEMENT RESOLVING THE COMMITTEE’S
CHALLENGE TO CONTERRA’S CREDIT BIDDING RIGHTS UNDER SECTION 363(k)
AND OTHER DISPUTES**

10

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Attorneys for Creditor
 Contrerra Agricultural Capital, LLC

**UNITED STATES BANKRUPTCY COURT
 EASTERN DISTRICT OF CALIFORNIA
 FRESNO DIVISION**

In re:
 Hronis, Inc., *et al.*

Debtors.

Case No. 1:26-bk-10978
 Jointly Administered

Chapter 11

DCN: SE-24

(Jointly Administered with Case Nos. 1:26-bk-10970, 1:26-bk-10980, 1:26-bk-10981, 1:26-bk-10982, 1:26-bk-10983, 1:26-bk-10984, 1:26-bk-10986, 1:26-bk-10987, and 1:26-bk-10988)

**STIPULATION SETTING FORTH
 SETTLEMENT RESOLVING THE
 COMMITTEE'S CHALLENGE TO
 CONTRERRA'S CREDIT BIDDING
 RIGHTS UNDER SECTION 363(k)
 AND OTHER DISPUTES**

Hearing Information:

Date: June 18, 2026
 Time: 9:30 a.m. Pacific
 Place: Courtroom 13
 2500 Tulare Street
 Fresno, California 93721

Affects:
☒ ALL DEBTORS
☐ HRONIS, INC., a California corporation
☐ HRONIS CAPITAL ASSETS, LP, a California limited partnership
☐ HRONIS CAPITAL MANAGEMENT, LLC, a California limited liability company
☐ HRONIS CITRUS, LLC, a California limited liability company
☐ HRONIS FARMING, LP, a California limited partnership
☐ HRONIS FRUIT COMPANY LLC, a California limited liability company
☐ HRONIS LAND COMPANY, a California general partnership
☐ HRONIS RANCH, LLC, a California limited liability company
☐ HRONIS RESOURCE MANAGEMENT, LLC, a California limited liability company
☐ THE HRONIS FAMILY LIMITED PARTNERSHIP, a California limited liability partnership

1 This Stipulation (the “Stipulation”) is entered into by and among (i) Conterra Agricultural
2 Capital, LLC (“Conterra”), (ii) the Official Committee of Unsecured Creditors (the “Committee”)
3 appointed in the above-captioned chapter 11 cases (the “Cases”), and (iii) the above-captioned
4 debtors and debtors in possession (the “Debtors,” and together with Conterra and the Committee,
5 the “Parties,” and each a “Party”), by and through their respective undersigned counsel, with
6 reference to the following facts:

7 **RECITALS**

8 **WHEREAS**, on March 6, 2026 (the “Petition Date”), each of the Debtors commenced a
9 case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United
10 States Bankruptcy Court for the Eastern District of California, Fresno Division (the “Court”),
11 which Cases are being jointly administered under Case No. 1:26-bk-10978;

12 **WHEREAS**, Conterra is the Debtors’ prepetition lender under that certain Loan and
13 Security Agreement dated as of October 29, 2024, related promissory note, and other related loan
14 and security documents or instruments (collectively, as amended, the “Operating Loan”), and
15 under the Term Loan Agreement dated December 29, 2023, related promissory notes, and other
16 loan and security documents or instruments, as assigned (the “Land Loan”), and is the
17 postpetition debtor-in-possession lender (the “DIP Facility”) and the proposed stalking horse
18 bidder for substantially all of the Debtors’ assets;

19 **WHEREAS**, the Court entered an order approving bid procedures related to the sale of
20 the Debtors’ assets [ECF 253] and designating the bid submitted by Conterra in the amount of
21 \$110 million, plus the amount borrowed by the Debtors under the DIP Facility as the stalking
22 horse bid (the “Stalking Horse Bid”);

23 **WHEREAS**, on May 5, 2026, the Debtors filed their motion to approve the sale of
24 substantially all of their assets [ECF 278] (the “Sale Motion”), further identifying Conterra as the
25 stalking horse bidder;

26 **WHEREAS**, on May 18, 2026, the Committee commenced an adversary proceeding
27 against Conterra [Adv. Pro. No. 26-01028] (the “Adversary Proceeding”) initiating a “Challenge”
28 as defined in the Court’s order approving the DIP Facility [ECF 258] (the “Final DIP Order”) and

