

EXHIBIT M

Litigation Trust Agreement

LITIGATION TRUST AGREEMENT

This Litigation Trust Agreement (the “**Litigation Trust Agreement**”), made this [__] day of [December/January], [2013/2014] by and between (a) Rural/Metro Corporation (“**RMC**”) on behalf of itself and the other Debtors and (b) [_____], as trustee for the liquidating trust established pursuant to this Litigation Trust Agreement (such trustee, and each successor trustee, collectively referred to as the “**Litigation Trustee**”) is executed to facilitate the implementation of the First Amended Joint Chapter 11 Plan of Reorganization for Rural/Metro Corporation and its Affiliated Debtors dated October 31, 2013 (as the same may be amended, modified or supplemented from time to time in accordance with the terms and provisions thereof, the “**Plan**”) that provides for the establishment of the litigation trust created hereby (the “**Litigation Trust**”). Each of the Debtors (or, after the Effective Date, the “**Reorganized Debtors**”) and the Litigation Trustee are sometimes referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS, the Debtors filed for protection under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) on August 4, 2013 (the “**Petition Date**”) (RMC and the other debtors and debtors in possession filing thereunder, the “**Debtors**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”);

WHEREAS, on [_____], the Bankruptcy Court entered its order confirming the Plan (the “**Confirmation Order**”);

WHEREAS, the Plan provides, among other things, as of the effective date of the Plan (the “**Effective Date**”), for (a) the creation of the Litigation Trust and the creation of the beneficial interests in the Litigation Trust for the benefit of the Litigation Trust Beneficiaries, (b) the transfer to the Litigation Trust of the Litigation Trust Assets, (c) the administration and liquidation of the Litigation Trust Assets and the distribution of the proceeds therefrom to the Litigation Trust Beneficiaries in accordance with this Litigation Trust Agreement, the Plan and the Confirmation Order (together, the “**Directives**”);

WHEREAS, pursuant to Treasury Regulation section 301.7701-4(d), the Litigation Trust is being created for the primary purpose of liquidating the Litigation Trust Assets in an expeditious but orderly manner for the benefit of the Litigation Trust Beneficiaries, with no objective to continue or engage in the conduct of a trade or business;

WHEREAS, the Litigation Trust is intended to qualify as a “grantor trust” for U.S. federal income tax purposes, pursuant to sections 671-677 of the IRC, with the Litigation Trust Beneficiaries to be treated as the grantors of the Litigation Trust and deemed to be the owners of the Litigation Trust Assets (subject to the rights of creditors of the Litigation Trust), and, consequently, the transfer of the Litigation Trust Assets to the Litigation Trust shall be treated as a deemed transfer of those assets from the Debtors to the Litigation Trust Beneficiaries followed by a deemed transfer by such Litigation Trust Beneficiaries to the Litigation Trust for federal income tax purposes;

WHEREAS, the Litigation Trustee was duly appointed as a representative of the Debtors' Estates pursuant to sections 1123(a)(5), (a)(7), and (b)(3)(B) of the Bankruptcy Code to hold and pursue the Assigned Actions; and

WHEREAS, the Reorganized Debtors and the Litigation Trustee entered into a Cooperation Agreement dated [_____], [2013/2014] which provides that the Reorganized Debtors will provide certain cooperation to the Litigation Trust.

NOW, THEREFORE, pursuant to the Plan and the Confirmation Order, 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 I DEFINITIONS

For all purposes of this Litigation Trust Agreement, capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in Annex A attached hereto and made part hereof. Capitalized terms used herein and not otherwise defined herein or in Annex A shall have the meanings ascribed to such terms in the Plan. Unless otherwise specified, Article, Section and Paragraph references herein are to Articles, Sections and Paragraphs of this Litigation Trust Agreement.

ARTICLE II ESTABLISHMENT OF THE LITIGATION TRUST

2.1 Establishment of Litigation Trust and Appointment of Litigation Trustee.

(a) Pursuant to the Plan, the Parties hereby establish a trust which shall be known as the "Litigation Trust" on behalf of the Litigation Trust Beneficiaries.

(b) The Litigation Trustee is hereby appointed as trustee of the Litigation Trust effective as of the Effective Date and agrees to accept and hold the assets of the Litigation Trust in trust for the Litigation Trust Beneficiaries subject to the terms of the Plan, the Confirmation Order and this Litigation Trust Agreement. The Litigation Trustee and each successor trustee serving from time to time hereunder shall have all the rights, powers and duties set forth herein.

(c) Subject to the terms of this Litigation Trust Agreement, any action by the Litigation Trustee which affects the interests of more than one Litigation Trust Beneficiary shall be binding and conclusive on all Litigation Trust Beneficiaries, even if such Litigation Trust Beneficiaries have different or conflicting interests.

(d) The Litigation Trustee may serve without bond.

(e) For the avoidance of doubt, the Litigation Trustee is not an officer, director or fiduciary of any of the Reorganized Debtors.

2.2 Transfer of Litigation Trust Assets. Pursuant to the Plan, as of the Effective Date:

(a) Debtors hereby transfer, assign, and deliver to the Litigation Trust, without recourse, all of their respective rights, title, and interests in and to the Litigation Trust Assets free and clear of any and all liens, claims, encumbrances or interests of any kind in such property. Any such transfer shall be treated for U.S. federal income tax purposes as described in Section 7.1 herein.

(b) Without limiting the generality of the foregoing, Debtors hereby transfer, assign, and deliver to the Litigation Trust and the Litigation Trustee, without waiver, all of their respective rights, title, and interests in and to any privilege or immunity attaching to any documents or communications (whether written or oral) associated with the Litigation Trust Claims (collectively, “**Privileges**” and, together with the Litigation Trust Claims, the “**Assigned Actions**”), which shall vest in the Litigation Trustee and the Litigation Trust, in trust, and, consistent with section 1123(b)(3)(B) of the Bankruptcy Code, for the benefit of the Litigation Trust Beneficiaries, *provided, however*, that such transferred Privileges may not be waived by the Litigation Trustee except with the consent of the Reorganized Debtors, such consent not to be unreasonably withheld (as and to the extent provided in the Cooperation Agreement). For purposes of the transfer of documents, the Litigation Trust is an assignee and successor to the Debtors in respect of the Assigned Actions and shall be treated as such in any review of confidentiality restrictions in requested documents. For purposes of this Section 2.2(b), “privilege” means attorney-client privilege or work-product protection (or both as the case may be) as those terms are defined in Federal Rule of Evidence 502(g).

(c) As and to the extent provided in the Cooperation Agreement, the Debtors and Reorganized Debtors shall deliver or cause to be delivered to the Litigation Trustee the documents required in connection with the Assigned Actions whether held by the Debtors or Reorganized Debtors, their agents, advisors, attorneys, accountants or any other professional hired by the Debtors or Reorganized Debtors.

2.3 Governance of the Litigation Trust. The Litigation Trust shall be governed by the Litigation Trustee. The Litigation Trustee’s powers are exercisable solely in a fiduciary capacity consistent with, and in furtherance of, the purposes of the Litigation Trust and not otherwise.

2.4 Funding of the Litigation Trust.

(a) On the Effective Date, the Creditor Representative may make available the Creditor Representative Assets to the Litigation Trust. From time to time thereafter, the Creditor Representative may provide additional funding in accordance with the Creditor Representative Plan Supplement to fund the fees, expenses, and costs of the Litigation Trust. To the extent that a portion of any funding provided to the Litigation Trust by the Creditor Representative is not needed or reasonably likely to be used to defray the costs and expenses of the Litigation Trust, such funds shall be returned to the Creditor Representative. Neither the Debtors nor the Reorganized Debtors shall have any obligation with respect to, or liability for, any decision by the Creditor Representative with respect to funding of the Litigation Trust.

