IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	Chapter 11
KLAUSNER LUMBER ONE LLC,	Case No. 20-11033 (KBO)
Debtor.[1]	**RE: D.I. 922**

NOTICE OF FILING OF PLAN SUPPLEMENT TO THE JOINT CHAPTER 11 PLAN FOR KLAUSNER LUMBER ONE LLC PROPOSED BY THE DEBTOR AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

PLEASE TAKE NOTICE that on May 21, 2021, the Debtor filed the solicitation version of the *Disclosure Statement Pursuant to Section 1125 of the Bankruptcy Code with Respect to Joint Chapter 11 Plan for Klausner Lumber One, LLC Proposed by the Debtor and the Official Committee of Unsecured Creditors* (the "Disclosure Statement") [D.I. 922] for the *Joint Chapter 11 Plan for Klausner Lumber One LLC Proposed by the Debtor and the Official Comittee of Unsecured Creditors* (as may be modified and/or supplemented, the "Plan") [D.I. 922-1].[2]

PLEASE TAKE FURTHER NOTICE that the Disclosure Statement and the Plan contemplate the submission of certain documents (or forms thereof) (the "Plan Supplement") in advance of the Confirmation Hearing.

PLEASE TAKE FURTHER NOTICE that the Debtor hereby files the following Plan Supplement documents:

- Exhibit A – Form of Plan Administrator Agreement

PLEASE TAKE FURTHER NOTICE that the documents contained in this Plan Supplement are integral to, and considered part of, the Plan. If the Plan is confirmed, the documents contained in the Plan Supplement will be approved by the Bankruptcy Court pursuant to the order confirming the Plan.

PLEASE TAKE FURTHER NOTICE that the Plan Proponents reserve the right to alter, amend, modify, or supplement any document of, or add any document to, the Plan

1 The last four digits of the Debtor's federal EIN are 9109. The Debtor's mailing address is Klausner Lumber One LLC, P.O. Box 878, Middleburg, VA 20118.

2 Capitalized terms used but not defined herein are defined in the Disclosure Statement and the Plan.

Supplement subject to the terms and conditions of the Disclosure Statement and the Plan.

PLEASE TAKE FURTHER NOTICE that the Plan Supplement and Plan can be obtained free of charge at the website of Donlin, Recano & Company, Inc., the notice, claims, solicitation and balloting agent retained the by Debtor in the chapter 11 case (the "Solicitation and Claims Agent"), http://https://www.donlinrecano.com/klausner, or by contacting the Solicitation and Claims Agent by email, www.donlinrecano.com, by telephone, (800) 903-3727 (toll-free) for international callers, or at (212) 481-1411 or by writing at 6201 15th Avenue, Brooklyn, New York 11219.

PLEASE TAKE FURTHER NOTICE that a hearing to consider confirmation of, the Plan will be held via videoconference on **July 1, 2021, at 9:30 a.m. (Prevailing Eastern Time)** before the Honorable Karen B. Owens of the United States Bankruptcy Court for the District of Delaware (the "Confirmation Hearing"), but may be continued from time to time without further notice other than the announcement by the Debtor of the adjourned date(s) at the Confirmation Hearing or any continued hearing or as indicated in any notice of agenda of matters scheduled for hearing filed with the Bankruptcy Court.

Dated: June 17, 2021
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ Nader A. Amer

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Counsel for the Debtor and Debtor in Possession

EXHIBIT A

This Plan Administrator Agreement (the "Agreement") dated on or after the Confirmation Date of the Plan (as defined below), by and among Klausner Lumber One LLC (the "Debtor") and Berkley Research Group, LLC, by and through Jay Borow, as Plan Administrator (the "Plan Administrator") for the benefit of the Holders of Allowed Claims under the terms of the *First Amended Joint Chapter 11 Plan Proposed by the Debtor and the Official Committee of Unsecured Creditors* [Docket No. ____] (as the same has been or may be amended or supplemented, the "Plan") filed on May 17, 2021 in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). Capitalized terms used in this Agreement shall have the meaning ascribed to them in the Plan or wherever else defined herein.

WITNESSETH

WHEREAS, the Debtor filed for protection under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") on April 30, 2020 (the "Petition Date") in the Bankruptcy Court; and

WHEREAS, on ____________________ the Bankruptcy Court entered an order confirming the Plan [Docket No. ___] (the "Confirmation Order"); and

WHEREAS, the Plan provides, among other things, that on the Effective Date, all existing officers, directors, managers and members of the Debtor shall be deemed to have resigned and the Plan Administrator shall be appointed to wind up the affairs of the Debtor, as provided in the Plan,

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and in the Plan, the Debtor and the Plan Administrator agree as follows:

ARTICLE I

APPOINTMENT AND DUTIES OF PLAN ADMINISTRATOR

1.1. Role of Plan Administrator. On the Effective Date, the Plan Administrator is deemed the representative of the Debtor's Estate under Section l123(b)(3)(B) of the Bankruptcy Code, and has all rights associated therewith. Pursuant to the terms of Plan and this Agreement, the Plan Administrator has all duties, powers, and standing authority necessary to implement the Plan and to administer and liquidate the Post-Confirmation Estate Assts for the benefit of the holders of Allowed Claims and shall be entitled to indemnification and exculpation from the Debtor's Estate and Post-Confirmation Debtor's Estate.

1.2. Appointment of Plan Administrator. Effective immediately on the Effective Date, the Plan Administrator is designated, appointed and vested with full authority and control over the Post-Confirmation Estate Assets and to effectuate the distributions contemplated pursuant to the terms of the Plan. The Plan Administrator has the powers and responsibilities of a disbursing agent and trustee in all respects as it relates to all matters set forth in the Plan. All distributions under the Plan shall be made by the Plan Administrator, as disbursing agent, or by such other person designated by the Plan Administrator to act as a disbursing agent.