1 asserting, among other things, claims for equitable subordination under section 510(c), avoidance
2 of certain liens and transfers, and disallowance under section 502(d), and the Committee filed an
3 objection to the Sale Motion [ECF 322] contending, among other arguments, that cause exists to
4 deny or limit Conterra's right to credit bid under section 363(k) (the "Credit Bid Challenge");

5 **WHEREAS**, on June 8, 2026, the Court entered its Order Granting Motion of Conterra to
6 Bifurcate and Advance Hearing on the Debtors' Sale Motion with Respect to Credit Bidding
7 Rights [ECF 384] (the "Bifurcation Order"), setting an evidentiary hearing on June 18, 2026
8 solely with respect to the Credit Bid Challenge;

9 **WHEREAS**, the Parties have engaged in arm's-length, good-faith negotiations and have
10 agreed to resolve the Credit Bid Challenge, the Adversary Proceeding, the Committee's objection
11 to the Sale Motion, and the dispute concerning whether any liens of Conterra shall encumber, or
12 whether the super-priority claims of Conterra shall be paid from, "Avoidance Actions" (as
13 defined in the Final DIP Order) or the proceeds or products thereof as set forth in Paragraph 28.a.
14 of the Final DIP Order on the terms set forth herein;

15 **WHEREAS**, the Parties have determined that the settlement set forth in this Stipulation is
16 fair, reasonable, and in the best interests of the Debtors' estates and their creditors, and avoids the
17 cost, delay, and uncertainty of the contested evidentiary hearing and continued litigation of the
18 Adversary Proceeding, the Credit Bid Challenge, and the Committee's objection to the Sale
19 Motion;

20 **NOW, THEREFORE**, in consideration of the foregoing recitals and the mutual
21 covenants and agreements set forth herein, and for other good and valuable consideration, the
22 receipt and sufficiency of which are hereby acknowledged, the Parties stipulate and agree as
23 follows:

- 24 1. GUC Carveout. Upon the Effective Date, a carveout from the Debtors' estates for
25 the sole benefit of the creditors holding allowed general unsecured claims (the
26 "GUC Carveout") shall be automatically established, comprising the following:
 - 27 (a) Chapter 5 Claims. All claims or causes of action of the Debtors or their
28 estates arising under chapter 5 of the Bankruptcy Code and the proceeds or

1 products thereof, including claims to recover fraudulent transfers and
2 preferential transfers and all other Avoidance Actions (as defined in the
3 Final DIP Order); provided, however, that any such claims or causes of
4 action to recover against insiders of the Debtors and any family members
5 of such insiders (collectively, the “Insider Chapter 5 Claims”) are excluded
6 from the GUC Carveout and are assigned to Conterra. The estates and/or
7 the liquidating trust once established in the plan confirmed in accordance
8 with this Stipulation shall retain a reversionary interest in the Insider
9 Chapter 5 Claims that is triggered upon payment of Conterra on the
10 Operating Loan and the Land Loan in full; until such reversionary interest
11 is triggered, Conterra shall have absolute authority to prosecute, settle,
12 compromise, or otherwise dispose of the Insider Chapter 5 Claims as it sees
13 fit.

14 (b) Commercial Tort Claims. All commercial tort claims of the Debtors’
15 estates and the proceeds or products thereof; provided, however, that (i)
16 any such claims against current or former directors, officers, or any other
17 insider or employee of the Debtors subject to or covered by available
18 directors’ and officers’ liability insurance (collectively, the “D&O
19 Commercial Tort Claims”) may be recovered only against available
20 directors’ and officers’ liability insurance; and (ii) any commercial tort
21 claims against any other insiders, including family members of such
22 insiders, are excluded from the GUC Carveout and are assigned to
23 Conterra. To the extent any judgment is entered on account of the D&O
24 Commercial Tort Claims in an amount in excess of available directors’ and
25 officers’ liability insurance, such judgment (to the extent of such excess)
26 shall be assigned to Conterra to the extent and as needed to pay Conterra in
27 full on the Operating Loan and the Land Loan.

28 (c) Cash. \$500,000 in cash proceeds from the sale of Debtors’ assets pursuant

1 to section 363(b) of the Bankruptcy Code, or to be funded by Conterra if
2 the Debtors' assets are sold to Conterra and such assets are paid for by
3 Conterra via credit bid (the "Initial Cash Carveout").

