

LAW OFFICES  
**ROBINSON, DIAMANT & WOLKOWITZ**  
A PROFESSIONAL CORPORATION

1888 CENTURY PARK EAST, SUITE 1500

CENTURY CITY

LOS ANGELES, CALIFORNIA 90067

(310) 277-7400

FAX (310) 277-7584

GILBERT ROBINSON  
(1927-1991)  
ELLIOTT LISNEK  
(1939-1992)

OF COUNSEL  
MICHAEL P. WIPPLER

OUR FILE NUMBER

17343.000

SANDFORD L. FREY

*In re*

*INTERNATIONAL SOCIETY FOR KRISHNA  
CONSCIOUSNESS OF CALIFORNIA, INC., a  
California corporation, aka ISKCON OF  
CALIFORNIA, INC.; et al.,*

*Debtors.*

*Chapter 11*

*Bk No.: SV 02-13532-AG*

*Jointly Administered with Case Nos.:*

*Bk No.: SV 02-12373-AG*

*Bk No.: SV 02-13533-AG*

*Bk No.: SV 02-13534-AG*

*Bk No.: SV 02-13531-AG*

*Bk No.: SV 02-16207-AG*

***AMENDED JOINT CHAPTER 11 PLAN OF  
REORGANIZATION DESCRIBING AMENDED  
CHAPTER 11 PLAN OF CALIFORNIA DEBTORS***

*This Plan contains information concerning the California Debtors and their Plans of Reorganization*

**PRESENTED BY:**

*ROBINSON, DIAMANT & WOLKOWITZ  
A Professional Corporation*

By: SANDFORD L. FREY  
*Sandford L. Frey  
Attorneys for Debtors*

SANDFORD L. FREY (State Bar No. 117058)  
ROBINSON, DIAMANT & WOLKOWITZ  
A Professional Corporation  
1888 Century Park East, Suite 1500  
Los Angeles, California 90067  
Telephone: (310) 277-7400  
Telecopier: (310) 277-7584

Attorneys for Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SAN FERNANDO VALLEY DIVISION**

In re

INTERNATIONAL SOCIETY FOR KRISHNA  
CONSCIOUSNESS OF CALIFORNIA, INC., a California  
corporation, aka ISKCON OF CALIFORNIA, INC.;

ISKCON TELEVISION, INC., a California corporation, aka  
ITV PRODUCTIONS, INC.;

BHAKTIVEDANTA BOOK TRUST INTERNATIONAL, INC., a  
California corporation;

INTERNATIONAL SOCIETY FOR KRISHNA  
CONSCIOUSNESS OF SOUTHERN CALIFORNIA, INC., a  
California corporation, aka ISKCON OF SOUTHERN  
CALIFORNIA, INC.;

INTERNATIONAL SOCIETY FOR KRISHNA  
CONSCIOUSNESS OF LOS ANGELES, INC., a California  
corporation, aka ISKCON OF LOS ANGELES, INC.;

INTERNATIONAL SOCIETY FOR KRISHNA  
CONSCIOUSNESS OF SAN DIEGO, INC., a California  
corporation, aka ISKCON OF SAN DIEGO, INC.;

Debtors and Debtors-in-  
Possession.

-----  
Tax I.D. Nos., respectively:  
23-7203089; 95-4453034; 95-4184400;  
95-3684767; 95-3684764; 95-3306562  
-----

**Affects all Debtors**

Bk No.: SV 02-13532-AG

Chapter 11

(Jointly Administered with Case Nos.:

Bk No.: SV 02-12373-AG

Bk No.: SV 02-13533-AG

Bk No.: SV 02-13534-AG

Bk No.: SV 02-13531-AG

Bk No.: SV 02-16207-AG)

In Cases Under Chapter  
11 of the Bankruptcy Code

(11 U.S.C. § 1101 et seq.)

**AMENDED JOINT CHAPTER 11 PLANS OF  
REORGANIZATION**

**Disclosure Statement Hearing**

DATE: January 28, 2005

TIME: 9:30 a.m.

PLACE: Courtroom 302  
21041 Burbank Blvd.  
Woodland Hills, CA

**Plan Confirmation Hearing**

**Complete This Section When Applicable**

DATE:

TIME:

PLACE: Courtroom 302  
21041 Burbank Blvd.  
Woodland Hills, CA

TABLE OF CONTENTS

|  | <u>PAGE</u> |
|--|-------------|
| TABLE OF AUTHORITIES .....   | iii         |
| I. INTRODUCTION .....  | 1           |
| II. DEFINITIONS .....  | 1           |
| III. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS .....                | 9           |
| A. General Overview .....  | 9           |
| Unclassified Claims .....  | 9           |
| 1. Administrative Expenses .....   | 9           |
| 2. Priority Tax Claims .....   | 13          |
| B. Classified Claims and Interests .....                                       | 14          |
| 1. Classes Of Priority Claims. ....  | 14          |
| 2. Classes of Secured Claims .....   | 15          |
| 3. Classes Of General Unsecured Claims .....                                   | 18          |
| 4. Class(es) Of Interest Holders. ....   | 28          |
| C. Means Of Performing The Plan .....  | 28          |
| 1. Funding For The Plan. ....  | 28          |
| 2. Trust I .....   | 29          |
| 3. Trust II .....  | 30          |
| 4. Trust III .....   | 30          |
| 5. Post-Confirmation Management .....  | 30          |
| 6. Disbursing Agent. ....  | 30          |
| 7. Litigation .....  | 30          |
| 8. Post-Confirmation Business Operations .....                                 | 31          |
| 9. Claims Determination .....  | 31          |
| 10. Trust Default Rights Respecting Class 5 Claimants .....                    | 31          |
| 11. Class 5A Special Provisions/Trust Default Rights Class 5A Claimants .....  | 31          |
| 12. Tort Claim Determination Procedures .....                                  | 33          |
| 13. Claims Matrix-Compensation Methodology for Chapter 11 Tort Claimants ..... | 35          |
| 14. Treatment of Punitive Damages .....  | 37          |
| 15. Insurance Carrier Action Funding .....                                     | 38          |
| IV. TREATMENT OF MISCELLANEOUS ITEMS .....                                     | 38          |
| A. Executory Contracts And Unexpired Leases .....                              | 38          |
| 1. Assumptions. ....   | 38          |
| 2. Rejections .....  | 38          |
| B. Changes In Rates Subject To Regulatory Commission Approval. ....            | 38          |
| C. Retention Of Jurisdiction .....   | 38          |
| V. EFFECT OF CONFIRMATION OF PLAN .....  | 38          |

|  |    |
|--|----|
| <i>A. Discharge</i> .....  | 38 |
| <i>B. Injunction</i> .....   | 39 |
| <i>C. Releases</i> .....   | 39 |
| <i>D. Exculpation</i> .....  | 40 |
| <i>E. Revesting Of Property In The Debtor</i> .....                                  | 40 |
| <i>VI. MISCELLANEOUS PLAN PROVISIONS</i> .....                                       | 41 |
| <i>A. Modification Of Plan.</i> .....  | 41 |
| <i>B. Post-Confirmation Conversion/Dismissal</i> .....                               | 41 |
| <i>C. Final Decree</i> .....   | 41 |
| <i>D. Post-Confirmation Business Operations and United States Trustee Fees</i> ..... | 41 |
| <i>E. Confirmation By Non-Acceptance</i> .....                                       | 41 |
| <i>F. Unclaimed Property.</i> .....  | 41 |
| <i>G. Rounding.</i> .....  | 41 |
| <i>H. Payment Date.</i> .....  | 42 |
| <i>The Release</i> .....   | 43 |

TABLE OF AUTHORITIES

PAGE(S)