1.3. Duties and Powers. As of the Effective Date, the Plan Administrator is the representative of and successor to the Debtor, and has the rights and powers provided in the Bankruptcy Code, in addition to any rights and powers granted herein and in the Confirmation Order. Without limiting the foregoing, the Plan Administrator is the successor-in-interest to the Debtor with respect to all interests constituting Post-Confirmation Estate Assets and with respect to the creditors holding Claims under the Plan. The Plan Administrator shall act in a fiduciary capacity for the Holders of all Allowed Claims under the Plan. The Plan Administrator shall assume all of the responsibilities, duties and obligations of the Debtor's former officers, directors, managers or managing members that arise on or after the Effective Date, and is empowered and authorized to satisfy such responsibilities, duties and obligations without further corporate or limited liability company authority as may have been required prior to the Effective Date. The Plan Administrator will pay from the Post-Confirmation Estate Assets all ordinary and necessary costs of protecting, preserving, disposing, liquidating and realizing upon the Post-Confirmation Estate Assets. The Plan Administrator will liquidate and administer the Post-Confirmation Estate Assets, including making distributions therefrom, all in accordance with the terms of the Plan and this Agreement. Unless otherwise excused or exempted from doing so by the Bankruptcy Code, the Plan Administrator will abide by all laws, including tax laws. The Plan Administrator shall have sole and exclusive authority for the retention of professionals to assist in any manner on and after the Effective Date.

As of the Effective Date, the Plan Administrator has the power to take any and all actions which, in the business judgment of the Plan Administrator, are necessary or appropriate to fulfill the Plan Administrator's obligations under the Plan, including, but not limited to, each of the powers set forth below:

(A) Receive, manage, invest, dispose, liquidate, supervise, control, exercise authority over, and protect the Post-Confirmation Estate Assets, including through the creation of reserves as provided for under the Plan or this Agreement, and generally oversee and provide management of the affairs of the Post-Confirmation Debtor's Estate;

(B) Pay all necessary expenses incurred in connection with the duties and responsibilities of the Plan Administrator under the Plan to the extent of available funds, including funds in the Post-Confirmation Estate Reserve;

(C) File tax returns or other reports required by governmental entities and pay taxes or other obligations incurred by the Debtor and Post-Confirmation Debtor to the extent payable consistent with the Plan, the Bankruptcy Code, or order of the Bankruptcy Court;

(D) Retain and compensate, without further order of the Bankruptcy Court, the services of employees, professionals, and consultants to advise and assist in the administration, prosecution, and distribution of Post-Confirmation Estate Assets;

(E) Calculate and implement distributions of Post-Confirmation Estate Assets;

(F) Investigate, prosecute, compromise, and settle Causes of Action or other legal rights vested in the Post-Confirmation Debtor;

(G) Object to Claims and address and resolve issues involving objections, reconciliation, and allowance of Claims;

(H) Undertake all administrative functions necessary to implement the Plan and related to the Chapter 11 Case after the Effective Date;

(I) Open bank accounts and any other depository or investment accounts deemed necessary in the Plan Administrator's sole discretion;

(J) Execute any documents and take any actions necessary to bind the Debtor and/or Post-Confirmation Debtor, as may be necessary, as determined in the Plan Administrator's sole discretion;

(K) Take possession of (or exert dominion over) all books, records, and files (whether in hard copy or electronic form) of the Post-Confirmation Debtor and its Estate, and provide for the retention and storage of such books, records, and files until such time as the Plan Administrator determines that retention of same is no longer necessary or required;

(L) At the Plan Administrator's sole discretion, invest Cash (including any earnings thereon or proceeds therefrom) as permitted by section 345 of the Bankruptcy Code or in other prudent investments;

(M) At the Plan Administrator's sole discretion, purchase and carry all insurance policies and pay all insurance premiums and costs the Plan Administrator deems reasonably necessary or advisable, including, without limitation, purchasing any directors and officers or errors and omissions insurance with regard to any Losses (defined below) it may incur, arising out of or due to its actions or omissions, or consequences of such actions or omissions, other than as a result of fraud or willful misconduct, with respect to the implementation and administration of this Agreement;

(N) Abandon any Post-Confirmation Estate Assets; and

(O) Take all other actions consistent with the provisions of the Plan, the Confirmation Order, and this agreement that the Plan Administrator deems reasonably necessary or desirable to administer the Post-Confirmation Debtor's Estate.

1.4. Preservation and Vesting of Causes of Action. Except as otherwise provided in the Plan, or in any contract, instrument, release or other agreement entered into or effected in connection with or pursuant to the Plan, in accordance with Section 1123(b) of the Bankruptcy Code, any and all Claims and Causes of Action that were owned by the Debtor or its Estate as of the Effective Date, including all avoidance actions, shall vest in the Post-Confirmation Debtor's Estate on the Effective Date, and the Plan Administrator shall have the exclusive right to pursue and enforce such Claims and Causes of Action. Settlement by the Plan Administrator of any

Cause of Action in the Post-Confirmation Estate shall require: (1) approval of the Plan Administrator in his, her, or its discretion if the amount claimed by the Post-Confirmation Debtor against a Person is less than two hundred fifty thousand dollars ($250,000); and (2) approval of the Plan Administrator in his, her, or its discretion and approval of the Bankruptcy Court, upon notice and a hearing, if the amount claimed by the Post-Confirmation Debtor against a Person is unliquidated or equals or exceeds two hundred fifty thousand dollars ($250,000).