(b) Any failure or inability of the Litigation Trust to obtain funding will not affect the enforceability of the Litigation Trust.

2.5 Title to the Litigation Trust Assets. The transfer of the Litigation Trust Assets to the Litigation Trust pursuant to Section 2.2 hereof is being made by the Debtors for the sole benefit, and on behalf of, the Litigation Trust Beneficiaries. Upon the transfer of the Litigation Trust Assets to the Litigation Trust, the Litigation Trust shall succeed to all of the Debtors' and Litigation Trust Beneficiaries' rights, title and interests in the Litigation Trust Assets and no other entity shall have any interest, legal, beneficial, or otherwise, in the Litigation Trust or the Litigation Trust Assets upon their assignment and transfer to the Litigation Trust (other than as provided herein or in the Plan).

2.6 Nature and Purpose of the Litigation Trust.

(a) Purpose. The Litigation Trust is organized and established as a trust pursuant to which the Litigation Trustee, subject to the terms and conditions contained herein and in the Plan, is to (i) hold the Litigation Trust Assets and dispose of the same in accordance with this Litigation Trust Agreement and the Plan in accordance with Treasury Regulation section 301.7701-4(d), and (ii) oversee and direct the expeditious but orderly liquidation of the Litigation Trust Assets. The primary purpose of the Litigation Trust is to liquidate the Litigation Trust Assets with no objective to continue or engage in the conduct of a trade or business.

(b) Relationship. This Litigation Trust Agreement is intended to create a trust and a trust relationship and to be governed and construed in all respects as a trust. The Litigation Trust is not intended to be, and shall not be deemed to be, or be treated as, a general partnership, limited partnership, joint venture, corporation, joint stock company or association, nor shall the Litigation Trustee or the Litigation Trust Beneficiaries, or either of them, for any purpose be, or be deemed to be or treated in any way whatsoever to be, liable or responsible hereunder as partners or joint venturers. The relationship of the Litigation Trust Beneficiaries to the Litigation Trustee shall be solely that of beneficiaries of a trust and shall not be deemed a principal and agency relationship, and their rights shall be limited to those conferred upon them by this Litigation Trust Agreement.

2.7 Cooperation of Reorganized Debtors. The Reorganized Debtors shall cooperate with the Litigation Trustee in the administration of the Litigation Trust as provided in the Cooperation Agreement, it being understood and agreed that the Reorganized Debtors are not a fiduciary or agent of the Litigation Trust and owe no duties or obligations to the Litigation Trust or the Litigation Trust Beneficiaries except as expressly set forth in the Cooperation Agreement, this Litigation Trust Agreement or the Plan.

2.8 Appointment as Representative. Pursuant to section 1123(b)(3) of the Bankruptcy Code, the Litigation Trustee shall be the duly appointed representative of the Estates for certain limited purposes, and, as such, to the extent provided herein, the Litigation Trustee succeeds to the rights and powers of a trustee in bankruptcy solely with respect to prosecution of the Assigned Actions for the benefit of the Litigation Trust Beneficiaries. To the extent that any Assigned Actions cannot be transferred to the Litigation Trust because of a restriction on transferability under applicable non-bankruptcy law that is not superseded or preempted by

section 1123 of the Bankruptcy Code or any other provision of the Bankruptcy Code, such Litigation Trust Assets shall be deemed to have been retained by the Reorganized Debtors (other than for tax purposes) and the Litigation Trustee shall be deemed to have been designated as a representative of the Debtors' Estates to the extent provided herein pursuant to section 1123(b)(3)(B) of the Bankruptcy Code solely to enforce and pursue such Assigned Actions on behalf of the Estates. Notwithstanding the foregoing, all net proceeds of the Litigation Trust Assets shall be distributed consistent with the provisions of the Plan and this Litigation Trust Agreement in accordance with the Directives. For avoidance of doubt, any Assigned Action subject to this Section 2.7 shall be treated by the Parties for U.S. federal, state and local income tax purposes as a disposition of the Assigned Action by the Reorganized Debtors as described in Section 7.1 below.

2.9 Relationship to, and Incorporation of, the Plan. The principal purpose of this Litigation Trust Agreement is to aid in the implementation of the Plan and the Confirmation Order, and therefore this Litigation Trust Agreement incorporates the provisions of the Plan and the Confirmation Order by this reference. To that end, the Litigation Trustee shall have full power and authority to take any action consistent with the purpose and provisions of the Plan, to seek any orders from the Bankruptcy Court in furtherance of implementation of the Plan that directly affect the interests of the Litigation Trust, and to seek any orders from the Bankruptcy Court in furtherance of this Litigation Trust Agreement. As among the Litigation Trust, the Litigation Trustee, the Litigation Trust Beneficiaries, the Debtors and the Reorganized Debtors, if any provisions of this Litigation Trust Agreement are found to be inconsistent with the provisions of the Plan or the Confirmation Order, each such document shall have controlling effect in the following rank order: (a) the Confirmation Order; (b) the Plan; and (c) this Litigation Trust Agreement.

ARTICLE III LITIGATION TRUST INTERESTS

3.1 Litigation Trust Interests. Beneficial interests in the Litigation Trust to be deemed distributed to the Litigation Trust Beneficiaries and the right to receive distributions on account of such beneficial interests (the "**Litigation Trust Interests**") will be represented by book entries on the books and records of the Litigation Trust.

3.2 Allocation of Litigation Trust Interests. The allocation and distribution of the Litigation Trust Interests shall be accomplished as set forth in the Plan.

3.3 Litigation Trust Interests Beneficial Only. The ownership of a Litigation Trust Interest shall not entitle any Litigation Trust Beneficiary to any title in or to the assets of the Litigation Trust as such (which title shall be vested in the Litigation Trust) or to any right to call for a partition or division of the assets of the Litigation Trust or to require an accounting.

3.4 Identification of Holders of Litigation Trust Interests. The Litigation Trust will not issue any certificate or certificates to evidence any Litigation Trust Interests. The record holders of Litigation Trust Interests shall be recorded and set forth in a register maintained by the Litigation Trustee expressly for such purpose (the "**Register**"). Such Register shall be updated from time to time as Disputed Other Unsecured Claims become Allowed Other Unsecured

Claims. On the Effective Date, and periodically thereafter (but in any event, not less than monthly), the Reorganized Debtors shall provide the Litigation Trustee with a file or database in searchable electronic format and information which shall include, to the extent reasonably available, (i) claimant name, amount, mailing address, telephone number, e-mail address, and status of Claim and (ii) social security number or employer or taxpayer identification number as assigned by the IRS and related documentation and taxpayer information (including, but not limited to, completed Form W-8 or Form W-9 documentation); as to the Allowed Noteholder Claims, the Allowed Other Unsecured Claims and as to the Disputed Other Unsecured Claims that have become Allowed Other Unsecured Claims, *provided, however*, that none of the Reorganized Debtors or their agents, professionals, contractors or employees shall otherwise have any responsibility or liability for the maintenance of the Register. All references in this Litigation Trust Agreement to holders of Litigation Trust Interests shall be read to mean holders of record as set forth in the official Register maintained by the Litigation Trustee and shall not mean any beneficial owner not recorded on such official registry.