STATUTES

|  |       |
|--|-------|
| <i>11 U.S.C. Section 101</i> .....           | 2, 4  |
| <i>11 U.S.C. Section 101(49)</i> .....       | 5     |
| <i>11 U.S.C. Section 1106</i> .....          | 4     |
| <i>11 U.S.C. Section 1107</i> .....          | 4     |
| <i>11 U.S.C. Section 1108</i> .....          | 4     |
| <i>11 U.S.C. Section 1112(b)</i> .....       | 41    |
| <i>11 U.S.C. Section 1123(b)(3)</i> .....    | 4     |
| <i>11 U.S.C. Section 1129</i> .....          | 3     |
| <i>11 U.S.C. Section 1141(d)(1)</i> .....    | 38    |
| <i>11 U.S.C. Section 1141(d)(1)(A)</i> ..... | 39    |
| <i>11 U.S.C. Section 1542</i> .....          | 40    |
| <i>11 U.S.C. Section 502(c)</i> .....        | 19    |
| <i>11 U.S.C. Section 502(d)</i> .....        | 2, 7  |
| <i>11 U.S.C. Section 502(e)</i> .....        | 2     |
| <i>11 U.S.C. Section 502(g)</i> .....        | 39    |
| <i>11 U.S.C. Section 502(h)</i> .....        | 39    |
| <i>11 U.S.C. Section 502(i)</i> .....        | 39    |
| <i>11 U.S.C. Section 506</i> .....           | 7     |
| <i>11 U.S.C. Section 507(a)</i> .....        | 18    |
| <i>11 U.S.C. Section 507(a)(1)</i> .....     | 1, 9  |
| <i>11 U.S.C. Section 507(a)(3)</i> .....     | 6, 14 |
| <i>11 U.S.C. Section 507(a)(4)</i> .....     | 6, 14 |
| <i>11 U.S.C. Section 507(a)(5)</i> .....     | 6, 14 |
| <i>11 U.S.C. Section 507(a)(6)</i> .....     | 6, 14 |
| <i>11 U.S.C. Section 507(a)(7)</i> .....     | 6, 14 |
| <i>11 U.S.C. Section 507(a)(8)</i> .....     | 6, 13 |
| <i>11 U.S.C. Section 510</i> .....           | 7     |
| <i>11 U.S.C. Section 541</i> .....           | 7     |
| <i>11 U.S.C. Section 541(a)</i> .....        | 4     |
| <i>11 U.S.C. Section 542</i> .....           | 7     |
| <i>11 U.S.C. Section 543</i> .....           | 7     |
| <i>11 U.S.C. Section 544</i> .....           | 7     |
| <i>11 U.S.C. Section 545</i> .....           | 7     |
| <i>11 U.S.C. Section 547</i> .....           | 7     |
| <i>11 U.S.C. Section 548</i> .....           | 7     |

|   |    |
|---|----|
| <i>11 U.S.C. Section 549</i> .....        | 7  |
| <i>11 U.S.C. Section 550</i> .....        | 7  |
| <i>11 U.S.C. Section 551</i> .....        | 7  |
| <i>11 U.S.C. Section 552</i> .....        | 7  |
| <i>11 U.S.C. Section 553</i> .....        | 7  |
| <i>28 U.S.C. Section 1930(a)(6)</i> ..... | 41 |

*RULES*

|                                 |    |
|---------------------------------|----|
| <i>F.R.B.P. 9006(a)</i> .....   | 2  |
| <i>F.R.B.P. Rule 3022</i> ..... | 41 |

I.

**INTRODUCTION**

*This document is the Amended Chapter 11 Plan (“Plan”)<sup>1</sup> proposed by International Society for Krishna Consciousness of California, Inc. (“ISKCON CA”), ISKCON Television, Inc., a California corporation, aka ITV Productions, Inc. (“ITV”), Bhaktivedanta Book Trust International, Inc., a California corporation (“BBTI”), International Society for Krishna Consciousness of Southern California, Inc., a California corporation, aka ISKCON of Southern California, Inc. (“ISKCON SoCal”), International Society for Krishna Consciousness of Los Angeles, Inc., a California corporation, aka ISKCON of Los Angeles, Inc. (“ISKCON LA”), International Society for Krishna Consciousness of San Diego, Inc., a California corporation, aka ISKCON of San Diego, Inc. (“ISKCON San Diego,” and collectively, the “California Debtors” or the “Plan Proponents”), and is dated as of January 13, 2005.*

*Reference is made to the Joint Disclosure Statement Describing Original Joint Chapter 11 Plan of Reorganization (“Disclosure Statement”), a copy of which is included in the same envelope as this Plan, for a discussion of each of the California Debtors’ history, business, financial affairs, properties, and a summary and analysis of the Plan. All Creditors are encouraged to read the Disclosure Statement thoroughly before voting to accept or reject this Plan. No solicitation materials other than the Disclosure Statement and related materials being transmitted with this Plan have been authorized by the Bankruptcy Court for use in soliciting acceptances or rejections of this Plan.*

*This is a reorganizing plan. In other words, the Plan Proponents seek to discharge and satisfy creditors’ Claims<sup>2</sup> by providing for payments under the Plan and to continue in existence and in possession of their property. The source of payments under this Plan will be donations, revenue from religious and related activities, contributions by third parties and insurance proceeds, if any, recovered from various insurance carriers in connection with Tort Claims. By and through the Plans, the Plan Proponents propose to resolve all claims against the California Debtors’ estates, including all Tort Claims, in a streamlined and cost effective manner that will provide for the largest distribution possible to Holders of Allowed Claims. As described more fully below, the Plans provide for the resolution and treatment of all Tort Claims through common trusts established jointly with the West Virginia Debtors.*

II.

**DEFINITIONS**

*The following definitions will apply with respect to this Plan and the Disclosure Statement.*

1. “Administrative Claims” or “Administrative Expenses.” Claims for costs or expenses of administering the Cases which are Allowed under Bankruptcy Code Section 503(b) or assessed under Chapter 123 of Title 28 of the United States Code, and which are entitled to priority under Bankruptcy Code Section 507(a)(1).

2. “Alter Ego Claims.” Any and all claims, actions, rights, liabilities, obligations and causes of action asserted against any Person, whether or not a Debtor, on the basis that such Person is liable as a matter of law to the same extent as a Debtor on theories of alter ego, vicarious liability, unity of entity or similar doctrines, to the full extent such claims, actions, rights, liabilities, obligations and causes of action constitute property of the Debtor’s Estate, including but not limited to the claims asserted by the Plaintiffs in the Court Actions against all Persons on the basis of conduct of others.

---

<sup>1</sup> While a single document known as the Plan is being filed for the California Debtors, this Plan constitutes the plan of reorganization for each of the California Debtors and each of the California Debtors is proposing its own plan of reorganization. While the Plans are similar and provide identical treatment and share the same Claimants with respect to Classes 3 - 7, the Claimants in Classes 1, 2 and 8 of each of the Debtors’ Plans differ.

<sup>2</sup> All capitalized terms used in this Plan have the meaning as defined in Article II of this Plan.





3. *“Allowed.” When used in respect of a Claim or Interest means -*

(1) *if no proof of Claim or Interest has been timely filed, such amount of the Claim or Interest which is not a Tort Claim and (a) which has been scheduled by the Debtor as liquidated in amount and not disputed or contingent; (b) as to which no party in interest has filed an objection within the time required under this Plan or otherwise fixed by the Bankruptcy Court (or as to which a party in interest has filed an objection and has withdrawn such objection); and (c) is not disallowed under this Plan or under § 502(d) or (e) of the Bankruptcy Code; or*

(2) *if a proof of Claim or Interest has been filed by the Claims Bar Date or is deemed timely filed by the Bankruptcy Court, such amount of the Claim or Interest which is not a Tort Claim and (a) as to which any party in interest has not filed an objection within the time required under this Plan or otherwise fixed by the Bankruptcy Court (which objection has not been withdrawn); and (b) is not disallowed under this Plan or under § 502(d) or (e) of the Bankruptcy Code; or*

(3) *such amount of the Claim or Interest which is allowed or estimated for purposes of distribution by a Final Order, which remains applicable;*

(4) *such amount of the Claim or Interest which is allowed under the Plan; or*

(5) *such amount of the Claim of a Settling Tort Claimant as determined by (a) acceptance of the Claims Matrix Score, or (b) final decision of the Special Master.*

4. *“Allowed Claim.” A Claim which is Allowed.*

5. *“Allowed Class . . . Claim.” An Allowed Claim in the particular Class described.*