1.5. Reliance. The Plan Administrator and any advisors, consultants or other professionals retained by the Plan Administrator may rely upon the Debtor's filed schedules and statements of financial affairs and all other information provided by the Debtor or its representatives to the Plan Administrator concerning Claims filed against the Debtor, the Debtor's reconciliation of such Claims, and documents supporting such reconciliation.

1.6. Dissolution of the Debtor. The Plan Administrator, for and on behalf of the Post-Confirmation Debtor, is authorized in his, her or its sole and absolute discretion, to take all actions reasonably necessary to manage and dissolve the Debtor/Post-Confirmation Debtor under applicable laws, including the laws of the jurisdictions in which its organized or registered, notwithstanding any applicable consent requirements or other restrictions contained in any agreements or other documents to which the Debtor is a party. In this regard, the notice of the filing of the Chapter 11 Case and the Plan to creditors, the opportunity provided to creditors to file proofs of claim in this Chapter 11 Case and the provisions for payments to creditors provided under the Plan shall be deemed to constitute and effectuate the dissolution and winding-up of the Debtor's/Post-Confirmation Debtor's business as contemplated under applicable non-bankruptcy law for dissolved limited liability companies without any further action or notice by (i) the Debtor or its former or existing members, managers, officers, directors, representatives or employees, or (ii) the Plan Administrator. The Plan Administrator is authorized to pay all reasonable costs and expenses in connection with such dissolutions, including the costs of preparing or filing any necessary paperwork or documentation.

1.7. Corporate Action; Effectuating Documents. The Plan Administrator is authorized to take any actions and effect transactions, including conversions, dissolutions, transfers, liquidations and other corporate transactions, as may be determined by the Plan Administrator to be necessary or appropriate to implement the terms of the Plan. The Plan Administrator may utilize the aforementioned authority without any further notice to or action, order or approval of the Bankruptcy Court. The Plan Administrator is authorized to issue, execute, deliver, file or record the contracts, agreements, securities, instruments, deeds, omnibus assignments, notices, other instruments of transfer and other documents reasonably necessary or desirable to effectuate the transactions contemplated by the Plan, and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan in the name of and on behalf of the Post-Confirmation Debtor, in each case without the need for any approvals, authorizations or consents, except for those expressly required by the Plan.

1.8. Retention of Agents and Professionals. In connection with the performance of the functions and responsibilities under this Agreement, the Plan Administrator may, but shall not be required to, consult with and retain attorneys, financial advisors, accountants or other professionals and employees as the Plan Administrator deems appropriate in the reasonable exercise of his or her discretion, and who the Plan Administrator reasonably determines to have qualifications necessary to assist the Plan Administrator in the proper administration of the Post-Confirmation Debtor's Estate, without Bankruptcy Court approval. The Plan Administrator may pay the reasonable fees, costs and expenses of such persons (including himself or herself) out of the Post-Confirmation Estate Assets in the ordinary course of business pursuant to the Plan, this Agreement, and the Confirmation Order. Subject to the terms and conditions of this Agreement, the Plan, and the Confirmation Order, the Plan Administrator may retain professionals who previously were employed by the Creditors' Committee and/or the Debtor. The Plan Administrator shall not be liable for any act taken or omitted to be taken, or suggested to be done, in accordance with advice or opinions rendered by such persons, regardless of whether such advice or opinions were in writing.

1.9. Plan Administrator's Conflict of Interest. In the event that the Plan Administrator cannot take any action by reason of an actual or potential conflict of interest, the Plan Administrator will appoint and authorize a Person that does not have conflicts to take any such action(s) in the Plan Administrator's place and stead, including without limitation the retention of professionals (which may include professionals retained by the Plan Administrator) for the purpose of taking such actions.

ARTICLE II

DISTRIBUTIONS

2.1 Distributions and Reserve of Post-Confirmation Estate Assets. Following the vesting of the Post-Confirmation Estate Assets in the Post-Confirmation Debtor, the Plan Administrator shall make continuing commercially reasonable efforts on behalf of the Post-Confirmation Debtor to collect, liquidate, and distribute all Post-Confirmation Estate Assets in accordance with the terms of this Agreement and the Plan, subject to any reserves required or permitted by the Plan or this Agreement.

2.2 Distributions. The Plan Administrator shall use commercially reasonable efforts to cause the Post-Confirmation Debtor to distribute the Net Distribution Proceeds from the liquidation of the Post-Confirmation Estate Assets to the beneficiaries, *provided, however,* that the Plan Administrator may determine, in his or her sole discretion (and may rely on advice from her or his professionals), that the Plan Administrator may retain an amount of net income and other Post-Confirmation Estate Assets as may be reasonably necessary to maintain the value of the Post-Confirmation Estate Assets or to meet expenses, claims (including Disputed Claims), and contingent liabilities of the Post-Confirmation Debtor and the Plan Administrator, and the retention of such amounts may preclude distributions to beneficiaries, as needed from time to time. Distributions to beneficiaries will be made from the Post-Confirmation Debtor's Estate in accordance with the terms of the Plan and this Agreement. The Plan Administrator may engage a disbursing agent or other Persons to assist in the making of distributions.