4 (d) Additional Cash Carveout. An additional amount to be determined from the
5 formula set forth in this subparagraph 1(d), capped at a maximum
6 aggregate amount of \$3,000,000 (the "Additional Cash Carveout"), funded
7 solely from the following sources:

8 (i) From any sale of the Debtors' assets pursuant to section 363(b) of
9 the Bankruptcy Code, the GUC Carveout shall be funded by (A)
10 0.5% of the amount by which the purchase price exceeds the
11 Conterra Stalking Horse Bid up to \$20 million in excess of the
12 Conterra Stalking Horse Bid, plus (B) 1% of the incremental
13 purchase price thereafter. For example, if the successful bid closes
14 at \$25 million above the Conterra Stalking Horse Bid, the amount
15 set forth in this Section would be 0.5% of \$20 million plus 1.0% of
16 \$5 million; and

17 (ii) (A) 0.5% of any recovery by Conterra against insiders or family of
18 insiders, including recovery on the guarantees given to or in favor
19 of Conterra (the "Conterra Guarantees") on the Land Loan and/or
20 the Operating Loan, so long as Conterra has a deficiency claim
21 greater than \$13 million; and (B) once Conterra's deficiency claim
22 across the Operating Loan and Land Loan equals or is less than \$13
23 million after all payments made to Conterra from all sources, then
24 20% of all payments or recoveries that Conterra receives thereafter
25 from all sources (inclusive of the amounts in 1(d)(ii)(A)) in
26 satisfaction of the Land Loan or Operating Loan (including on the
27 Conterra Guarantees thereof and/or the Insider Chapter 5 Claims).

28 (e) Remainder Assets. Any of the Debtors' assets that (i) have not been sold

1 pursuant to the Sale Motion; and (ii) are not encumbered by a lien held by
2 Conterra.

3 (f) Cap. Notwithstanding anything to the contrary herein, the total amount of
4 Additional Cash Carveout set forth in Section 1(d) shall not exceed
5 \$3,000,000. Once the Additional Cash Carveout reaches \$3,000,000, there
6 shall be no further Additional Cash Carveout under Section 1(d). For
7 avoidance of doubt, this cap shall have no impact on the GUC Carveout in
8 Section 1(a) – (c).

- 9 2. Committee Obligations. Upon the Effective Date, the Committee shall (a) cause
10 the dismissal, with prejudice, of the Adversary Proceeding; (b) withdraw its
11 objection to the Sale Motion and instead support the proposed sale of the Debtors’
12 assets; and (c) upon funding of the Initial Cash Carveout, waive and release any
13 and all claims against Conterra, including the Credit Bid Challenge and all claims,
14 known or unknown, asserted or that could have been asserted, by the Committee in
15 the Adversary Proceeding. The Committee hereby waives the protections of
16 California Civil Code Section 1542, if applicable.
- 17 3. Conterra Credit Bid. Subject to and conditioned upon the terms of this Stipulation,
18 the Committee shall not object to, and hereby withdraws any challenge to,
19 Conterra’s right to credit bid its allowed secured claims at the sale of the Debtors’
20 assets.
- 21 4. Auction Procedure. By this Stipulation, the Committee and Conterra agree and
22 consent that the Debtors are authorized to sell their assets at the Auction in one or
23 more lots so as to maximize the value to be received by the Debtors’ estates.
24 Notwithstanding the foregoing, the Committee shall maintain its status as a
25 “Consultation Party” with respect to the conduct of the Auction and as otherwise
26 set forth in the Bid Procedures.
- 27 5. Conterra Deficiency Claim. Conterra shall be entitled to participate as a general
28 unsecured creditor under a confirmed plan of reorganization to the extent it holds a

1 deficiency claim on the Operating Loan and/or the Land Loan following the sale of
2 the Debtors' assets. Pro rata distributions under the Plan (as defined below) on
3 Conterra's deficiency claim as a general unsecured creditor shall not constitute a
4 payment source subject to the Additional Cash Carveout.

5 6. Avoidance of Certain Liens. Upon the Effective Date, the prepetition liens created
6 by the Operating Loan, solely as to Hronis Fruit Company LLC and Hronis
7 Resource Management, LLC, shall be avoided pursuant to section 547 of the
8 Bankruptcy Code. Conterra shall file a UCC termination statement as to the UCC-
9 1 Financing Statement filed with the California Secretary of State as File No.
10 U260009245018. Nothing in this Section 6 shall affect, modify, or terminate any
11 lien granted or created under the Land Loan or the DIP Facility.