6. *“Arbitration Panel.” An arbitrator selected by the Debtors.*

7. *“Assessment Date.” The date that taxes are assessed by a taxing agency.*

8. *“Ballot.” A Ballot for accepting or rejecting this Plan.*

9. *“Ballot Date.” The date set by the Bankruptcy Court by which all Ballots with respect to the Plan must be received.*

10. *“Bankruptcy Code.” The Bankruptcy Code, as codified in Title 11 of the United States Code, 11 U.S.C. § 101 et seq., including all amendments thereto, to the extent such amendments are applicable to the Cases.*

11. *“Bankruptcy Rules.” The Federal Rules of Bankruptcy Procedure as now in effect or hereafter amended and applicable to the Cases.*

12. *“Bar Date.” The bar date, or deadline, for the filing of proofs of Claim set by the Bankruptcy Court as applicable in each of the Cases.*

13. *“BBTI.” BHAKTIVEDANTA Book Trust, International, Inc., a California corporation.”*

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

15. *“California Bankruptcy Court.” The United States Bankruptcy Court for the Central District of California, the Honorable Arthur Greenwald presiding, and any successor thereto, or the District Court exercising jurisdiction under Title 11 of the United States Code in connection with the Cases.*

16. *“California Case.” The cases under Chapter 11 of the Bankruptcy Code commenced by the California Debtors and jointly administered under Case No. SV 02 - 13532 AG.*

17. *“California Debtors.” The six (6) related entities filing for Chapter 11 bankruptcy protection in California which include INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF CALIFORNIA, INC., a California corporation, aka ISKCON OF CALIFORNIA, INC.; ISKCON TELEVISION, INC., a California corporation, aka ITV PRODUCTIONS, INC.;*

*BHAKTIVEDANTA BOOK TRUST INTERNATIONAL, INC., a California corporation; INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF SOUTHERN CALIFORNIA, INC., a California corporation, aka ISKCON OF SOUTHERN CALIFORNIA, INC.; INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF LOS ANGELES, INC., a California corporation, aka ISKCON OF LOS ANGELES, INC.; and, INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS OF SAN DIEGO, INC., a California corporation, aka ISKCON OF SAN DIEGO, INC.*

18. *“Cases.” Means the Chapter 11 bankruptcy cases commenced by the California Debtors and the West Virginia Debtors.*
19. *“Cash.” Cash or cash equivalents including, but not limited to, bank deposits, checks or other similar items.*
20. *“Claim.” (a) Any right to payment from any of the Debtors, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, including, without limitation, any Tort Claim, or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right of payment from any of the Debtors, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.*
21. *“Claimant.” Party that holds a Claim.*
22. *“Claims Matrix.” Has the meaning set forth in Article III, Section D.14.*
23. *“Claims Matrix Score.” The amount of points assigned to a Tort Claim pursuant to the Claims Matrix.*
24. *“Class.” A class of Claims or Interests described in Article III.C. of the Plan.*
25. *“Class 5A Claimants.” The Plaintiff Tort Claimants.*
26. *“Class 5A Minimum Distribution.” Has the meaning set forth in the Section of the Plan on Classification and Treatment of Class 5A Claims contained in Article III, Section 3.*
27. *“Class 5A Trust I Distributions.” Distributions described in Article III, Section C.3.*
28. *“Class 5A Trust II Distributions.” Distributions described in Article III, Section C.3.*
29. *“COH, INC.” Cathedral of Healing, Inc.*
30. *“Confirmation.” The entry of the Order by the Bankruptcy Court confirming the Plan pursuant to § 1129 of the Bankruptcy Code.*
31. *“Confirmation Date.” The date upon which the Bankruptcy Court enters an order confirming the Plan pursuant to § 1129 of the Bankruptcy Code.*
32. *“Confirmation Order.” The order of the Bankruptcy Court confirming the Plan pursuant to § 1129 of the Bankruptcy Code.*
33. *“Court.” The West Virginia Bankruptcy Court in respect to the West Virginia Debtors’ Cases, or the California Bankruptcy Court in respect to the California Debtors’ Cases.*
34. *“Court Actions.” The Texas Court Action and the West Virginia Court Action.*
35. *“Creditor.” The Holder of a Claim.*
36. *“Cumis Counsel Reimbursements.” Payments from Insurance Carriers who are not Settling Insurers for reimbursement of the Debtors’ actual out-of-pocket fees and expenses incurred in defense of any Tort Claim, which is not a Resolved Claim; and, to the extent such expenses are not reimbursed by Insurance Carriers, the amount of such unreimbursed expenses.*
37. *“Debtor Released Parties.” Those Persons as defined in Article V of the Plan.*

38. *“Debtors.” Refers collectively to the California Debtors and the West Virginia Debtors.*
39. *“Determination Date.” The date defined in Article III, Section C.3 of the Plan.*
40. *“Disbursing Agent.” The person or entity responsible for making all distributions provided for under the Plan.*
41. *“Discharged Claims.” A Claim as defined in Article V of the Plan.*
42. *“Disclosure Statement.” The “Amended Joint Disclosure Statement Describing Amended Chapter 11 Plans” filed by the Debtors in support of the Plan, and any and all amendments and exhibits to the Disclosure Statement.*
43. *“District Court.” With regard to the West Virginia Debtors, the Federal District Court in the district where the West Virginia Debtors’ Cases are pending, or with regard to the California Debtors, the Federal District Court in the district where the California Debtors’ Cases are pending.*
44. *“Effective Date.” A date to be set by the Debtors, which date shall be within ten (10) business days after the Confirmation Order becomes a Final Order.*
45. *“Estate.” With respect to each of the Debtors’ Cases, the estate created pursuant to § 541(a) of the Bankruptcy Code.*
46. *“Estate Representative.” The person(s) or entity(ies) authorized to exercise and perform the rights, powers and duties held by each Estate, including without limitation the authority under Bankruptcy Code § 1123(b)(3) to provide for the settlement, adjustment, retention and enforcement of Claims and Interests of such Estate, including, but not limited to all Rights of Action and the authority to exercise all rights under Bankruptcy Code §§ 1106, 1107 and 1108. Upon and after the Effective Date, the Reorganized California Debtors shall each be the Estate Representative for their Estates, and Reorganized ISKCON NMV shall be the Estate Representative for the West Virginia Debtors’ Estates.*
47. *“Final Order.” An order, decree or judgment, the operation or effect of which has not been reversed, stayed, modified or amended, and as to which order, decree or judgment (or any revision, modification or amendment thereof), the time to appeal or seek review, reconsideration, or rehearing has expired and as to which no appeal or petition for review or rehearing has been taken and is pending.*
48. *“Gurukuli.” An individual under twenty-one years of age at the time of a compensable incident, who attended an Iskcon school or facility anywhere in the world.*
49. *“Holder.” The holder of a Claim against or Interest in the Debtors.*
50. *“Insiders.” With respect to each of the Debtors’ Cases, all Persons who are “insiders” of the Debtors as that term is defined in Section 101 of the Bankruptcy Code.*
51. *“Insurance Action Proceeds.” Subject to the exclusions set forth below, (1) the rights of the Insured Debtors to any and all proceeds, including any interest earned thereon, and to any other relief, from: (a) any award, judgment, order, or other determination entered or made as to the Insurance Carrier Action; and (b) any and all amounts payable by a Settling Insurer under any insurance settlement agreement with the Insured Debtors, and (2) the rights of The Texas Krishnas Inc. to any and all proceeds, including any interest earned thereon, and to any other relief, from (a) any award, judgment, order, or other determination entered or made against any insurance companies insuring the liability of The Texas Krishnas Inc. to the Tort Claimants; and (b) any and all amounts payable by a Settling Insurer under any insurance settlement agreement with The Texas Krishnas Inc.; provided, and to the extent, that The Texas Krishnas Inc. and such insurance company agrees to contribute those proceeds to the Trusts pursuant to the Plans. “Insurance Action Proceeds” shall exclude (i) the Reimbursement Award, (ii) Retained Insurance Proceeds, (iii) Cumis Counsel Reimbursements, and (iv) the Insurance Loan and the amount for repayment thereof.*
52. *“Insurance Carrier Action.” Means the lawsuit entitled “Debtors and Debtors-in-Possession International Society for Krishna Consciousness of California, Inc., a California Corporation, aka Iskcon of California, Inc., et al. v. California Capital Insurance Company, a California Corporation; California Insurance Group, a California Corporation; Mercury Casualty Company, a California Corporation; Golden Eagle Insurance Corporation, a California Corporation, as Claims Administrator for Golden Eagle Insurance Company; Golden Eagle Insurance Company; Public Service Mutual Insurance Company, a New York Corporation; and*