2.3 Reserves; Pooling of Reserved Funds; Distributions Net of Reserves and Costs; Right to Rely on Professionals. Subject to the terms of the Plan, the Confirmation Order, and this Agreement, before any distribution can be made, the Plan Administrator shall, in his or her reasonable discretion, establish, supplement, and maintain reserves in an amount sufficient to meet any and all expenses and liabilities of the Plan Administrator, including the fees and expenses of attorneys and other professionals. The Plan Administrator also shall maintain as necessary a reserve for Disputed Claims required to be administered by the Post-Confirmation Debtor. For the avoidance of doubt, the Plan Administrator may withhold any distribution pending the Plan Administrator's determination of whether to object to a Disputed Claim. Any such withheld distribution shall become part of the Post-Confirmation Debtor's reserve for Disputed Claims and shall be distributed to the appropriate beneficiary no later than the first distribution date after a decision is made not to object to the pertinent Disputed Claim or the Claim becomes Allowed. The Plan Administrator need not maintain the Post-Confirmation Debtor's reserves in segregated bank accounts and may pool funds in the reserves with each other and other funds of the Post-Confirmation Debtor; *provided, however*, that the Plan Administrator shall treat all such reserved funds as being held in a segregated manner in its books and records. Distributions shall be made net of reserves in accordance with the Plan and this Agreement, and also net of the actual and reasonable costs of making the distributions. In determining the amount of any distribution or reserve, the Plan Administrator may rely and shall be fully protected in relying on the advice and opinion of the Plan Administrator's financial advisors, accountants, attorneys, or other professionals.

2.4 Disallowance of Claims. All Claims in respect of undeliverable or unclaimed distributions that have been deemed to have reverted back to the Post-Confirmation Debtor for all purposes pursuant to Article VI of the Plan shall be deemed disallowed and expunged without further action by the Post-Confirmation Debtor or the Plan Administrator and, without further order of the Bankruptcy Court, the Plan Administrator shall be authorized to reflect, or direct the Notice and Claims Agent to reflect, the disallowance of any such Claim on the Claims Register. The Holder of any such Disputed Claim shall no longer have any right or interest on or to any distribution in respect of such Claim. The Holder of any such Disputed Claim shall be forever barred, estopped, and enjoined from receiving any distribution under the Plan or this Agreement.

2.5 Distributions; Withholding. The Plan Administrator, in his or her sole discretion, may withhold from amounts distributable from the Post-Confirmation Debtor's Estate to any beneficiary any and all amounts as may be sufficient to pay the maximum amount of any tax or other charge that has been or might be assessed or imposed by any law, regulation, rule, ruling, directive, or other governmental requirement on such beneficiary or the Post-Confirmation Debtor with respect to the amount to be distributed to such beneficiary. The Plan Administrator shall determine such maximum amount to be withheld by the Post-Confirmation Debtor in its sole, reasonable discretion and shall cause the Post-Confirmation Debtor to distribute to the beneficiary any excess amount withheld.

2.6 Voided Checks; Requests for Reissuance. Subject to the terms of the Plan, distribution checks issued to beneficiaries shall be null and void if not negotiated within sixty (60) days after the date of issuance thereof. Requests for reissuance of any check shall be made in writing directly to the Plan Administrator by the beneficiary that was originally issued such check. All such requests shall be made promptly and in time for the check to be reissued and cashed before the funds for the check become unrestricted Post-Confirmation Estate Assets in accordance with the Plan. The beneficiary shall bear all the risk that, and shall indemnify and hold both the Post-Confirmation Debtor and the Plan Administrator harmless against any loss that may arise if, the Plan Administrator does not reissue the check promptly after receiving a request for its reissuance and the above deadline for cashing a reissued check passes without the check being reissued or cashed.

2.7 Minimum Distributions. Holders of Allowed Claims entitled to distributions of $50 or less, net of any withholding tax to which such Allowed Claim may be subject, shall not receive distributions, and each such Claim shall be discharged and its Holder shall be forever barred; *provided, however*, that distributions that would otherwise be made to such Holder shall carry over until the next date of a distribution to such Holder (on account of a Disputed Claim or otherwise) until the cumulative amount of Allowed Claims held by such Holder is more than $50, at which time such cumulative amount shall be paid to such Holder, pursuant to Article VI.C.4 of the Plan.

2.8 Undeliverable Property. In the event that any distribution to any Holder is returned as undeliverable, the Plan Administrator shall make no further distributions to such Holder unless and until the Plan Administrator has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided* that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six months from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the Post-Confirmation Debtor, without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be discharged and forever barred. The Plan Administrator may, in his or her sole discretion, attempt to determine a Holder's (or beneficiary's) current address or otherwise locate a Holder (or beneficiary), but nothing in this Agreement or the Plan shall require the Plan Administrator to do so.

2.9 Manner of Payment. At the option of the Plan Administrator, any Cash payment to be made under the Plan and this Agreement may be made by check or wire transfer or as otherwise required or provided in applicable agreements.

2.10 Compliance with Tax and Other Statutory Requirements. The Plan Administrator shall comply with all tax withholding reporting requirements and any other statutory requirements imposed on it and the Post-Confirmation Debtor by any Governmental Unit or any other applicable law, and all of the Plan Administrator's actions and distributions pursuant to the Plan and this Agreement shall be subject to such withholding, reporting and any other statutory requirements. Any taxes withheld and deposited with the appropriate Governmental Unit shall be treated as if distributed to the applicable Holder for purposes of determining the distributions to which such Holder is entitled to receive. Notwithstanding any provision herein to the contrary, the Plan Administrator shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including (i) liquidating a portion of the distribution to be made under the Plan and this Agreement to generate sufficient funds to pay applicable withholding taxes, (ii) withholding distributions pending receipt of information necessary to facilitate such distributions, (iii) establishing any other mechanisms it believes are reasonable and appropriate, or (iv) obtaining, if such information is not already in the possession of the Post-Confirmation Debtor, (A) in the case of a U.S. Holder, a properly executed Internal Revenue Service Form W-9, and (B) in the case of a non-U.S. Holder, a properly executed applicable Internal Revenue Service Form W-8 and any other forms required by any applicable law (or in each of the cases of clauses (A) and (B) above, such Holder otherwise establishes eligibility for an exemption). The Plan Administrator shall have the right, but not the obligation, to allocate all distributions made under the Plan and this Agreement in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances. For tax purposes, the Plan Administrator shall treat any Holder of a wage-related claim as "single with no deductions," irrespective of any prior or current designation on the books and records of the Debtor.