3.5 Non-Transferability of Litigation Trust Interests. No transfer, assignment, pledge or hypothecation of any Litigation Trust Interests, either in whole or in part, shall be permitted except with respect to a transfer (a) by a Litigation Trust Beneficiary to any corporation, partnership or other organization in which such Litigation Trust Beneficiary is the beneficial owner of more than 50% of the equity securities or equity interests; (b) by a Litigation Trust Beneficiary to any person that owns, directly or indirectly, more than 50% of the voting securities of such Litigation Trust Beneficiary, (c) by operation of law, or (d) by will or under the laws of descent and distribution. Any transfer permitted under this Section 3.5 will not be effective until and unless the Litigation Trustee receives written notice of such transfer. In addition to compliance with Article X hereof, the limitations imposed by this Section 3.5 on the transferability of Litigation Trust Interests may not be amended without the approval of the Bankruptcy Court after proper notice.

3.6 Exemption from Registration. The parties hereto intend that the rights of the Litigation Trust Beneficiaries arising under this Litigation Trust shall not be “securities” under applicable laws, but none of the parties hereto represent or warrant that such rights shall not be securities or shall be entitled to exemption from registration under applicable securities laws. If such rights constitute securities, the parties hereto intend for the exemption from registration provided by section 1145 of the Bankruptcy Code and under applicable securities laws to apply to their issuance under the Plan.

3.7 Change of Address. A Litigation Trust Beneficiary may, after the Effective Date, select an alternative distribution address by providing notice to the Litigation Trustee identifying such alternative distribution address. Such notification shall be effective only upon receipt by the Litigation Trustee. Absent actual receipt of such notice by the Litigation Trustee, the Litigation Trustee shall not recognize any such change of distribution address.

3.8 Tax Identification Numbers. The Litigation Trustee may require any Litigation Trust Beneficiary or other distributee to furnish to the Litigation Trustee its social security number or employer or taxpayer identification number as assigned by the IRS and complete any related documentation (including but not limited to a Form W-8 or Form W-9), and the Litigation Trustee may condition any distribution to any Litigation Trust Beneficiary upon the

receipt of such information and the receipt of such other documents as the Litigation Trustee reasonably requests.

ARTICLE IV
RIGHTS, POWERS AND DUTIES OF LITIGATION TRUSTEE

4.1 Role of the Litigation Trustee. In furtherance of and consistent with the purpose of the Litigation Trust and the Plan, subject to the terms and conditions contained herein and in the Plan, the Litigation Trustee shall (i) hold the Litigation Trust Assets for the benefit of Litigation Trust Beneficiaries as described in the Directives, and (ii) make distributions of Proceeds and other Litigation Trust Assets in accordance with the Directives. The Litigation Trustee shall be responsible for all decisions and duties with respect to the Litigation Trust and the Litigation Trust Assets. In all circumstances, the Litigation Trustee shall act in the best interests of all Litigation Trust Beneficiaries and in furtherance of the purpose of the Litigation Trust, and shall use commercially reasonable efforts to dispose of the Litigation Trust Assets and to make timely distributions and not unduly prolong the duration of the Litigation Trust.

4.2 Prosecution of Assigned Actions. Subject to the provisions of this Litigation Trust Agreement, the Litigation Trustee shall hold, pursue, prosecute, release, settle, abandon, sell, convey, or otherwise dispose of, as the case may be, any and all Assigned Actions (including any counterclaims to the extent such counterclaims are set off against the proceeds of any such Assigned Actions).

4.3 Authority to Settle Assigned Actions.

(a) The Litigation Trustee shall be empowered and authorized to settle, abandon, sell, convey, or otherwise dispose of any Assigned Actions (including any counterclaims to the extent such counterclaims are set off against the proceeds of any such Assigned Actions).

(b) Any determinations by the Litigation Trustee with regard to the amount or timing of settlement or any other disposition of any Assigned Action shall be conclusive and binding on all Litigation Trust Beneficiaries and all other parties in interest.

4.4 Retention of Litigation Counsel and Other Professionals. The Litigation Trustee may, without necessity for review or approval by the Bankruptcy Court or any other Person (a) retain such independent experts and advisors (including, but not limited to, counsel, tax advisors, consultants, or other professionals) as the Litigation Trustee deems necessary to aid it in the performance of its duties and responsibilities hereunder and under the Plan and to perform such other functions as may be appropriate in furtherance of the intent and purpose of this Litigation Trust Agreement, and (b) commit the Litigation Trust to provide such professional persons or entities reasonable compensation and reimbursement from the Litigation Trust Assets (and/or the Creditor Representative Assets to the extent made available) for services rendered and expenses incurred. The Litigation Trust may select any of the foregoing professionals in its sole discretion, and such professionals' affiliation with the Litigation Trustee, prior employment in any capacity in the Debtors' bankruptcy cases on behalf of the Debtors, their Estates, the Creditors' Committee, any creditors or concurrent representation of the Creditor

Representative Fund or the Creditor Representative shall not preclude the Litigation Trust's retention of such professionals. The Litigation Trustee will make all reasonable and customary arrangements for payment or reimbursement of such compensation and expenses.

4.5 Litigation Trust Expenses. The Litigation Trustee may incur any reasonable and necessary expenses in liquidating the Litigation Trust Assets. Other than amounts that may be disbursed from the Creditor Representative Assets by the Creditor Representative from time to time and obligations of the Reorganized Debtors with respect to Employment Claims (as and to the extent set forth in the Plan and the Cooperation Agreement), all fees, expenses, and costs of the Litigation Trust shall be paid by, and solely be the obligation of, the Litigation Trust.

4.6 Distributions.

(a) In the reasonable sole discretion of the Litigation Trustee and subject to the requirements of Revenue Procedure 94-45, the Litigation Trustee shall distribute all Cash on hand (including, but not limited to, the Litigation Trust's net income and net proceeds from the sale of assets, any Cash received on account of or representing Proceeds, and treating as Cash for purposes of this Section 4.6 any permitted investments under Section 4.10 below), except such amounts as are reasonably reserved to meet claims and contingent liabilities, to maintain the value of the Litigation Trust Assets, or for distribution to holders of a Disputed Other Unsecured Claims (as of the time of such distribution but only until such Other Unsecured Claim is resolved), which amounts may be held in the Disputed Claims Reserve. The Litigation Trustee shall make all such distributions at least annually in accordance with the Directives; under IRC section 677, the income of the Litigation Trust may be distributed or held or accumulated for future distribution for the benefit of the grantors pursuant to the Directives.

(b) The Litigation Trust may withhold from amounts distributable to any Person any and all amounts, determined in the Litigation Trustee's reasonable sole discretion, required by any law, regulation, rule, ruling, directive, or other governmental requirement (including, without limitation, tax withholding relating to wage claims). Notwithstanding the foregoing and in accordance with section 8.16 of the Plan, the Reorganized Debtors shall be solely responsible for the employer portion of all taxes and like obligations payable to a governmental authority that are required to be paid with respect to any Employment Claims.

(c) The Litigation Trustee may retain a distribution agent for the effective administration and distribution of amounts payable to Litigation Trust Beneficiaries and all costs and expenses of such distribution agents may be paid out of the Litigation Trust Assets (and/or the Creditor Representative Assets to the extent made available).