*Scottsdale Insurance Company, a Arizona Corporation; and Penn American Insurance Company,” originally filed in the United States Bankruptcy Court, Central District of California on March 17, 2003.*

53. *“Insurance Carriers.” Those defendants named in the Insurance Carrier Action.*

54. *“Insurance Loan.” A loan of up to \$250,000 by the Debtors for purposes of funding fees and expenses in connection with the Insurance Carrier Action. Once the Debtors have incurred \$500,000 of such fees and expenses from and after August 2004, all additional amounts directly expended, or advanced to others, by the Debtors for such fees and expenses shall be deemed part of and added to the principal amount of the loan, up to the maximum amount of \$250,000.*

55. *“Insurance Proceeds.” Proceeds of policies of the Insured Debtors payable based on rights of indemnification in respect of Claims under or in connection with Tort Claims required to be deposited in one or more of the Trusts pursuant to the Plan; however, specifically excluding Insurance Action Proceeds, the Reimbursement Award, Cumis Counsel Reimbursements, Retained Insurance Proceeds, and the Insurance Loan and the amount for repayment thereof.*

56. *“Insured Debtor(s).” ISKCON CA, ISKCON SoCal and ISKCON San Diego.*

57. *“Interest.” With respect to each of the Debtors’ Cases, any equity security of the Debtor as defined in Section 101(49) of the Bankruptcy Code.*

58. *“ISKCON CA.” International Society for Krishna Consciousness of California, Inc.*

59. *“ISKCON LA.” International Society for Krishna Consciousness of Los Angeles, Inc.*

60. *“ISKCON NMV.” International Society for Krishna Consciousness of New Mathura Vrindaban.*

61. *“ISKCON San Diego.” International Society for Krishna Consciousness San Diego, Inc.*

62. *“ISKCON SoCal.” International Society for Krishna Consciousness of Southern California, Inc.*

63. *“ISKCON WV.” International Society for Krishna Consciousness of West Virginia, Inc.*

64. *“ITV.” ISKCON Television, Inc., a California corporation, aka ITV Productions, Inc.*

65. *“JAGA.” JAGA, Inc.*

66. *“Liquidation Value.” The aggregate dollar amount as found by the Court (calculated without consideration of (a) potential Insurance Proceeds, (b) Insurance Action Proceeds, payable to Trust I, (c) any and all Claims against Coudert Brothers payable to Trust I, or (d) Rights of Action including, without limitation, Alter Ego Claims), which is equal to the lowest dollar amount necessary to fund payments to Tort Claimants in the manner provided under this Plan so that each Holder of an Allowed Tort Claim would receive or retain property with a value as of the Effective Date at least equal to the amount such Holder would receive if the Liquidation Value Entities were liquidated under chapter 7 of the Bankruptcy Code on the Effective Date.*

67. *“Liquidation Value Entities.” The Debtors and any other entities designated by the Debtors prior to Confirmation for purposes of calculating Liquidation Value and funding of Trust I from Trust II.*

68. *“Local Rules.” The Local Bankruptcy Rules for the respective Court, as now in effect or hereafter amended and applicable to the respective Cases.*

69. *“Non-Debtor Defendants.” Those non-debtor entities or Persons that are named defendants in the Court Actions, including the International Society for Krishna Consciousness, Texas Krishnas, Inc., ISKCON Foundation, Inc., International Society for Krishna Consciousness of Washington, Damodar Title Holding Corporation of Dallas, Inc., ISKCON, Inc., ISKCON Krishnafest USA, Inc., ISKCON of Lake Huntington Property Corporation, ISKCON of Port Royal, Inc., Gregory Gottfried, Robert Grant, Thomas Herzig, Gopal Khanna, Howard Resnick and Glen Teton, as Executors of the Estate of A. C. Bhaktivedanta Swami Prabhapada, Faramarz Attar, Charles Bacis, William Berke, Robert Corens, William Deadwyler, III, William Ehlichman, John Favors, Steven Gorego a/k/a Steven Guarino, Michael Grant, Keith Ham, Theodore Richard Harris, Thomas Herzig, Jeffrey Hickey, Hans Kary, Gopal Khanna, William Ogle, Howard Resnick, Bruce Scharf, Bruce Jacobs, and John Patane.*

70. *“Non-Debtor Defendant Participants.” Non-Debtor Defendants that elect to contribute funds and obtain releases.*
71. *“Non-Debtor Interested Parties.” Non-debtor entities or Persons that are not named defendants in the Actions that elect to contribute funds and obtain releases, as specifically identified on a schedule to be filed by the Debtors prior to Confirmation.*
72. *“Non-Plaintiff Tort Claimants.” Any and all holders of Tort Claims, excluding the Plaintiff Tort Claimants.*
73. *“NRS.” NRS, Inc.*
74. *“NVC.” New Vrindaban Community, Incorporated.*
75. *“Person.” Includes any individual or entity, regardless of form, including, without limitation, any corporation, partnership, trust or other combination.*
76. *“Petition Date.” With respect to the West Virginia Debtors’ Plan, the date that each of the West Virginia Debtors filed for Chapter 11 Bankruptcy relief, April 16, 2002 for JAGA, ISKCON NMV, NRS, and ISKCON WV; May 23, 2002 for NVC; and June 28, 2004 for COH, INC.; and, with respect to the California Debtors’ Plans, the date that each of the California Debtors filed for Chapter 11 bankruptcy relief, March 27, 2002 for ISKCON CA, ISKCON LA, ISKCON SoCal, BBTI and ISKCON San Diego, and March 15, 2002 for ITV.*
77. *“Plaintiff Tort Claimants” or “Plaintiffs.” The plaintiffs in the Court Actions.*
78. *“Plan” or “Plans.” Unless the context otherwise requires, “Plan” refers to this Plan identified in Article I, and “Plans” refers to the Amended Joint Chapter 11 Plan of Reorganization for the West Virginia Debtors and the Amended Joint Chapter 11 Plans of Reorganization propounded by the California Debtors, respectively, as same may be amended.*
79. *“Plan Proponent.” With respect to the West Virginia Debtors’ Plan, the West Virginia Debtors, or, with respect to the California Debtors’ Plans, the applicable California Debtor.*
80. *“Potential Tort Claimants.” All Tort Claimants except the Plaintiffs.*
81. *“Priority Tax Claims.” Certain unsecured income, employment and other taxes described by Bankruptcy Code Section 507(a)(8).*
82. *“Priority Claims.” Claims that are referred to in Bankruptcy Code Sections 507(a)(3), (4), (5), (6), and (7) which are required to be placed in Classes.*
83. *“Pro Rata.” A distribution to Creditors based on the proportion which the amount of each Allowed Claim, or points assigned pursuant to the Claims Matrix, entitled to distribution bears to the aggregate amount of all of the Allowed Claims, or points assigned pursuant to the Claims Matrix, entitled to distribution.*
84. *“Professional Fee Account.” An account maintained by ISKCON CA for purposes of paying professional fees.*
85. *“Reimbursement Award.” Fees and costs respecting the Texas Court Action reimbursed to the Insured Debtors not to exceed \$490,000.*
86. *“Release.” Means the “Settlement Agreement and Releases” substantially in the form which is attached to the Plans.*
87. *“Reorganization Trustee.” The Person appointed to act as trustee for the Trusts.*
88. *“Reorganization Trustee Fees.” Any and all fees and expenses of the Reorganization Trustee incurred in connection with the administration of Trust I, Trust II or Trust III, as applicable. The Reorganization Trustee Fees incurred in connection with the administration of a particular Trust will be paid separately from funds of that Trust.*
89. *“Reorganized Debtors.” Reorganized ISKCON NMV and the Reorganized California Debtors.*
90. *“Reorganized ISKCON NMV.” The merged reorganized West Virginia Debtors after Confirmation.*