2.11 Allocations. Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest as Allowed herein or under the Plan.

2.12 No Postpetition Interest on Claims. Unless otherwise specifically provided for in an order of the Bankruptcy Court, the Plan, or the Confirmation Order, or specifically required by applicable bankruptcy law, the IRC or equivalent state law, post-petition interest shall not accrue or be paid on any Claims and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any such Claim.

2.13 Setoffs and Recoupment. The Plan Administrator may, but shall not be required to, set off against or recoup any payments or distributions to be made pursuant to the Plan and this Agreement in respect of any Claims of any nature whatsoever that the Debtor or Post-Confirmation Debtor may have against the Holder, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Post-Confirmation Debtor of any such Claim it may have against the Holder of such Claim.

2.14 United States Trustee Fees and Reports. After the Effective Date, the Plan Administrator shall pay as an expense of the Post-Confirmation Debtor all fees incurred under 28 U.S.C. § 1930(a)(6) by reason of the Post-Confirmation Debtor's disbursements as required under the Plan and Confirmation Order until the Chapter 11 Case is closed. After the Effective Date, the Plan Administrator shall prepare and serve on the Office of the U.S. Trustee such quarterly disbursement reports for the Post-Confirmation Debtor as required by the U.S. Trustee for as long as the Chapter 11 Case remains open.

2.15 Claims Paid by Third Parties. If an Allowed Claim is paid in full by a party or from a source that is not a Debtor or the Post-Confirmation Debtor, such Claim shall be Disallowed without an objection having to be Filed and without any further notice to, or action, order, or approval of, the Bankruptcy Court. In such event, the Holder of such Claim shall, within fourteen (14) days of receipt thereof, repay or return the distribution to the Post-Confirmation Debtor, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the Post-Confirmation Debtor interest at the Federal Judgment Rate on such amount owed for each Business Day after the 14-day grace period specified above until the amount is repaid.

2.16 Claims Payable by Third Parties. No distributions under the Plan and this Agreement shall be made on account of an Allowed Claim that is payable pursuant to the

Debtor's insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtor's insurers agrees to pay in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction or otherwise settled), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to, or action, order, or approval of, the Bankruptcy Court.

ARTICLE III

OBJECTION TO CLAIMS

3.1 Objection to Claims. The Plan Administrator shall have the exclusive authority to file, settle, compromise, withdraw, or litigate to judgment any objections to Administrative Expense Claims and other Claims, except as provided in the Plan and except with respect to any other Claim deemed to be an Allowed Claim as of the Effective Date or waived, relinquished, exculpated, released, compromised, settled or Allowed in the Plan or in a Final Order, which Claims are not subject to objection by the Plan Administrator or any other Entity. From and after the Effective Date, and except as provided in the Plan, the Plan Administrator shall have and shall retain any and all available rights and defenses that the Debtor had with respect to any Claim based on the limitations imposed by Section 502 of the Bankruptcy Code and may settle or compromise any Disputed Claim without further notice to, order from, or approval of the Bankruptcy Court.

At any time prior to the Claims Objection Deadline, the Plan Administrator may file objections with the Bankruptcy Court and serve such objections on the holders of the Claims or Equity Interests to which objections are made. Nothing contained herein, however, shall limit the right of the Plan Administrator to object to Claims or Equity Interests, if any, filed or amended after the Claims Objection Deadline. The Claims Objection Deadline may be extended by the Bankruptcy Court upon motion by the Plan Administrator without notice or hearing.

3.2 Estimation of Claims. The Plan Administrator may at any time request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to Section 502(c) of the Bankruptcy Code, regardless of whether the Debtor previously objected to such Claim or whether the Bankruptcy Court has ruled on any objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any claim, including during the pendency of any appeal related to any such objection. In the event the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Plan Administrator may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned objection, estimation and resolution procedures are cumulative and are not necessarily exclusive of one another. Claims may be estimated and thereafter resolved by any permitted mechanism.

3.3 Settlement. In accordance with and subject to the provisions of the Plan, pursuant to Section 363 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order or approval of the Bankruptcy Court, after the Effective Date, the

Plan Administrator may compromise and settle Claims against the Debtor and Causes of Action against other Entities.

ARTICLE IV

TAX MATTERS

4.1 Tax and Reporting Duties of the Plan Administrator. In accordance with the Plan, to the extent applicable, to the extent the Plan Administrator is the disbursing agent, she/he shall comply with all tax withholding and reporting requirements imposed on them by any governmental unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the disbursing agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Plan Administrator reserves the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, liens and encumbrances. All Persons holding Claims or Equity Interests shall be required to provide any information necessary to effect information reporting and the withholding of such taxes. Notwithstanding any other provision of the Plan to the contrary, each Holder of an Allowed Claim shall have the 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.

4.2 Expedited Determination of Taxes. The Plan Administrator may request an expedited determination of taxes of the Debtor's Estate, including any reserves established under the Plan, under Section 505(b) of the Bankruptcy Code for all returns filed for, or on behalf of, the Post-Confirmation Debtor for all taxable periods through the dissolution of the Debtor.