12 7. Derivative Standing. Conterra shall not object to the Committee being granted
13 derivative standing, effective as of the date hereof, to pursue the causes of action
14 described in Sections 1(a) and 1(b) of this Stipulation. For the avoidance of doubt,
15 neither the Committee nor any liquidating trust established under a confirmed
16 liquidating plan shall (a) have standing to bring the Insider Chapter 5 Claims
17 (other than as permitted in Section 1(a) after Conterra is paid in full), or (b)
18 interfere with Conterra's prosecution of any claims it holds against insiders of the
19 Debtors or any family members of such insiders.

20 8. Liquidating Plan. The Debtors shall propose, and the Committee and Conterra
21 shall support and take the steps needed to cause confirmation of a chapter 11
22 liquidating plan that incorporates the terms of this Stipulation (the "Plan")
23 administered by a reasonably acceptable trustee selected by the Committee.
24 Nothing in this paragraph shall require Conterra to provide additional funds to the
25 Debtors or Committee beyond what is set forth in this Stipulation.

26 9. Treatment of GUC Carveout. The GUC Carveout shall be held by the Debtors in
27 trust and shall not be distributed except as provided and pursuant to the confirmed
28 Plan, less any amounts used to pay the allowed fees and costs of the professionals

1 retained by the Committee in excess of the amount provided in the “Approved
2 Budget” for the benefit of the Committee in the “Carve-Out” as defined in the
3 Final DIP Order.

4 10. Conditions to Effectiveness. This Stipulation shall become effective and binding
5 upon the Parties only upon the date (the “Effective Date”) of (a) execution by all
6 Parties and (b) entry of an order of the Court approving this Stipulation pursuant to
7 Federal Rule of Bankruptcy Procedure 9019. In the event the Court declines to
8 approve this Stipulation, it shall be null and void and of no force or effect, and
9 shall not be admissible or used for any purpose, and each Party reserves all rights,
10 claims, and defenses as if this Stipulation had never been executed.

11 11. Cooperation. The Parties shall cooperate in the preparation and execution of all
12 agreements, stipulations, or other documents necessary to effect the terms of this
13 Stipulation and to confirm the Plan.

14 12. No Admission. This Stipulation is a compromise of disputed claims. Nothing
15 herein shall be construed as an admission of liability or wrongdoing by any Party,
16 and Conterra expressly disputes and does not concede the allegations asserted in
17 the Adversary Proceeding or the Credit Bid Challenge.

18 13. Reservation of Rights. Except as expressly set forth herein, nothing in this
19 Stipulation shall impair, waive, or otherwise affect any rights, claims, liens, or
20 defenses of any Party, all of which are expressly reserved.

21 14. Entire Agreement. This Stipulation constitutes the entire agreement among the
22 Parties with respect to the subject matter hereof and supersedes all prior
23 agreements and understandings, whether written or oral, relating thereto.

24 15. Further Assurances. Each Party shall execute and deliver such further documents
25 and take such further actions as may be reasonably necessary to effectuate the
26 terms of this Stipulation.

27 16. Counterparts. This Stipulation may be executed in counterparts, each of which
28 shall be deemed an original, and all of which together shall constitute one and the

1 same instrument. Electronic signatures shall be deemed originals.

2 17. Retention of Jurisdiction. The Court shall retain jurisdiction to interpret and
3 enforce the terms of this Stipulation.

4
5 **IT IS SO STIPULATED AND AGREED.**

6 Respectfully submitted,

7 Dated: June 11, 2026

8 MILLER NASH LLP

9 ROYER COOPER COHEN BRAUNFELD LLC

10 By: /s/ Bernie Kornberg

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24 Attorneys for Conterra Agricultural Capital, LLC

25 Dated: June 11, 2026

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By: /s/ Robert S. Marticello

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Dated: June 11, 2026

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Attorneys for the Debtors and Debtors in Possession

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Exhibit B
Confirmation Notice

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
FRESNO DIVISION**

In re

Case No. 1:26-bk-10978

HRONIS, INC., a California corporation,
et al.,

Chapter 11

SE - 26

Debtors in Possession

Affects:

- ☒ ALL DEBTORS
- ☐ HRONIS, INC., a California corporation
- ☐ HRONIS CAPITAL ASSETS, LP, a California limited partnership
- ☐ HRONIS CAPITAL MANAGEMENT, LLC, a California limited liability company
- ☐ HRONIS CITRUS, LLC, a California limited liability company
- ☐ HRONIS FARMING, LP, a California limited partnership
- ☐ HRONIS FRUIT COMPANY LLC, a California limited liability company
- ☐ HRONIS LAND COMPANY, a California general partnership
- ☐ HRONIS RANCH, LLC, a California limited liability company
- ☐ HRONIS RESOURCE MANAGEMENT, LLC, a California limited liability company
- ☐ THE HRONIS FAMILY LIMITED PARTNERSHIP, a California limited partnership