91. *“Resolved Claims.” Tort Claims which are (a) Settling Tort Claims or (b) determined by estimation for allowance and distribution, and as to which no objection to such determination has been timely served upon the Debtors.*
92. *“Retained Insurance Proceeds.” Fifty percent (50%) of the first \$2 million of Insurance Action Proceeds.*
93. *“Rights of Action.” Any and all claims, demands, rights, actions, causes of action, defenses and suits of the Debtors’ Estates, of any kind or character whatsoever, known or unknown, suspected or unsuspected, whether arising prior to, on or after the Petition Date, in contract or in tort, at law or in equity or under any other theory of law, including but not limited to (1) rights of setoff, counterclaim or recoupment, and claims on contracts or for breaches of duties imposed by law, (2) the right to object to Claims or Interests, (3) claims pursuant to Section 362 of the Bankruptcy Code, (4) such claims and defenses as fraud, mistake, duress, usury and (5) all avoiding powers, rights to seek subordination and all rights and remedies under Sections 502(d), 506, 510, 542, 543, 544, 545, 547, 548, 549, 550, 551, 552 or 553 or any fraudulent conveyance, fraudulent transfer, or preference laws; provided that “Rights of Action” shall not include any and all claims against Coudert Brothers, or claims relating to Insurance Proceeds and Insurance Action Proceeds.*
94. *“Secured Claim.” A Claim secured by a lien on property of the Estate (as defined in § 541 of the Bankruptcy Code).*
95. *“Settling Insurers.” Insurance Carriers that have reached settlements with the Insured Debtors with respect to insurance policies which are the subject of the Insurance Carrier Actions; and, insurance companies that have reached settlements with The Texas Krishnas Inc. with respect to policies which cover the Tort Claims and have further agreed to treat proceeds of such policies as Insurance Action Proceeds and have them distributed pursuant to the Plans.*
96. *“Settling Tort Claimants.” Class 5 or Class 5A Tort Claimants who elect on the Ballot to either (a) accept the Claims Matrix Score determined by the Claims Matrix as fixing the amount of their Allowed Claim; or (b) agree to have their Claim determined by the Special Master based on the Claims Matrix.*
97. *“Settling Tort Claims.” The Claims of the Settling Tort Claimants.*
98. *“Special Master.” The individual(s) selected by the Debtors as part of the Confirmation process to evaluate, liquidate and allow or disallow a Tort Claim of the Settling Tort Claimants.*
99. *“Texas Court Action.” The lawsuit commenced on or about October 25, 2001, entitled Children of ISKCON, et al. v. ISKCON, a d/b/a the International Society for Krishna Consciousness, et al., Case No. 01-9282 pending before the 192nd District Court, Dallas County, Texas against the California Debtors, certain West Virginia Debtors, and other defendants and alleging such causes of actions as negligence, breach of contract, battery and conspiracy.*
100. *“Tort Claim Determination Procedures.” The procedures set forth in Article III, Section D.13 of the Plan.*
101. *“Tort Claimants.” Those Claimants asserting Tort Claims.*
102. *“Tort Claims.” (1) Any and all Claims, demands, rights and causes of action of any Person (including, without limitation, minors and parents) heretofore, now or hereafter asserted against the Debtors, Non-Debtor Defendants and Non-Debtor Interested Parties, based in whole or in part on personal injury or abuse, or related acts, omissions or occurrences, of any kind or nature, whether intentional or negligent, occurring on or before the Petition Date, including, without limitation, in connection with Gurukuli boarding schools, other schools, religious services, religious practices, worship or other activities; (2) any Claims, demands, suits, or causes of action for personal injuries, including emotional distress (a) for damages, including punitive damages, (b) for attorneys’ fees and other expenses, fees or costs, and for any equitable remedy, heretofore, now or hereafter asserted against the Debtors, Non-Debtor Defendant Participants or Non-Debtor Interested Parties or any Settling Insurer, whether or not reduced to judgment, based upon or in any manner arising from or related to (i) acts of abuse in any form committed by any person associated with ISKCON or its affiliated entities; (ii) failure of the Debtors, Non-Debtor Defendant Participants or Non-Debtor Interested Parties to properly supervise any member or Person associated with ISKCON or its affiliated entities; (iii) the processing, adjustment, defense, settlement, payment, negotiation or handling of any claims, demands, suits, proceedings or causes of action based upon or relating in any way to the Claims made as a result of any alleged abuse in any form or other Tort Claim asserted by a Tort Claimant; or (iv) the failure to warn, disclose or provide information concerning, the alleged abuse in any form and other misconduct of any Persons associated with ISKCON or its affiliated entities.*

103. *“Trust I.” The trust funded by: (1) Contributions from the Debtors, Non-Debtor Defendant Participants or Non-Debtor Interested Parties, in the amount of \$2,000,000; (2) to the extent necessary, contribution from Trust II in an amount which, together with the aforesaid \$2,000,000, will equal the sum of (a) the combined Liquidation Value of the Liquidation Value Entities, and (b) the aggregate amount of the fees and costs charged by the Reorganization Trustee; (3) thirty-five percent (35%) of the Insurance Proceeds; (4) thirty-five percent (35%) of Insurance Action Proceeds remaining after any reimbursement to Trust I of any amounts expended by Trust I in the Insurance Carrier Action, plus any unused portion of Trust III; (5) \$1 million from the settlement of Alter Ego Claims; and (6) proceeds from affirmative recovery in other Rights of Action remaining after payment of Administrative and Priority Claims (to the extent such proceeds are used to pay such Claims).*

104. *“Trust I Minimum Fund.” \$3,000,000 comprised of the \$2,000,000 of Trust I contributions plus the \$1 million from the settlement of the Alter Ego Claims, less any amount used by the Reorganization Trustee to fund the Insurance Carrier Action, plus any amount which has been reimbursed from Insurance Action Proceeds.*

105. *“Trust I PTC Note.” Has the meaning set forth in Article III, Section D.11.*

106. *“Trust II.” The trust funded by Non-Debtor Interested Parties and Non-Debtor Defendant Participants. Trust II will be established by the Reorganization Trustee and funded by contribution from Non-Debtor Interested Parties and Non-Debtor Defendant Participants in the amount of \$6,500,000 by December 31, 2011 (plus any applicable cure period).*

107. *“Trust II PTC Collateral.” Has the meaning set forth in Article III, Section D.11.*

108. *“Trust II PTC Guaranty.” Has the meaning set forth in Article III, Section D.11.*

109. *“Trust II PTC Note.” Has the meaning set forth in Article III, Section D.11.*

110. *“Trust II Trust Deed.” The non-recourse deed of trust described in Article III, Section D.10.*

111. *“Trust III.” The trust funded by (1) sixty-five percent (65%) of Insurance Proceeds; and (2) sixty-five percent (65%) of Insurance Action Proceeds remaining after any reimbursement to Trust I of any amounts expended by Trust I in the Insurance Carrier Action.*

112. *“Trusts.” Refers to Trust I, Trust II and Trust III.*

113. *“Unclaimed Property.” Any funds or securities distributed to Creditors or Holders of Interests which are unclaimed. Unclaimed Property will include, without limitation, Cash, checks, securities, and any other property which is to be distributed pursuant to the Plan which has been returned as undeliverable without a proper forwarding address, or which was not mailed or delivered because of the absence of a proper address to which to mail or deliver such property.*

114. *“Unknown Tort Claims.” Claimants who might assert a Tort Claim but suffer from repressed memory or other condition which, under applicable law, would toll any applicable statute of limitations.*

115. “Unsecured Claim.” Any Claim which is not an Administrative Claim, Priority Tax Claim, Priority Non-Tax Claim or Secured Claim.

116. “West Virginia Action.” The lawsuit commenced on or about February 5, 2002, entitled Children of ISKCON, et al. v. ISKCON, a d/b/a the International Society for Krishna Consciousness, et al., Case No. 01-C-244K pending before the Circuit Court of Marshall County, West Virginia, against the Debtors, certain West Virginia Debtors and other defendants by alleging such causes of actions as negligence, breach of contract, battery and conspiracy.