4.3 Fiscal Year. The Post-Confirmation Debtor's fiscal year shall be the calendar year or such other period as may be fixed by the Plan Administrator as required by the Internal Revenue Code and the Treasury Regulations.

4.4 Compliance with Laws. Any and all distributions of any monies in connection with the Plan shall be in compliance with applicable laws, including, without limitation, applicable federal and state securities laws.

ARTICLE V

THIRD PARTY RIGHTS AND LIMITATION OF LIABILITY

5.1 Compliance with Laws Standard of Care; Exculpation. Neither the Plan Administrator nor any director, officer, member, affiliate, employee, employer, professional, successor, assign, agent, or representative of the Plan Administrator acting in such capacity (each, an "Exculpated Party" and collectively, the "Exculpated Parties") shall be liable for any losses, claims, damages, liabilities, obligations, settlements, proceedings, suits, judgments, causes of action, litigation, actions, or investigations (whether civil or administrative and whether sounding in tort, contract or otherwise), penalties, costs, and expenses, including reasonable fees and disbursements (collectively referred to herein as "Losses"), whether or not in connection with litigation in which any Exculpated Party is a party, or enforcing this Agreement (including these exculpation provisions), as and when imposed on an Exculpated Party, incurred, caused by, relating to, based upon or arising out of (directly or indirectly) the Plan Administrator's execution, delivery, and acceptance of or the performance or nonperformance of its powers, duties and obligations under this Agreement, the Plan, or the Confirmation Order or as may arise by reason of any action, omission or error of an Exculpated Party; *provided*, *however*, that the foregoing limitation shall not apply to any Losses found in a final judgment by a court of competent jurisdiction (not subject to further appeal or review) to have resulted primarily and directly from the fraud, self-dealing, gross negligence or willful misconduct of such Exculpated Party. Every act taken or omitted, power exercised or obligation assumed by the Post-Confirmation Debtor or any Exculpated Party pursuant to the provisions of this Agreement shall be held to be taken or omitted, exercised, or assumed, as the case may be, by the Post-Confirmation Debtor or any Exculpated Party acting for and on behalf of the Post-Confirmation Debtor and not otherwise; *provided, however,* that none of the foregoing Entities or persons are deemed to be responsible for any other such Entities' or persons' actions or inactions. Except as provided in the first provision of the first sentence of this Section 5.1, every person, firm, corporation, or other Entity contracting or otherwise dealing with or having any relationship with the Post-Confirmation Debtor or any Exculpated Party shall have recourse only to the Post-Confirmation Debtor Assets for payment of any liabilities or other obligations arising in connection with such contracts, dealings or relationships, and the Post-Confirmation Debtor and the Exculpated Parties shall not be individually liable therefor. Except as provided in the first proviso of the first sentence of this Section 5.1, any liability of the Plan Administrator under this Agreement will be limited to the amount of fees paid to the Plan Administrator.

5.2 Indemnification.

(a) The Plan Administrator and any director, officer, member, affiliate, employee, employer, professional, successor, assign, agent, or representative of the Plan Administrator (each, an "Indemnified Party" and collectively, the "Indemnified Parties") shall be defended, held harmless, and indemnified from time to time by the Post-Confirmation Debtor against any and all Losses, including, without limitation, the costs for counsel or others in investigating, preparing, defending, or settling any action or claim, whether or not in connection with litigation in which any Indemnified Party is a party, or enforcing this Agreement (including these indemnity provisions), as and when imposed on the Indemnified Party, incurred, caused by, relating to, based upon or arising out of (directly or indirectly) the Plan Administrator's execution, delivery, and acceptance of or the performance or nonperformance of its powers, duties, and obligations under this Agreement, the Plan, or the Confirmation Order or as may arise by reason of any action, omission, or error of an Indemnified Party; *provided*, *however*, such indemnity shall not apply to any such Losses to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal or review) to have resulted primarily and directly from the fraud, self-dealing, gross negligence, or willful misconduct of such Indemnified Party. Satisfaction of any obligation of the Post-Confirmation Debtor arising pursuant to the terms of this Section shall be payable only from the Post-Confirmation Debtor Assets, shall be advanced prior to the conclusion of such matter and such right to payment shall be prior and superior to any other rights of beneficiaries to receive a distribution of the Post-Confirmation Debtor Assets.

(b) The Post-Confirmation Debtor shall promptly pay to the Indemnified Party the expenses set forth in subparagraph (a) above upon submission of invoices therefore on a current basis. Each Indemnified Party hereby undertakes, and the Post-Confirmation Debtor hereby accepts its undertaking, to repay any and all such amounts so paid by the Post-Confirmation Debtor if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified therefore under this Agreement.

5.3 No Liability for Acts of Successor/Predecessor Plan Administrators. Upon the appointment of a successor Plan Administrator and the delivery of the Post-Confirmation Estate Assets to the successor Plan Administrator, the predecessor Plan Administrator and any director, officer, affiliate, employee, employer, professional, agent, or representative of the predecessor Plan Administrator shall have no further liability or responsibility with respect thereto. A successor Plan Administrator shall not be liable for the acts or omissions of any predecessor Plan Administrator unless a successor Plan Administrator expressly assumes such responsibility. A predecessor Plan Administrator shall have no liability for the acts or omissions of any immediate or subsequent successor Plan Administrator for any events or occurrences subsequent to the cessation of its role as Plan Administrator.