(Jointly Administered with Case Nos. 1:26-bk-10979, 1:26-bk-10980, 1:26-bk-10981, 1:26-bk-10982, 1:26-bk-10983, 1:26-bk-10984, 1:26-bk-10986, 1:26-bk-10987, and 1:26-bk-10988)

**NOTICE OF (A) ENTRY OF ORDER
CONFIRMING DEBTORS' FIRST
AMENDED COMBINED CHAPTER 11
PLAN OF LIQUIDATION AND
DISCLOSURE STATEMENT; (B)
OCCURRENCE OF EFFECTIVE DATE;
AND (C) CERTAIN IMPORTANT
DEADLINES**

PLEASE TAKE NOTICE that on September [•], 2026, an order [Docket No. •] (the “**Confirmation Order**”) confirming the *Debtors’ First Amended Combined Chapter 11 Plan of Liquidation and Disclosure Statement* [D.I. 600] (as modified, amended and/or supplemented, the “**Plan**”); was entered in the above Chapter 11 Cases by the Hon. René Lastreto II, United States Bankruptcy Judge, and docketed by the Clerk of the United States Bankruptcy Court for the Eastern District of California (the “**Court**”). Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Plan and the Confirmation Order.

PLEASE TAKE FURTHER NOTICE that copies of the Confirmation Order, the Plan, and any related documents are available to be viewed, at no charge, on the Debtors’ case website (<https://bankruptcy.angeiongroup.com/clients/hro/index>) under the “Confirmation Documents” tab, or at the Bankruptcy Court’s website (<https://ecf.caeb.uscourts.gov/>). To access the Court’s website, you will need a PACER password and login, which can be obtained at <http://www.pacer.psc.uscourts.gov>.

PLEASE TAKE FURTHER NOTICE that the Effective Date occurred on [•].

1 **PLEASE TAKE FURTHER NOTICE** that, unless otherwise provided by the Plan, the
2 Confirmation Order, or any other applicable order of the Bankruptcy Court, all requests for
3 payment of an Administrative Claim, *other than* (i) Claims arising under 28 U.S.C. § 1930,
4 (ii) Administrative Claims described in section 503(b)(1)(B) or (C) of the Bankruptcy Code, and
5 (iii) Claims asserting Administrative Claim priority status under section 503(b)(9) of the
6 Bankruptcy Code, must be filed with the Court and served on the undersigned counsel for the Plan
Proponents no later than **October 20, 2026** (the “**Administrative Expense Bar Date**”). Holders
of Administrative Expense Claims that do not timely file and serve requests for payment of
Administrative Claims by the Administrative Expense Bar Date shall be forever barred from
asserting such claims against the Debtors.

7 **PLEASE TAKE FURTHER NOTICE** that final applications on account of Professional
8 Fee Claims must be filed and served on the undersigned counsel to the Plan Proponents no later
than **October 20, 2026**.

9 The hearing on the Administrative Claims and the Professional Fee Claims shall be held
10 on **November 17, 2026, at 9:30 a.m.** Objections shall be filed and served not less than 14 days
before such hearing date.

11 **PLEASE TAKE FURTHER NOTICE** that any pre-petition executory contract and
12 unexpired lease to which any of the Debtors is a party is rejected as of the Effective Date unless
13 such contract or lease (a) was assumed, assumed and assigned, or rejected by the Debtors, (b)
14 expired or terminated pursuant to its own terms before the Effective Date, or (c) was the subject
15 of a pending motion to assume or reject on the Confirmation Date. Any proofs of claim based
16 upon the rejection of a Debtor’s executory contract or unexpired lease pursuant to the Plan must
17 be filed by no later than **October 20, 2026** (the “**Rejection Bar Date**”). Claims arising from the
rejection of an executory contract or unexpired lease that are not filed by the Rejection Bar Date
are forever barred and are not enforceable against the Debtors or their respective successors,
properties or Estates.

18 **PLEASE TAKE FURTHER NOTICE** that the Plan and its provisions are binding upon
19 and inure to the benefit of, the Debtors, all present and former holders of Claims and Interests, and
20 their respective successors and assigns, whether or not the Claim or Interest of any such holder is
Impaired under the Plan and whether or not such holder voted to accept the Plan.

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Dated: September __, 2026

SAUL EWING LLP

By: /s/ Zev Shechtman
Zev Shechtman
Attorneys for Hronis, Inc., et al., Debtors in
Possession