(d) If any distribution to any Litigation Trust Beneficiary is returned as undeliverable, and, after reasonable efforts, the Litigation Trustee has not been able to determine the current address of the Litigation Trust Beneficiary, such undeliverable or unclaimed distribution shall be deemed unclaimed property 120 days after the date of such distribution, shall be reallocated to the remaining Litigation Trust Beneficiaries and shall be distributed in accordance with the Directives. Such undeliverable or unclaimed distributions shall not be subject to (i) any claims by such Litigation Trust Beneficiary or (ii) the unclaimed property or escheat laws of any state or governmental unit.

4.7 Reserve Accounts for Disputed Other Unsecured Claims. The Litigation Trustee may establish a Disputed Claims Reserve, which may include assets held separately from other assets of the Litigation Trust, subject to an allocable share of all expenses and obligations of the Litigation Trust, on account of Disputed Other Unsecured Claims. The Litigation Trustee may remove funds from the Disputed Claims Reserve as the Disputed Other Unsecured Claims are resolved, which funds shall be distributed as provided in Section 4.6(a) in accordance with the Directives.

4.8 Treatment of Disputed Claims Reserve. Notwithstanding any other provision of this Litigation Trust Agreement to the contrary, subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary, the Litigation Trust may treat any Litigation Trust Assets allocable to, or retained on account of, the Disputed Claims Reserve as held by one or more discrete entities for federal, and applicable state, local or other, income tax purposes, and may determine that such entity or entities shall constitute “disputed ownership funds” under, and may make the election permitted by, Treasury Regulation section 1.468B-9, or any successor provision thereto. If such election is made, all Litigation Trust Beneficiaries shall be bound by, and shall report consistently with, such income tax treatment.

4.9 Management of Litigation Trust Assets.

(a) Except as otherwise provided in this Litigation Trust Agreement, the Plan or the Confirmation Order, and subject to the Treasury Regulations governing liquidating trusts and the retained jurisdiction of the Bankruptcy Court as provided for in the Plan, but without prior or further authorization, the Litigation Trustee may control and exercise authority over the Litigation Trust Assets, over the acquisition, management and disposition thereof and over the management and conduct of the Litigation Trust, in each case, to the extent necessary to enable the Litigation Trustee to fulfill the intents and purposes of this Litigation Trust Agreement. No person dealing with the Litigation Trust will be obligated to inquire into the authority of the Litigation Trustee in connection with the acquisition, management or disposition of the Litigation Trust Assets.

(b) In connection with the management and use of the Litigation Trust Assets and except as otherwise expressly limited in this Litigation Trust Agreement, the Plan or the Confirmation Order, the Litigation Trustee will have, in addition to any powers conferred upon the Litigation Trustee by any other provision of this Litigation Trust Agreement, the power to take any and all actions as, in the Litigation Trustee’s sole discretion, are necessary or advisable to effectuate the primary purposes of the Litigation Trust, including, without limitation, the power and authority (i) to distribute the Litigation Trust Assets to Litigation Trust Beneficiaries in accordance with the terms of this Litigation Trust Agreement and the Plan, (ii) to pay all expenses of the Litigation Trust, (iii) to sell, convey, transfer, assign, liquidate or abandon the Litigation Trust Assets, or any part thereof or any interest therein, upon such terms and for such consideration as may be commercially reasonable, (iv) to endorse the payment of notes or other obligations of any Person or to make contracts with respect thereto, and (v) to borrow such sums of money, at any time and from time to time, for such periods of time, upon such terms and conditions, from such Persons, for such purposes as may be commercially reasonable. The Litigation Trustee will not at any time, on behalf of the Litigation Trust or the Litigation Trust Beneficiaries, enter into or engage in any trade or business, and no part of the Litigation Trust

Assets will be used or disposed of by the Litigation Trustee in furtherance of any trade or business.

(c) All decisions and actions by the Litigation Trustee under the authority of this Litigation Trust Agreement will be binding upon all of the Litigation Trust Beneficiaries and the Litigation Trust.

4.10 Investment of Cash. The Litigation Trustee may invest any Cash (including any earnings thereon or proceeds therefrom) in United States Treasury bills and notes, institutional money market funds, commercial paper and time deposits and certificates of deposit with commercial banks, in each case, with a maturity of twelve months or less; *provided, however*, that the scope of any such investments shall be limited to investments permitted to be made by a liquidating trust within the meaning of Treasury Regulation section 301.7701-4(d) or under applicable IRS guidelines, rulings or other controlling authorities.

4.11 Additional Powers of the Litigation Trustee. In addition to any and all of the powers enumerated above, and except as otherwise provided in this Litigation Trust Agreement, the Plan, or the Confirmation Order, and subject to the Treasury Regulations governing liquidating trusts and the retained jurisdiction of the Bankruptcy Court as provided for in the Plan, the Litigation Trustee shall be empowered to:

(a) hold legal title to any and all rights of the holders of the Litigation Trust Interests in or arising from the Litigation Trust Assets, including, but not limited to, the right to collect any and all money and other property belonging to the Litigation Trust;

(b) perform the duties, exercise the powers, and assert the rights of a trustee under sections 704 and 1106 of the Bankruptcy Code with respect to the Litigation Trust Assets, including assert claims, defenses, offsets, and privileges (including the Privileges);

(c) protect and enforce the rights of the Litigation Trust to the Litigation Trust Assets by any method deemed appropriate including, without limitation, by judicial proceedings or pursuant to any applicable bankruptcy, insolvency, moratorium, or similar law and general principles of equity;

(d) determine and satisfy any and all liabilities created, incurred or assumed by the Litigation Trust;

(e) assert or waive any privilege or defense (including the Privileges, *provided, however*, that the Privileges or any defense may not be waived by the Litigation Trustee except with the consent of the Reorganized Debtors; such consent not to be unreasonably withheld) on behalf of the Litigation Trust;

(f) make all payments relating to the Litigation Trust Assets;

(g) obtain insurance coverage with respect to the potential liabilities and obligations of the Litigation Trust and the Litigation Trustee under this Litigation Trust Agreement (in the form of a directors and officers policy, an errors and omissions policy or otherwise);

(h) file any and all tax and information returns with respect to the Litigation Trust and pay taxes properly payable by the Litigation Trust, if any, all in accordance with Article VII of this Litigation Trust Agreement;

(i) retain, and reasonably compensate for services rendered and expenses incurred, an accounting firm or financial consulting firm to perform such reviews and/or audits of the financial books and records of the Litigation Trust as may be appropriate in the Litigation Trustee's sole discretion and to prepare and file any tax returns or informational returns for the Litigation Trust as may be required;

(j) take or refrain from taking any and all actions the Litigation Trustee reasonably deems necessary for the continuation, protection, and maximization of the Litigation Trust Assets consistent with the purposes hereof;

(k) take all steps and execute all instruments and documents the Litigation Trustee reasonably deems necessary to effectuate the Litigation Trust;

(l) take all actions the Litigation Trustee reasonably deems necessary to comply with the Plan, the Confirmation Order, and this Litigation Trust Agreement and the obligations thereunder and hereunder; and

(m) exercise such other powers as may be vested in the Litigation Trustee pursuant to an order of the Bankruptcy Court or this Litigation Trust Agreement, or as deemed by the Litigation Trustee consistent with the Plan, the Confirmation Order, and this Litigation Trust Agreement to be necessary and proper to carry out the obligations of the Litigation Trust.