5.4 Reliance by Plan Administrator on Documents or Advice of Counsel or Other Professionals. Except as otherwise provided in this Agreement, the Plan Administrator and any director, officer, member, affiliate, employee, employer, professional, agent, or representative of the Plan Administrator may rely, and shall be protected from liability for acting or failing to act, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document reasonably believed by the Plan Administrator to be genuine and to have been presented by an authorized party. The Plan Administrator shall not be liable for any action taken or omitted or suffered by the Plan Administrator in reasonable reliance upon the advice of counsel or other professionals engaged by the Plan Administrator in accordance with this Agreement. The Plan Administrator shall be fully indemnified by the Post-Confirmation Debtor for or in respect of any action taken, suffered or omitted by it and in accordance with such advice or opinion.

5.5 No Liability for Good Faith Error of Judgment. The Plan Administrator shall not be liable for any error of judgment made in good faith, unless it shall be finally determined by a final judgment of a court of competent jurisdiction (not subject to further appeal or review) that the Plan Administrator was grossly negligent in ascertaining the pertinent facts.

5.6 Survival. The provisions of this Article V shall survive the termination of this Agreement and the death, resignation, removal, liquidation, dissolution, or replacement of the Plan Administrator.

ARTICLE VI

SELECTION, REMOVAL, AND COMPENSATION OF TRUSTEE

6.1 Initial Plan Administrator. The initial Plan Administrator shall be Berkley Research Group, LLC, by and through Jay Borow.

6.2 Term of Service. The Plan Administrator shall serve until: (a) the completion of all the Plan Administrator's duties, responsibilities, and obligations under this Agreement and the Plan; (b) termination of the Post-Confirmation Debtor in accordance with this Agreement; or (c) the Plan Administrator's death or dissolution, incapacitation, resignation, or removal, as set forth below.

6.3 Resignation and Removal of Plan Administrator. The Plan Administrator may resign at any time upon thirty (30) days' prior written notice filed with the Bankruptcy Court, *provided, however,* that such resignation shall only become effective upon the appointment of a permanent or interim successor Plan Administrator. Any party in interest, on notice and hearing before the Bankruptcy Court, may seek removal of the Plan Administrator for cause. The Bankruptcy Court shall hear and finally determine any dispute arising out of this section. In the event of resignation or removal, death or incapacity of the Plan Administrator, the Bankruptcy Court shall appoint the successor based upon submissions from interested parties. The Plan Administrator shall be deemed released of his, her, or its duties in such capacity on the date the Chapter 11 Case is closed, and no successor thereto shall be designated.

6.4 Powers and Duties of Successor Trustee. A successor Plan Administrator shall have all of the rights, privileges, powers, and duties of the predecessor Plan Administrator under this Agreement and the Plan.

6.5 Post-Confirmation Debtor Continuance. The death, dissolution, liquidation, resignation, or removal of the Plan Administrator shall not terminate the Post-Confirmation Debtor or revoke any existing agency created by the Plan Administrator pursuant to this Agreement or invalidate any action theretofore taken by the Plan Administrator, and the provisions of this Agreement shall be binding upon and inure to the benefit of the successor Plan Administrator and all its successors or assigns.

6.6 Compensation of Plan Administrator. Beginning at the Effective Date (as defined in the Plan), subject to the Plan and this Agreement, the Plan Administrator shall be employed and compensated on an hourly basis at the rate of $1,150.00, which may be adjusted from time to time in the ordinary course of business. The Plan Administrator shall also be reimbursed for all documented actual, reasonable and necessary out-of-pocket expenses incurred in the performance of the Plan Administrator's duties hereunder. Any successor to the Plan Administrator shall also be entitled to reasonable compensation in connection with the performance of its duties, which compensation may be different from the terms provided herein and shall be approved by the Bankruptcy Court at the time of appointment, plus the reimbursement of actual, reasonable and necessary out-of-pocket expenses.

6.7 Fiduciary Duties. Notwithstanding anything in this Agreement to the contrary, the Plan Administrator shall always act consistently with, and not contrary to, the purpose of the

Post-Confirmation Debtor as set forth in this Agreement and the Plan and Confirmation Order and shall exercise his or her responsibilities accordingly; *provided*, *however*, that the Plan Administrator shall not owe fiduciary obligations to any individual beneficiary, creditor, individual holder of a claim or interest, or defendants or potential defendants of Causes of Action in their capacities as such, it being the intent of such fiduciary duties to ensure that the Plan Administrator's obligations are to maximize the value of the Post-Confirmation Estate Assets, including the Causes of Action. For the avoidance of doubt, any fiduciary duty of the Plan Administrator shall be to the total body of beneficiaries, as a collective whole.

ARTICLE VII

MISCELLANEOUS

7.1 Post-Confirmation Reporting. The Plan Administrator shall file post-confirmation operating reports on a quarterly basis, upon the conclusion of each respective quarter until the earlier of the entry of a final decree, conversion or dismissal of these cases.

7.2 Miscellaneous. Upon the completion of all acts required to be performed by the Plan Administrator under the Plan and the filing by the Plan Administrator of a certification to that effect with the Bankruptcy Court (which may be included in the application for entry of the Final Decree), the Plan Administrator shall be relieved of duties under the Plan for all purposes without the necessity for any other or further actions to be taken by or on behalf of the Plan Administrator or payments to be made in connection therewith. From and after the Effective Date, the Plan Administrator shall not be required to file any document, or take any action, to withdraw the Debtor's business operation from any States where the Debtor previously conducted business operations. As soon as practicable after final distributions under the Plan, the Plan Administrator shall wind up the affairs of the Debtor, pay all applicable Taxes, file final tax returns, arrange for storage of its records and dissolve the Debtor pursuant to applicable law. As soon as practicable thereafter, the Plan Administrator shall file with the Bankruptcy Court a final report of distributions and perform such other duties as are specified in the Plan, whereupon the Plan Administrator shall have no further duties under the Plan.