117. “West Virginia Cases.” The cases under chapter 11 of the Bankruptcy Code commenced by the West Virginia Debtors, and jointly administered under Case Nos. 02-51295 to 02-51298, 02-51699 and 04-02306.

118. “West Virginia Debtors.” Collectively refers to Jaga, Inc. (“JAGA”), International Society for Krishna Consciousness New Mathura Vrindaban (“ISKCON NMV”), NRS, Inc. (“NRS”), International Society for Krishna Consciousness of West Virginia, Inc. (“ISKCON WV”), New Vrindaban Community, Incorporated (“NVC”) and Cathedral of Healing, Inc. (“COH, INC.”), which each filed for chapter 11 bankruptcy protection in West Virginia.

119. “W. Va. Bankruptcy Court.” The United States Bankruptcy Court for the Northern District of West Virginia, the Honorable L. Edward Friend, II, presiding, or the District Court exercising jurisdiction under Title 11 of the United States Code in connection with the Cases.

### III.

#### **CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

##### **A. General Overview.**

As required by the Bankruptcy Code, this Plan classifies Claims and Interests in various Classes according to their right to priority of payments as provided in the Bankruptcy Code. This Plan states whether each Class of Claims or Interests is impaired or unimpaired. This Plan provides the treatment each Class will receive under this Plan.

##### **B. Unclassified Claims.**

Certain types of Claims are not placed into voting Classes; instead they are unclassified. They are not considered impaired and they do not vote on this Plan because they are automatically entitled to specific

treatment provided for them in the Bankruptcy Code. As such, the Proponent has not placed the following Claims in a Class. The treatment of these Claims is provided below.

##### **1. Administrative Expenses.**

Administrative Expenses are Claims for costs or expenses of administering the Debtor’s Chapter 11 Case which are entitled to priority under Code Section 507(a)(1). The Code requires that all Allowed Administrative Claims be paid on the Effective Date of the Plan, unless a particular Claimant agrees to a different treatment.

The following charts list all of the California Debtors’ § 507(a)(1) administrative claims and their treatment:



**ISKCON CA**

| <u><b>Name</b></u>  | <u><b>Amount Owed<sup>3/</sup></b></u> | <u><b>Treatment</b></u>                    |
|---|--|--|
| <i>Robinson, Diamant &amp; Wolkowitz, insolvency counsel</i>  | \$463,000                              | <i>Paid in full on the Effective Date.</i> |
| <i>Yoka &amp; Smith, LLP, Special Litigation Counsel</i>      | \$ 1,667                               | <i>Paid in full on the Effective Date.</i> |
| <i>White, Zuckerman, Warsawsky, Luna &amp; Wolf</i>           | \$104,957                              | <i>Paid in full on the Effective Date.</i> |
| <i>Aaron Wright, Inc., Real Estate Appraisers</i>             | \$ 0                                   | <i>Paid in full on the Effective Date.</i> |
| <i>Goshgarian &amp; Marshall as Special Insurance Counsel</i> | \$232,000                              | <i>Paid in full on the Effective Date.</i> |
| <i>David Taubman &amp; Associates, Engineer</i>               | \$ 0                                   | <i>Paid in full on the Effective Date.</i> |
| <i>Clerk's Office Fees</i>                                    | \$ 2,500                               | <i>Paid in full on the Effective Date.</i> |
| <i>Office of the U.S. Trustee Fees</i>                        | \$ 7,500                               | <i>Paid in full on the Effective Date.</i> |
| <b>TOTAL</b>  | <b>\$811,624</b>                       |  |

**ISKCON SoCaL**

| <u><b>Name</b></u>  | <u><b>Amount Owed<sup>4/</sup></b></u> | <u><b>Treatment</b></u>                    |
|---|--|--|
| <i>Robinson, Diamant &amp; Wolkowitz, insolvency counsel</i>  | \$313,000                              | <i>Paid in full on the Effective Date.</i> |
| <i>Yoka &amp; Smith, LLP, Special Litigation Counsel</i>      | \$ 1,677                               | <i>Paid in full on the Effective Date.</i> |
| <i>White, Zuckerman, Warsawsky, Luna &amp; Wolf</i>           | \$ 84,957                              | <i>Paid in full on the Effective Date.</i> |
| <i>Aaron Wright, Inc., Real Estate Appraisers</i>             | \$ 8,250                               | <i>Paid in full on the Effective Date.</i> |
| <i>Goshgarian &amp; Marshall as Special Insurance Counsel</i> | \$232,000                              | <i>Paid in full on the Effective Date.</i> |
| <i>David Taubman &amp; Associates, Engineer</i>               | \$ 1,000                               | <i>Paid in full on the Effective Date.</i> |
| <i>Clerk's Office Fees</i>                                    | \$ 2,500                               | <i>Paid in full on the Effective Date.</i> |
| <i>Office of the U.S. Trustee Fees</i>                        | \$ 7,500                               | <i>Paid in full on the Effective Date.</i> |
| <b>TOTAL</b>  | <b>\$649,984</b>                       |  |

---

<sup>3</sup> These are merely estimates of amounts remaining unpaid and do not represent the total fees incurred in the cases. In addition, the actual amounts owed may be more or less.

<sup>4</sup> These are merely estimates of amounts remaining unpaid and do not represent the total fees incurred in the cases. In addition, the actual amounts owed may be more or less.

ISKCON LA

| <u>Name</u>   | <u>Amount Owed<sup>5/</sup></u> | <u>Treatment</u>                           |
|---|---------------------------------|--|
| <i>Robinson, Diamant &amp; Wolkowitz, insolvency counsel</i>  | \$ 163,000                      | <i>Paid in full on the Effective Date.</i> |
| <i>Yoka &amp; Smith, LLP, Special Litigation Counsel</i>      | \$ 1,667                        | <i>Paid in full on the Effective Date.</i> |
| <i>White, Zuckerman, Warsavsky, Luna &amp; Wolf</i>           | \$ 84,957                       | <i>Paid in full on the Effective Date.</i> |
| <i>Aaron Wright, Inc., Real Estate Appraisers</i>             | \$ 8,250                        | <i>Paid in full on the Effective Date.</i> |
| <i>Goshgarian &amp; Marshall as Special Insurance Counsel</i> | \$ 0                            | <i>Paid in full on the Effective Date.</i> |
| <i>David Taubman &amp; Associates, Engineer</i>               | \$ 1,000                        | <i>Paid in full on the Effective Date.</i> |
| <i>Clerk's Office Fees</i>                                    | \$ 2,500                        | <i>Paid in full on the Effective Date.</i> |
| <i>Office of the U.S. Trustee Fees</i>                        | \$ 7,500                        | <i>Paid in full on the Effective Date.</i> |
| <b>TOTAL</b>  | <b>\$ 268,874</b>               |  |

ITV

| <u>Name</u>   | <u>Amount Owed<sup>6/</sup></u> | <u>Treatment</u>                           |
|---|---------------------------------|--|
| <i>Robinson, Diamant &amp; Wolkowitz, insolvency counsel</i>  | \$ 22,275                       | <i>Paid in full on the Effective Date.</i> |
| <i>Yoka &amp; Smith, LLP, Special Litigation Counsel</i>      | \$ 1,667                        | <i>Paid in full on the Effective Date.</i> |
| <i>White, Zuckerman, Warsavsky, Luna &amp; Wolf</i>           | \$ 5,000                        | <i>Paid in full on the Effective Date.</i> |
| <i>Aaron Wright, Inc., Real Estate Appraisers</i>             | \$ 0                            | <i>Paid in full on the Effective Date.</i> |
| <i>Goshgarian &amp; Marshall as Special Insurance Counsel</i> | \$ 0                            | <i>Paid in full on the Effective Date.</i> |
| <i>David Taubman &amp; Associates, Engineer</i>               | \$ 0                            | <i>Paid in full on the Effective Date.</i> |
| <i>Clerk's Office Fees</i>                                    | \$ 2,500                        | <i>Paid in full on the Effective Date.</i> |
| <i>Office of the U.S. Trustee Fees</i>                        | \$ 7,500                        | <i>Paid in full on the Effective Date.</i> |
| <b>TOTAL</b>  | <b>\$ 38,942</b>                |  |

---

<sup>5</sup> These are merely estimates of amounts remaining unpaid and do not represent the total fees incurred in the cases. In addition, the actual amounts owed may be more or less.