4.12 Limitations on Power and Authority of the Litigation Trustee. Notwithstanding anything in this Litigation Trust Agreement to the contrary, the Litigation Trustee will not have the authority to do any of the following:

(a) take any action in contravention of this Litigation Trust Agreement, the Plan, or the Confirmation Order;

(b) take any action which would make it impossible to carry on the activities of the Litigation Trust;

(c) possess property of the Litigation Trust or assign the Litigation Trust's rights in specific property for other than Litigation Trust purposes and as provided herein;

(d) engage in any trade or business;

(e) permit the Litigation Trust to receive or retain Cash or Cash equivalents in excess of a reasonable amount necessary to meet claims and contingent liabilities (including without limitation expected expenses) or to maintain the value of its assets during liquidation;

(f) receive transfers of any listed stocks or securities, or any readily-marketable assets or any operating assets of a going business, except as is absolutely necessary or required under the Plan and the Confirmation Order; *provided, however*, that in no event shall

the Litigation Trustee receive any such investment that would jeopardize treatment of the Litigation Trust as a “liquidating trust” for federal income tax purposes under Treasury Regulation section 301.7701-4(d), or any successor provision thereof;

(g) exercise any investment power other than the power to invest in demand and time deposits in banks or savings institutions, or temporary investments such as short term certificates of deposit or United States Treasury bills or other investments that may be held by a “liquidating trust” for federal income tax purposes under Treasury Regulation section 301.7701-4(d), or any successor provision thereof;

(h) receive or retain any operating assets of a going business, a partnership interest in a partnership that holds operating assets, or fifty percent (50%) or more of the stock of a corporation with operating assets, except as is absolutely necessary or required under the Plan and the Confirmation Order; *provided, however*, that in no event shall the Litigation Trustee receive or retain any such asset or interest that would jeopardize treatment of the Litigation Trust as a “liquidating trust” for federal income tax purposes under Treasury Regulation section 301.7701-4(d), or any successor provision thereof; or

(i) take any other action that would jeopardize treatment of the Litigation Trust as a liquidating trust for federal income tax purposes under Treasury Regulation section 301.7701-4(d), or any successor provision thereof.

4.13 Books and Records. The Litigation Trustee shall maintain in respect of the Litigation Trust and the holders of Litigation Trust Interests books and records relating to the Litigation Trust Assets and income of the Litigation Trust and the payment of, expenses of, and liabilities of claims against or assumed by, the Litigation Trust in such detail and for such period of time as may be necessary to enable it to make full and proper accounting in respect thereof. Such books and records shall be maintained as reasonably necessary to facilitate compliance with the tax reporting requirements of the Litigation Trust. Nothing in this Litigation Trust Agreement requires the Litigation Trustee to file any accounting or seek approval of any court with respect to the administration of the Litigation Trust, or as a condition for managing any payment or distribution out of the Litigation Trust Assets.

4.14 Access to Information. From and after the Effective Date, any of the former members of the Creditors’ Committee and the Reorganized Debtors may request an update on the status of the Litigation Trust Assets or other activities of the Litigation Trust. The Litigation Trustee shall respond to any such reasonable request in a timely fashion (in any event, within ten (10) business days), subject to appropriate confidentiality restrictions.

4.15 Securities Reports. To the extent that the Litigation Trust Interests are deemed securities the issuance of Litigation Trust Interests under the Plan shall be exempt from registration under the Securities Act of 1933, as amended, and applicable state and local laws requiring registration of securities pursuant to section 1145 of the Bankruptcy Code. If the Litigation Trustee determines, with the advice of counsel, that the Litigation Trustee is required to comply with the registration and reporting requirements of the Securities Exchange Act of 1934, as amended, or the Investment Company Act of 1940, as amended, then the Litigation

Trustee shall take commercially reasonable efforts to comply with such reporting requirements and file periodic reports with the United States Securities and Exchange Commission.

4.16 Compliance with Laws. Any and all distributions of Litigation Trust Assets and proceeds of borrowings, if any, shall be in compliance with applicable laws, including, but not limited to, applicable federal and state securities laws.

ARTICLE V
THE LITIGATION TRUSTEE

5.1 Independent Litigation Trustee. The Litigation Trustee may not be a Litigation Trust Beneficiary or a “related or subordinate party” (within the meaning of section 672(c) of the IRC) to any Litigation Trust Beneficiary.

5.2 Trustee’s Compensation and Reimbursement. The Litigation Trust Assets (and the Creditor Representative Assets to the extent made available for such purposes) shall be subject to the claims of the Litigation Trustee and the Litigation Trustee shall be entitled to reimbursement out of any available Cash in the Litigation Trust, for actual out-of-pocket expenses and against and from any and all loss, liability, expense, or damage which the Litigation Trustee may sustain in good faith and without willful misconduct, gross negligence, or fraud in the exercise and performance of any of its powers and duties under this Litigation Trust Agreement. The Litigation Trustee shall receive compensation and reimbursement from the Litigation Trust as follows:

(a) Compensation. As compensation for the performance of its duties in accordance with this Litigation Trust Agreement and the Plan, in a fiduciary capacity, the Litigation Trustee shall be compensated as follows: [_____].

(b) Expenses. In addition, the Litigation Trust will reimburse the Litigation Trustee (out of the Litigation Trust Assets and/or the Creditor Representative Assets (to the extent made available)) for all reasonable, necessary and actual out-of-pocket expenses incurred by the Litigation Trustee in connection with the performance of its duties hereunder and under the Plan.

(c) Payment. Any fees and expenses, to the extent payable, due to the Litigation Trustee (including any professionals and advisors retained by the Litigation Trustee) shall be paid to the extent of available Cash in the Litigation Trust and/or to the extent Creditor Representative Assets are made available, without necessity for review or approval by the Bankruptcy Court or any other Person.

5.3 Resignation. The Litigation Trustee may resign by giving not less than thirty (30) days’ prior written notice thereof to the Bankruptcy Court and those parties receiving current electronic notice in the Reorganization Cases. Unless the Bankruptcy Court (on motion of any Litigation Trust Beneficiary) orders otherwise, (i) such resignation shall become effective on the date on which the Bankruptcy Court appoints a successor Litigation Trustee or a replacement Litigation Trustee is appointed pursuant to the terms of this Litigation Trust Agreement and (ii)

the Litigation Trustee shall be entitled to compensation and reimbursement up to the date on which the Litigation Trustee's resignation becomes effective.

5.4 Removal. The Litigation Trustee may be removed as Litigation Trustee, only for cause, by any Litigation Trust Beneficiary upon motion and prior written notice and service thereof to the Bankruptcy Court, the Litigation Trustee, and those parties receiving current electronic notice in the Reorganization Cases; and then, only to the extent approved by the Bankruptcy Court. To the extent there is any dispute or motion regarding the removal of the Litigation Trustee (including any dispute relating to any compensation or expense reimbursement due under this Litigation Trust Agreement), the Bankruptcy Court shall retain jurisdiction to consider and adjudicate any such dispute. Notwithstanding the foregoing, the Litigation Trustee will continue to serve as a trustee after his or her removal until the earlier of (i) the time when appointment of a successor Litigation Trustee will become effective in accordance with Section 5.5 of this Litigation Trust Agreement or (ii) such date as the Bankruptcy Court otherwise orders. For purposes of this Section 5.4, "cause" means (a) the Person's willful failure to perform his material duties hereunder, which is not remedied within thirty (30) days of notice; (b) the Person's commission of an act of fraud, theft, or embezzlement during the duties described hereunder; or (c) the Person's conviction for the commission of a felony with all appeals having been exhausted or appeal periods lapsed; *provided, however*, that no "cause" shall exist involving subsection (a) above until the Person first has failed to cure such failure within thirty (30) days of having been given written notice of such failure. For purposes of the foregoing, no act or failure to act on the part of the Person shall be considered "willful" unless it is done, or permitted to be done, by the Person without reasonable belief that such Person's action or omission was in the best interests of the Litigation Trust.