7.3 Preservation of Privilege and Defenses. In connection with the rights, claims, and causes of action that constitute the Debtor's Estate, any attorney-client privilege, work-product privilege, or other privilege or immunity attaching to any documents or communications (whether written or oral and whether through the Debtor or the Creditors' Committee) transferred to the Plan Administrator shall vest in the Plan Administrator and her/his representatives, and the Plan Administrator is authorized to take all necessary actions to effectuate the transfer of such privileges and available defenses. .

7.4 Jurisdiction. The Bankruptcy Court shall have jurisdiction to resolve any and all controversies, suits and issues that may arise in connection therewith, including, without limitation, this Agreement, or any entity's obligations incurred in connection herewith, including without limitation, any action against the Plan Administrator or any professional retained by the Plan Administrator, in each case in its capacity as such. Each party to this Agreement hereby irrevocably consents to the exclusive jurisdiction and venue of the Bankruptcy Court in any action to enforce, interpret or construe any provision of this Agreement or of any other agreement or document delivered in connection with this 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 any action to enforce, interpret, or construe any provision of this Agreement will be brought only in the Bankruptcy Court. Each party hereby irrevocably consents to the service by certified or registered mail, return receipt requested, of any process in any action to enforce, interpret or construe any provision of this Agreement.

7.4 Amendments. The Plan Administrator may, with the approval of the Bankruptcy Court, modify, supplement, or amend this Agreement in any way that is not inconsistent with the Plan or the Confirmation Order.

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

7.6 Notices. Any notice or other communication hereunder shall be in writing (including by facsimile transmission or by e-mail) and shall be deemed to have been sufficiently given, for all purposes, if deposited, postage prepaid, in a post office or letter box addressed to the person for whom such notice is intended (or, in the case of notice by facsimile transmission or e-mail, when received and telephonically or electronically confirmed), addressed as follows (*provided*, *however*, that only one notice or other communication hereunder need be sent to holders sharing the same address):

If to the Plan Administrator, to:

Jay Borow
Andrew Cowie
Berkley Research Group, LLC
810 Seventh Avenue
Suite 4100
New York, NY 10019
Telephone: (212) 782-1411
(212) 782-1401
Facsimile: (212) 782-1479
Email: jborow@thinkbrg.com
acowie@thinkbrg.com

with a copy to Counsel to the Plan Administrator:

Richard Bernard
Faegre Drinker Biddle & Reath LLP
1177 Avenue of the Americas, 41st Floor
New York, NY 10038
Telephone: (212) 248-3263
Email: richard.bernard@faegredrinker.com

The parties may designate in writing from time to time other and additional places to which notices may be sent.

7.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to conflicts of law principles.

7.8 Successors and Assigns. This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective successors and assigns.

7.9 Plan and Confirmation Order. To the extent that the terms of this Agreement are inconsistent with the terms set forth in the Plan, then the terms of the Plan shall govern and control. To the extent that the terms of this Agreement are inconsistent with the terms set forth in the Confirmation Order, then the terms of the Confirmation Order shall govern and control.

7.10 References to the Plan and Confirmation Order. Unless otherwise expressly specified herein, (a) whenever a provision hereof references, or is subject to, the Plan, such provision shall also be deemed to reference, and is subject to, the Confirmation Order; and (b) whenever a provision hereof references, or is subject to, the Confirmation Order, such provision shall also be deemed to reference, and is subject to, the Plan.

7.11 Severability. If any term, provision, covenant, or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable, or against its regulatory policy, the remainder of the terms, provisions, covenants, and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

7.12 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 Agreement, and to consummate the transactions contemplated hereby.

7.13 Integration. This Agreement, the Plan, and the Confirmation Order constitute the entire agreement with, by and among the parties thereto, and there are no representations, warranties, covenants, or obligations except as set forth herein, in the Plan and in the Confirmation Order. This Agreement, together with the Plan and the Confirmation Order, supersede all prior and contemporaneous agreements, understandings, negotiations, and discussions, written or oral, of the parties hereto, relating to any transaction contemplated hereunder. Except as otherwise provided in this Agreement, the Plan or Confirmation Order, nothing herein is intended or shall be construed to confer upon or give any person other than the parties hereto and the beneficiaries any rights or remedies under or by reason of this Agreement.

7.14 Interpretation. The enumeration and Section headings contained in this Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of this Agreement or of any term or provision hereof. Unless context otherwise requires, whenever used in this 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, limited liability companies, and corporations. The words herein, hereby, and hereunder and words with similar import, refer to this Agreement as a whole and not to any particular section or subsection hereof unless the context requires otherwise. Any reference to the "Plan Administrator" shall be deemed to include a reference to the "Post-Confirmation Debtor" and any reference to the "Post-Confirmation Debtor" shall be deemed to include a reference to the "Plan Administrator" except for provisions in which the context otherwise requires.

7.15 Counterparts. This Agreement may be signed by the parties hereto in counterparts, which, when taken together, shall constitute one and the same document. Delivery of an executed counterpart of this Agreement by facsimile or email in pdf format shall be equally effective as delivery of a manually executed counterpart.

7.16 No Bond. The Plan Administrator may serve without bond. If, for any reason, the Plan Administrator is required to post a bond, the cost of any such bond will be borne by the Post-Confirmation Debtor's Estate as a wind down expense.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have either executed and acknowledged this Agreement or caused it to be executed and acknowledged on their behalf by their duly authorized officers or representatives, all as of the date first above written.

Dated: __________, 2021

KLAUSNER LUMBER ONE LLC

By: ________________________
Name: Michael Freeman
Title: Chief Restructuring Officer
Asgaard

By: ________________________
Name: Jay Borow
Title: Plan Administrator