<sup>6</sup> These are merely estimates of amounts remaining unpaid and do not represent the total fees incurred in the cases. In addition, the actual amounts owed may be more or less.

**BBTI**

| <b><u>Name</u></b>  | <b><u>Amount Owed</u><sup>7/</sup></b> | <b><u>Treatment</u></b>                    |
|---|--|--|
| <i>Robinson, Diamant &amp; Wolkowitz, insolvency counsel</i>  | \$ 2,275                               | <i>Paid in full on the Effective Date.</i> |
| <i>Yoka &amp; Smith, LLP, Special Litigation Counsel</i>      | \$ 1,667                               | <i>Paid in full on the Effective Date.</i> |
| <i>White, Zuckerman, Warsavsky, Luna &amp; Wolf</i>           | \$ 24,956                              | <i>Paid in full on the Effective Date.</i> |
| <i>Aaron Wright, Inc., Real Estate Appraisers</i>             | \$ 0                                   | <i>Paid in full on the Effective Date.</i> |
| <i>Goshgarian &amp; Marshall as Special Insurance Counsel</i> | \$ 0                                   | <i>Paid in full on the Effective Date.</i> |
| <i>David Taubman &amp; Associates, Engineer</i>               | \$ 0                                   | <i>Paid in full on the Effective Date.</i> |
| <i>Clerk's Office Fees</i>                                    | \$ 2,500                               | <i>Paid in full on the Effective Date.</i> |
| <i>Office of the U.S. Trustee Fees</i>                        | \$ 7,500                               | <i>Paid in full on the Effective Date.</i> |
| <b>TOTAL</b>  | <b>\$ 48,898</b>                       |  |

**ISKCON SAN DIEGO**

| <b><u>Name</u></b>  | <b><u>Amount Owed</u><sup>8/</sup></b> | <b><u>Treatment</u></b>                    |
|---|--|--|
| <i>Robinson, Diamant &amp; Wolkowitz, insolvency counsel</i>  | \$ 2,275                               | <i>Paid in full on the Effective Date.</i> |
| <i>Yoka &amp; Smith, LLP, Special Litigation Counsel</i>      | \$ 1,667                               | <i>Paid in full on the Effective Date.</i> |
| <i>White, Zuckerman, Warsavsky, Luna &amp; Wolf</i>           | \$ 24,956                              | <i>Paid in full on the Effective Date.</i> |
| <i>Aaron Wright, Inc., Real Estate Appraisers</i>             | \$ 0                                   | <i>Paid in full on the Effective Date.</i> |
| <i>Goshgarian &amp; Marshall as Special Insurance Counsel</i> | \$ 0                                   | <i>Paid in full on the Effective Date.</i> |
| <i>David Taubman &amp; Associates, Engineer</i>               | \$ 0                                   | <i>Paid in full on the Effective Date.</i> |
| <i>Clerk's Office Fees</i>                                    | \$ 2,500                               | <i>Paid in full on the Effective Date.</i> |
| <i>Office of the U.S. Trustee Fees</i>                        | \$ 7,500                               | <i>Paid in full on the Effective Date.</i> |
| <b>TOTAL</b>  | <b>\$ 38,898</b>                       |  |

*The professional fees and costs set forth above represent the fees and costs incurred but not yet paid. The approved Claims of the above professionals shall be satisfied from donations placed into the Professional Fee Account already established and maintained by ISKCON CA. To the extent such fees are not timely paid from such account, each of the Debtors shall remain liable therefore.*

<sup>7</sup> These are merely estimates of amounts remaining unpaid and do not represent the total fees incurred in the cases. In addition, the actual amounts owed may be more or less.

<sup>8</sup> These are merely estimates of amounts remaining unpaid and do not represent the total fees incurred in the cases. In addition, the actual amounts owed may be more or less.

**Court Approval of Fees Required:**

The Court must approve all professional fees listed in this chart. For all fees except Clerk's Office fees and U.S. Trustee's fees, the professional in question must file and serve a properly noticed fee application by a date to be set by the Court and the Court must rule on the application. Only the amount of fees allowed by the Court will be required to be paid under this Plan.

**2. Priority Tax Claims.**

Priority Tax Claims are certain unsecured income, employment and other taxes described by Code Section 507(a)(8). The Code requires that each Holder of such a 507(a)(8) Priority Tax Claim receive the present value of such claim in deferred cash payments, over a period not exceeding six years from the date of the assessment of such tax. The following charts list all of the California Debtors' Section 507(a)(8) Priority Tax Claims and their treatment under this Plan.

**a. ISKCON CA**

The following chart lists all of ISKCON CA's § 507(a)(8) Priority Tax Claims and their treatment under ISKCON CA's Plan:

| <b>Description</b>   | <b>Amount Owed</b> | <b>Treatment</b>  |
|--|--------------------|---|
| <ul style="list-style-type: none"><li>Name = State Board of Equalization</li><li>Type of tax = Exempt Organization</li><li>Date tax assessed = Never assessed so shall use Effective Date.</li></ul> | \$6,302.00         | <ul style="list-style-type: none"><li>Pymt interval = Quarterly</li><li>Est. pymt amt/interval = \$502.14</li><li>Begin date = First full Quarter following the Effective Date on January 1, April 1, July 1 and October 1 or the first Business Day thereafter if such date is not a Business Day. Debtor may elect to satisfy the Allowed Claim in full anytime after the Effective Date without penalty.</li><li>End date = April 2011</li><li>Interest rate % = the Statutory Rate which is currently 6%.</li><li>Total Payout amount = \$12,051.36</li></ul> |

**b. ITV**

No § 507(a)(8) Priority Tax Claims exist.

**c. BBTI**

No § 507(a)(8) Priority Tax Claims exist.

**d. ISKCON SoCal**

No § 507(a)(8) Priority Tax Claims exist.

**e. ISKCON LA**

No § 507(a)(8) Priority Tax Claims exist.

**f. ISKCON San Diego**

The following chart lists all of ISKCON San Diego's § 507(a)(8) Priority Tax Claims and their treatment under ISKCON San Diego's Plan:

| <b>Description</b>   | <b>Amount Owed</b> | <b>Treatment</b>  |
|--|--------------------|---|
| <ul style="list-style-type: none"> <li>• Name = State Board of Equalization</li> <li>• Date tax assessed =</li> </ul> <p>Never assessed so shall use Effective Date.</p> | \$414.55           | Paid in full on the Effective Date or as soon thereafter as possible. |

**C. Classified Claims and Interests.**

**1. Classes Of Priority Claims.**

Certain Priority Claims that are referred to in Code Sections 507(a)(3), (4), (5), (6), and (7) are required to be placed in classes. These types of Claims are entitled to priority treatment as follows: The Code requires that each Holder of such a Claim receive Cash on the Effective Date equal to the Allowed amount of such Claim. However, a Class of unsecured Priority Claim Holders may vote to accept deferred Cash payments of a value, as of the Effective Date, equal to the Allowed amount of such Claims.

The California Debtors' 507(a)(3), (4), (5), (6), and (7) Priority Claims are as follows:

**a. ISKCON CA**

ISKCON CA believes that no section 507(a)(3), (a)(4), (a)(5), (a)(6), and (a)(7) priority unsecured claims exist.

**b. ITV**

ITV believes that no section 507(a)(3), (a)(4), (a)(5), (a)(6), and (a)(7) priority unsecured claims exist.

**c. BBTI**

BBTI believes that no section 507(a)(3), (a)(4), (a)(5), (a)(6), and (a)(7) priority unsecured claims exist.