5.5 Appointment of Successor Litigation Trustee upon Resignation, Removal, or Incapacity. In the event of the resignation of the Litigation Trustee, the resigning Litigation Trustee shall appoint an independent successor Litigation Trustee upon written notice to the Bankruptcy Court and those parties receiving current electronic notice in the Reorganization Cases; such appointment to be binding if no written objection is received within ten (10) days following such notice. In the event of the death (in the case of a Litigation Trustee that is a natural Person), dissolution (in the case of a Litigation Trustee that is not a natural Person), incapacity, or removal of the Litigation Trustee, any Litigation Trust Beneficiary may petition the Bankruptcy Court for the appointment of an independent successor Litigation Trustee; such appointment to be binding upon approval of the Bankruptcy Court.

5.6 Acceptance of Appointment by Successor Litigation Trustee. Any successor Litigation Trustee appointed hereunder shall execute, acknowledge, and file with the Litigation Trust records an instrument accepting the appointment under this Litigation Trust Agreement and agreeing to be bound thereto, and thereupon, the successor Litigation Trustee, without any further act, deed, or conveyance, shall become vested with all rights, powers, trusts, and duties of the predecessor Litigation Trustee; *provided, however*, that a removed or resigning Litigation Trustee shall, nevertheless, when requested in writing by the successor Litigation Trustee, execute and deliver an instrument or instruments conveying and transferring to such successor Litigation Trustee under the Litigation Trust all the estates, properties, rights, powers, and trusts of such predecessor Litigation Trustee.

5.7 Effect of Resignation or Removal. The death, resignation, incapacity, or removal of the Litigation Trustee shall not operate to terminate the Litigation Trust created by this Litigation Trust Agreement or to revoke any existing agency created pursuant to the terms of this Litigation Trust Agreement or invalidate any action theretofore taken by the Litigation Trustee or any prior Litigation Trustee. In the event of the resignation or removal of a Litigation Trustee, such Litigation Trustee will promptly (a) execute and deliver such documents, instruments and other writings as may be ordered by the Bankruptcy Court or reasonably requested by the successor Litigation Trustee to effect the termination of such Litigation Trustee's capacity under this Litigation Trust Agreement, (b) deliver to the Bankruptcy Court (if required) or the successor Litigation Trustee all documents, instruments, records and other writings related to the Litigation Trust as may be in the possession of such Litigation Trustee (provided that such Litigation Trustee may retain one copy of such documents for archival purposes) and (c) otherwise assist and cooperate in effecting the assumption of its obligations and functions by such successor Litigation Trustee.

5.8 Confidentiality. The Litigation Trustee shall, during the period that the Litigation Trustee serves as Litigation Trustee under this Litigation Trust Agreement and following the termination of this Litigation Trust Agreement or following its removal or resignation hereunder, hold strictly confidential and not use for personal gain any material, non-public information of or pertaining to any entity to which any of the Litigation Trust Assets relates or of which the Litigation Trustee has become aware in the Litigation Trustee's capacity as Litigation Trustee, except as otherwise required by law.

ARTICLE VI LIABILITY AND INDEMNIFICATION

6.1 No Further Liability. The Litigation Trustee shall have no liability for any actions or omissions in accordance with this Litigation Trust Agreement unless arising out of its gross negligence, willful misconduct, or fraud. In performing its duties under this Litigation Trust Agreement, the Litigation Trustee shall have no liability for any action taken by the Litigation Trustee in accordance with the advice of counsel, accountants, appraisers and other professionals retained by the Litigation Trust. Without limiting the generality of the foregoing, the Litigation Trustee may rely without independent investigation on copies of orders of the Bankruptcy Court reasonably believed by the Litigation Trustee to be genuine, and shall have no liability for actions taken in reliance thereon. None of the provisions of this Litigation Trust Agreement shall require the Litigation Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights and powers. The Litigation Trustee may rely without inquiry upon writings delivered to it under the Plan which the Litigation Trustee reasonably believes to be genuine and to have been given by a proper Person. Notwithstanding the foregoing, nothing in this Section 6.1 shall relieve the Litigation Trustee from any liability for any actions or omissions arising out of its gross negligence, willful misconduct, or fraud. Any action taken or omitted to be taken in the case of the Litigation Trustee with the express approval of the Bankruptcy Court will conclusively be deemed not to constitute gross negligence, willful misconduct, or fraud.

6.2 Indemnification of the Litigation Trustee.

(a) To the fullest extent permitted by law, the Litigation Trust, to the extent of its assets legally available for that purpose (including the Litigation Trust Assets and any remaining Creditor Representative Assets), will indemnify and hold harmless the Litigation Trustee and each of its respective directors, members, shareholders, partners, officers, agents, professionals or employees (collectively, the “**Indemnified Persons**”) from and against any and all loss, cost, damage, expense (including, without limitation, fees and expenses of attorneys and other advisors and any court costs incurred by any Indemnified Person) or liability by reason of anything any Indemnified Person did, does or refrains from doing for the business or affairs of the Litigation Trust, except to the extent that it is finally judicially determined by a court of competent jurisdiction that the loss, cost, damage, expense or liability resulted from the Indemnified Person’s gross negligence, willful misconduct, or fraud.

(b) Notwithstanding any provision herein to the contrary, the Indemnified Persons shall be entitled to obtain advances from the Litigation Trust to cover their reasonable expenses of defending themselves in any action brought against them as a result of the acts and omissions, actual or alleged, of an Indemnified Person in its capacity as such, *provided, however*, that the Indemnified Persons receiving such advances shall repay the amounts so advanced to the Litigation Trust immediately upon the entry of a final, non-appealable judgment or order finding that such Indemnified Persons were not entitled to any indemnity under the provisions of this Section 6.2. The foregoing indemnity in respect of any Indemnified Person shall survive the termination of such Indemnified Person from the capacity for which they are indemnified. Termination or modification of this Litigation Trust Agreement shall not affect any indemnification rights or obligations then existing.

(c) The Litigation Trust, with the approval of the Litigation Trust Beneficiaries holding a majority of the Allowed Other Unsecured Claims and Allowed Noteholder Claims in the aggregate, may indemnify any of the Indemnified Persons for any loss, cost, damage, expense or liability for which the Indemnified Persons would not be entitled to mandatory indemnification under this Section 6.2.

(d) Any Indemnified Person may waive the benefits of indemnification under this Section 6.2, but only by an instrument in writing executed by such Indemnified Person.

(e) The rights to indemnification under this Section 6.2 are not exclusive of other rights which any Indemnified Person may otherwise have at law or in equity, including without limitation common law rights to indemnification or contribution. Nothing in this Section 6.2 will affect the rights or obligations of any Person (or the limitations on those rights or obligations) under any other agreement or instrument to which that Person is a party.

6.3 Litigation Trust Liabilities. All liabilities of the Litigation Trust, including without limitation indemnity obligations under Section 6.2 of this Litigation Trust Agreement, will be liabilities of the Litigation Trust as an entity, and will be paid or satisfied from Litigation Trust Assets. No liability of the Litigation Trust will be payable in whole or in part by any Litigation Trust Beneficiary individually or in the Litigation Trust Beneficiary’s capacity as a Litigation Trust Beneficiary, by the Litigation Trustee individually or in the Litigation Trustee’s capacity as

Litigation Trustee, or by any member, partner, shareholder, director, officer, professional, employees, agent, affiliate or advisor of any Litigation Trust Beneficiary, the Litigation Trustee, or their respective affiliates.

6.4 Limitation of Liability. Neither the Litigation Trustee nor its professionals will be liable for punitive, exemplary, consequential, special or other damages for a breach of this Litigation Trust Agreement under any circumstances.

6.5 Burden of Proof. In making a determination with respect to entitlement to exculpation or indemnification hereunder, the person, persons or entity making such determination shall presume that the Indemnified Person is entitled to exculpation and indemnification under this Litigation Trust Agreement, and any person seeking to overcome such presumption shall have the burden of proof to overcome that presumption.

6.6 Survival. This Article VI shall survive any termination of the Litigation Trust Agreement.

ARTICLE VII TAX MATTERS

7.1 Treatment of Litigation Trust Assets Transfer. For all federal income tax purposes, subject to Section 7.2(b), all parties (including, without limitation, the Debtors, the Reorganized Debtors, the Litigation Trustee and the Litigation Trust Beneficiaries) shall treat the transfer of the Litigation Trust Assets to the Litigation Trust including any amounts or other assets subsequently transferred to the Litigation Trust (but only at such time as actually transferred) for the benefit of the Litigation Trust Beneficiaries as (a) a transfer of the Litigation Trust Assets, for all purposes of the IRC directly to the Litigation Trust Beneficiaries, followed by (b) the transfer by such Litigation Trust Beneficiaries to the Litigation Trust of such Litigation Trust Assets in exchange for the Litigation Trust Interests.

7.2 Income Tax Status. For United States federal income tax purposes (and for purposes of all state, local and other jurisdictions to the extent applicable), this Litigation Trust shall be treated as a liquidating trust pursuant to Treasury Regulation section 301.7701-4(d) and as a grantor trust pursuant to IRC sections 671-677. To the extent consistent with Revenue Procedure 94-45 and not otherwise inconsistent with this Litigation Trust Agreement, this Litigation Trust Agreement shall be construed so as to satisfy the requirements for liquidating trust status. Except as provided in Section 7.2(b) or with respect to the Litigation Trust Assets allocable to the Disputed Claims Reserve, if any, as set forth in Article IV hereof, (i) the Litigation Trust Beneficiaries will be treated as both the grantors and the deemed owners of the Litigation Trust, and (ii) any items of income, deduction, credit and loss of the Litigation Trust shall be allocated for federal income tax purposes to the Litigation Trust Beneficiaries in accordance with Section 7.3. The Litigation Trust shall at all times be administered so as to constitute a domestic trust for United States federal income tax purposes and each Litigation Trustee shall at all times be a "United States person" under the IRC.

7.3 Tax Returns. Except with respect to the Disputed Claims Reserve, if any, in accordance with IRC section 6012 and Treasury Regulation section 1.671-4(a), the Litigation

Trust shall file with the IRS annual tax returns on Form 1041, as required or shall select such alternative method of reporting as may be permitted under Treasury Regulation section 1.671-4(a). In addition, the Litigation Trust shall file in a timely manner such other tax returns, including any state and local tax returns, if any, as are required by applicable law and pay any taxes shown as due thereon. Within a reasonable time following the end of the taxable year, the Litigation Trust shall, to the extent required, send to each Litigation Trust Beneficiary a separate statement setting forth such Litigation Trust Beneficiary's share of items of income, gain, loss, deduction or credit and will instruct each such Litigation Trust Beneficiary to report such items on his/her applicable income tax return, or the Litigation Trust shall select such alternative method of reporting to each Litigation Trust Beneficiary as may be permitted under the Treasury Regulations. The Litigation Trust may provide each Litigation Trust Beneficiary with a copy of the Form 1041 for the Litigation Trust (without attaching any other Litigation Trust Beneficiary's Schedule K-1 or other applicable information form) along with such Litigation Trust Beneficiary's Schedule K-1 or other applicable information form in order to satisfy the foregoing requirement. The Litigation Trust shall allocate the taxable income, gain, loss, deduction or credit of the Litigation Trust with respect to each Litigation Trust Beneficiary as follows: (a) allocations of Litigation Trust taxable income shall be determined by reference to the manner in which an amount of Cash equal to such taxable income would be distributed (without regard to any restriction on distributions described herein or in the Plan) if, immediately prior to such deemed distribution, the Litigation Trust had distributed all of its other assets (valued at their tax book value) to the Litigation Trust Beneficiaries in accordance with the Directives (treating all Claims that are Disputed as if they were Allowed Claims), in each case up to the tax book value of the assets treated as contributed by such holders, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the Litigation Trust; and (b) allocations of taxable loss of the Litigation Trust shall be determined by reference to the manner in which an economic loss would be borne immediately after a liquidating distribution of the remaining Litigation Trust Assets. For these purposes, the tax book value of the Litigation Trust Assets shall be determined by the Litigation Trustee in accordance with tax accounting principles prescribed by the IRC, the Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements.

7.4 Withholding of Taxes and Reporting Related to Litigation Trust Operations. The Litigation Trust shall comply with all withholding and reporting requirements imposed by any federal, state, local or foreign taxing authority, and all distributions made by the Litigation Trust shall be subject to any such withholding and reporting requirements. To the extent that the operation of the Litigation Trust or the liquidation of the Litigation Trust Assets creates a tax liability imposed on the Litigation Trust, including the Disputed Claims Reserve, the Litigation Trust shall timely pay such tax liability and any such payment shall be considered a cost and expense of the operation of the Litigation Trust payable without Bankruptcy Court order. Any federal, state or local withholding taxes or other amounts required to be withheld under applicable law shall be deducted from distributions hereunder. All Litigation Trust Beneficiaries shall be required to provide any information reasonably requested to effect the proper withholding of such taxes.

7.5 Valuation. On or soon as practicable after the Effective Date, the Litigation Trustee will, in good faith, determine the fair market value of the Litigation Trust Assets, and will inform the Litigation Trust Beneficiaries of such valuation in the notice of Effective Date to

be filed and served by the Reorganized Debtors. The valuation of the Litigation Trust Assets determined by the Litigation Trustee shall be used consistently by all parties (including, without limitation, the Litigation Trust, the Reorganized Debtors, and the Litigation Trust Beneficiaries) for all federal income tax purposes. The Litigation Trust also shall file (or cause to be filed) any other statements, returns or disclosures relating to the Litigation Trust that are required by any governmental unit.

7.6 Expedited Determination of Taxes. The Litigation Trustee may request an expedited determination of taxes of the Litigation Trust, including the Disputed Claims Reserve, under section 505 of the Bankruptcy Code for the Litigation Trust for all taxable periods through the termination of the Litigation Trust.

ARTICLE VIII TERMINATION OF LITIGATION TRUST

The Litigation Trustee and the Litigation Trust shall be discharged or dissolved, as the case may be, at such time as (a) the Litigation Trustee determines that the pursuit of additional Assigned Actions is not likely to yield sufficient additional Proceeds to justify further pursuit of such claims and (b) all distributions of Proceeds and other Litigation Trust Assets required to be made by the Litigation Trustee under the Plan and this Litigation Trust Agreement have been made in accordance with the Directives, but in no event shall the Litigation Trust be dissolved later than five (5) years from the Effective Date unless the Bankruptcy Court, upon motion made by a party in interest within the six (6) month period prior to such fifth (5th) anniversary (and, in the event of further extension, at least six (6) months prior to the end of the preceding extension), determines that a fixed period extension (not to exceed three (3) years, together with any prior extensions, without a favorable letter ruling from the IRS that any further extension would not adversely affect the status of the Litigation Trust as a liquidating trust for federal income tax purposes) is necessary to facilitate or complete the recovery on and liquidation of the Litigation Trust Assets. Upon dissolution of the Litigation Trust, any remaining Cash on hand and other Litigation Trust Assets shall be distributed in accordance with the Directives.

ARTICLE IX AMENDMENT AND WAIVER

Technical amendments to this Litigation Trust Agreement may be made, as necessary to clarify this Litigation Trust Agreement or enable the Litigation Trustee to effectuate the terms of this Litigation Trust Agreement, by the Litigation Trustee, without notice to the Litigation Trust Beneficiaries or any other Persons, or approval of the Bankruptcy Court, *provided, however*, that all amendments of this Litigation Trust Agreement shall be consistent with the purpose and intention of the Litigation Trust to liquidate in an expeditious but orderly manner the Litigation Trust Assets in accordance with Treasury Regulation section 301.7701-4(d) and Section 2.5 hereof; *further provided, however*, any other amendments of this Litigation Trust Agreement shall only be effective upon notice to those parties receiving current electronic notice in the Reorganization Cases and approval of the Bankruptcy Court.

ARTICLE X
MISCELLANEOUS PROVISIONS

10.1 Intention of Parties to Establish Liquidating Trust. This Litigation Trust Agreement is intended to create for federal income tax purposes a “liquidating trust” that satisfies the requirements of Revenue Procedure 94-45 and, to the extent provided by law, shall be governed and construed in all respects as such a liquidating trust. Notwithstanding anything to the contrary contained herein, any ambiguity herein shall be construed consistent herewith and, if necessary, this Litigation Trust Agreement may be amended to comply with such federal income tax laws, which amendments may apply retroactively.

10.2 Employees. The employees of the Reorganized Debtors shall at all times be regarded as employees of the Reorganized Debtors. Nothing contained in this Litigation Trust Agreement shall create or be deemed to create an employment, agency, joint venture or partnership relationship between the Litigation Trust and the Litigation Trust Beneficiaries.

10.3 Effectiveness. This Litigation Trust Agreement shall become effective on the Effective Date.

10.4 Counterparts. This Litigation Trust Agreement may be executed in two or more counterparts, all of which shall be taken together to constitute one and the same instrument.

10.5 Governing Law. Except to the extent the Bankruptcy Code or Federal Rules of Bankruptcy Procedure are applicable, this Litigation Trust Agreement shall be governed by, and construed and enforced in accordance with, the federal laws of the United States and, to the extent there is no applicable federal law, the domestic laws of the State of New York, without giving effect to the principles of conflicts of law thereof.

10.6 Headings. Sections, subheadings and other headings used in this Litigation Trust Agreement are for convenience only and shall not affect the construction or interpretation of this Litigation Trust Agreement or any provision thereof.

10.7 Severability. If any provision of this Litigation Trust Agreement or the application thereof to any Person or circumstance shall be finally determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Litigation 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 provisions of this Litigation Trust Agreement shall be valid and enforced to the fullest extent permitted by law.

10.8 Notices. All notices, requests or other communications, required or permitted to be made in accordance with this Litigation Trust Agreement including any change of address of any Litigation Trust Beneficiary for the purposes of receiving distributions from the Litigation Trust shall be in writing and shall be delivered personally or by first class or express mail, return receipt requested or fax with confirmation of receipt or email with receipt acknowledgement. Notices should be directed to:

- (a) If to the Litigation Trust or the Litigation Trustee: as specified on Exhibit A.
- (b) If to the Reorganized Debtors: to such persons as the Reorganized Debtors may designate from time to time.
- (c) If to a Litigation Trust Beneficiary: to the name and address set forth on the Register maintained by the Litigation Trustee, provided that general notices to all Litigation Trust Beneficiaries may be made by posting such notice to a web-site identified in advance for communication with Litigation Trust Beneficiaries.

[Remainder of page intentionally left blank.]

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

RURAL/METRO CORPORATION
On behalf of itself and its affiliated Debtors

By:

By: _____

Name:

Title:

[_____] , LITIGATION
TRUSTEE OF THE LITIGATION TRUST
ESTABLISHED UNDER THE LITIGATION
TRUST AGREEMENT DATED
[DECEMBER/JANUARY __], [2013/2014]
PURSUANT TO THE FIRST AMENDED JOINT
CHAPTER 11 PLAN OF REORGANIZATION
FOR RURAL/METRO CORPORATION AND
ITS AFFILIATED DEBTORS

[_____] , as

Litigation Trustee

Annex A

DEFINITIONS

“**Avoidance Actions**” means any and all avoidance, recovery and other actions under sections 502(d), 510, 542, 543, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code of the Debtors or their Estates; for the avoidance of doubt, Preference Actions are included within Avoidance Actions.

“**Creditor Representative**” has the meaning ascribed to such term in the Creditor Representative Plan Supplement.

“**Creditor Representative Assets**” means \$250,000, which will be used to pay for the reasonable, actual fees, costs and expenses of (i) the prosecution of the Litigation Trust Claims, (ii) participation in the Claims resolution process, and (iii) the costs of administering the Litigation Trust.

“**Creditor Representative Plan Supplement**” means the supplement to the Plan which identifies certain terms relating to the operation of the Creditor Representative.

“**Disputed Claims Reserve**” means an allocation of Cash or other property to account for Disputed Other Unsecured Claims that may be established by the Litigation Trustee pursuant to Sections 4.6 and 4.7 of this Litigation Trust Agreement.

“**Employment Claim**” means an Allowed Claim to the extent such Allowed Claim arises from wages or other remuneration in connection with the performance of services as an employee of the Debtors for any period prior to the Commencement Date.

“**IRC**” means the Internal Revenue Code of 1986, as amended.

“**IRS**” means the Internal Revenue Service.

“**Litigation Trust Assets**” means the Litigation Trust Claims.

“**Litigation Trust Beneficiaries**” has the meaning ascribed to such term in the Plan.

“**Litigation Trust Claims**” means, collectively, those Litigation Trust Claims (as defined in the Plan) set forth on Schedule 1 hereto.

“**Preference Actions**” means any and all claims of the Debtors or their Estates that could be brought under section 547 of the Bankruptcy Code or, in the alternative, based upon the same underlying facts under section 544 or 548 of the Bankruptcy Code, and the right to recover on account of any such claim under section 550 of the Bankruptcy Code.

“**Proceeds**” means the actual consideration, if any, received by the Litigation Trust as a result of any judgment, settlement, resolution, compromise, or any other disposal of any of the Litigation Trust Claims.

“Revenue Procedure” means a revenue procedure issued by the IRS.

“Treasury Regulation” means any regulation promulgated under the Internal Revenue Code of 1986, as amended.

Exhibit A

Trustee for the Litigation Trust

[To be updated on or prior to the Confirmation Date.]

Schedule 1

Litigation Trust Claims

[To be updated on or prior to the Confirmation Date.]