**d. ISKCON SoCal**

The following chart lists all classes containing ISKCON SoCal's section 507(a)(3), (a)(4), (a)(5), (a)(6), and (a)(7) priority unsecured claims and their treatment.

| <b><u>CLASS #</u></b> | <b><u>DESCRIPTION</u></b>  | <b><u>IMPAIRED</u></b><br><b><u>(Y/N)</u></b> | <b><u>TREATMENT</u></b>   |
|-----------------------|--|---|---|
| 1                     | <p>Priority unsecured claims pursuant to 11 U.S.C. § 507(a)(6) - rental deposits</p> <ul style="list-style-type: none"> <li>• Total amt of claims = \$15,180.00</li> </ul> | Impaired                                      | <ul style="list-style-type: none"> <li>• The Allowed Claim in this Class shall be paid in full in Cash or as soon as practicable thereafter.</li> </ul> |

**e. ISKCON LA**

ISKCON LA believes that no section 507(a)(3), (a)(4), (a)(5), (a)(6), and (a)(7) priority unsecured claims exist.

**f. ISKCON SAN DIEGO**

ISKCON San Diego believes that no § 507(a)(3), (a)(4), (a)(5), (a)(6), and (a)(7) priority unsecured claims exist.

**2. Classes of Secured Claims.**

Secured Claims are Claims secured by liens on property of the Estate. The California Debtors own real and personal property subject to liens as identified below.

**a. ISKCON CA**

ISKCON CA does not have any secured creditors. While Capital Crossing Bank filed Secured Claims arising from three loans made by Westlake Savings & Loan Association to one of the California Debtors, the real property that secures two of these loans is owned by ISKCON SoCal and not ISKCON CA. ISKCON CA shall file objections to the Secured Claims of Capital Crossing Bank and ISKCON SoCal shall address the Secured Claims of Capital Crossing Bank. The real property that secures Loan #1210179 - 29791 is not property of the Debtors.

**b. ITV**

ITV does not have any secured creditors.

**c. BBTI**

BBTI does not have any secured creditors.

**d. ISKCON SoCal**

The following chart lists all classes containing ISKCON SoCal's secured pre-petition claims and their treatment.

| <b><u>CLASS #</u></b> | <b><u>DESCRIPTION</u></b>  | <b><u>INSIDERS</u><br/><u>(Y/N)</u></b> | <b><u>IMPAIRED</u><br/><u>(Y/N)</u></b> | <b><u>TREATMENT</u></b>   |
|-----------------------|--|---|---|---|
| 2A                    | <p>Secured claim of:</p> <ul style="list-style-type: none"> <li>• Name = Capital Crossing Bank - assignee of three (3) loans made by Westlake Savings &amp; Loan Assn. to the Debtor in 1976 and 1977.</li> <li>• Collateral description =<br/>9715 Venice Blvd., Los Angeles, CA (not owned by the Debtors)<br/>9701-9707 Venice Blvd., Los Angeles, CA<br/>3765 Watseka Avenue, Los Angeles, CA</li> <li>• Collateral value = 1,420,000<br/>9701-9707 Venice Blvd. - 920,000<br/>3765 Watseka Avenue - \$500,000</li> <li>• Priority of security int. = 1st</li> </ul> | Not Insiders                            | Impaired                                | Each holder of an Allowed Class 2A Claim shall receive on account of such Claim: (a) on the Effective Date, the lien to which the holder of such Claim is entitled remaining in place and unaltered by the Plan; (b) on the Effective Date, or as soon thereafter as practicable, except as provided in (c) below, Debtor shall cure any default under any and all loan documents and notes, and all obligations thereunder shall be deemed reinstated; and (c) on the Effective Date, any and all non-monetary defaults, including, without limitation, defaults regarding any restriction on the transfer of the collateral, shall be deemed cured or waived as of the Effective Date, and any and all attorneys' fees and costs incurred by such Claimant in |

| <u>CLASS #</u> | <u>DESCRIPTION</u>  | <u>INSIDERS</u><br>(Y/N) | <u>IMPAIRED</u><br>(Y/N) | <u>TREATMENT</u>   |
|----------------|---|--------------------------|--------------------------|--|
|                | <ul style="list-style-type: none"> <li>• Principal owed = \$25,059</li> </ul> <p>Loan #1210179-20791- secured by 9715 Venice Blvd. Property (which is not owned by the Debtors)</p> <p>Loan #1210178-20781- secured by 9701 - 9707 Venice Blvd. Property</p> <p>Loan #1210178-20782-secured by 3765 Watseka Ave Property</p> <ul style="list-style-type: none"> <li>• Pre-pet. arrearage amount = 0</li> <li>• Post-pet. arrearage amount = 0</li> </ul> <p>Total claim amount = \$25,059</p> |                          |                          | <p>connection with the chapter 11 through Confirmation shall not be cured or added to the loan balance and shall be deemed waived.</p>   |
| 2B             | <p>Secured claim of:</p> <ul style="list-style-type: none"> <li>• Name = Alliance Mortgage Company</li> <li>• Collateral description = 3748 &amp; 3752 Watseka Avenue, Los Angeles, CA</li> <li>• Collateral value = \$710,000</li> <li>• Priority of security int. = 1<sup>st</sup></li> <li>• Principal owed = \$4,502</li> <li>• Pre-pet. arrearage amount = 0</li> <li>• Post-pet. arrearage amount = 0</li> </ul> <p>Total claim amount = \$4,502</p>                                    | Not Insiders             | Impaired                 | <p>Each holder of an Allowed Class 2B claim shall receive on account of such Claim: (a) on the Effective Date, the lien to which the holder of such Claim is entitled remaining in place and unaltered by the Plan; (b) on the Effective Date, or as soon thereafter as practicable, except as provided in (c) below, Debtor shall cure any default under any and all loan documents and notes, and all obligations thereunder shall be deemed reinstated; and (c) on the Effective Date, any and all non-monetary defaults, including, without limitation, defaults regarding any restriction on the transfer of the collateral, shall be deemed cured or waived as of the Effective Date, and any and all attorneys' fees and costs incurred by such Claimant in connection with the chapter 11 through Confirmation shall not be cured or added to the loan balance and shall be deemed waived.</p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u>  | <u>INSIDERS</u><br>(Y/N) | <u>IMPAIRED</u><br>(Y/N) | <u>TREATMENT</u>  |
|----------------|---|--------------------------|--------------------------|---|
| 2C             | <p>Secured claim of:</p> <ul style="list-style-type: none"> <li>• Name = LaSalle Bank (assignee of Bank of America)</li> <li>• Collateral description = 3755 Watseka Avenue, Los Angeles, CA - AP#: 4313-015-044</li> <li>• Collateral value = \$399,133</li> <li>• Priority of security int. = 1st</li> <li>• Principal owed = approximately \$410,853</li> <li>• Pre-pet. arrearage amount = 0</li> <li>• Post-pet. arrearage amount = 0</li> </ul> <p>Total claim amount = approximately \$399,133</p> | Not Insiders             | Impaired                 | Each holder of an Allowed Class 2C claim shall receive on account of such Claim: (a) on the Effective Date, the lien to which the holder of such Claim is entitled remaining in place and unaltered by the Plan; (b) on the Effective Date, or as soon thereafter as practicable, except as provided in (c) below, Debtor shall cure any default under any and all loan documents and notes, and all obligations thereunder shall be deemed reinstated; and (c) on the Effective Date, any and all non-monetary defaults, including, without limitation, defaults regarding any restriction on the transfer of the collateral, shall be deemed cured or waived as of the Effective Date, and any and all attorneys' fees and costs incurred by such Claimant in connection with the chapter 11 through Confirmation shall not be cured or added to the loan balance and shall be deemed waived. |
| 2D             | <p>Secured claim of:</p> <ul style="list-style-type: none"> <li>• Name = Washington Mutual</li> <li>• Collateral description = 3765 Watseka Avenue, Los Angeles, CA</li> <li>• Collateral value = \$500,000</li> <li>• Priority of security int. = 2nd</li> <li>• Principal owed = \$34,733</li> <li>• Pre-pet. arrearage amount = 0</li> <li>• Post-pet. arrearage amount = 0</li> </ul> <p>Total claim amount = \$34,733</p>  | Not Insiders             | Impaired                 | Each holder of an Allowed Class 2D Claim shall receive on account of such Claim: (a) on the Effective Date, the lien to which the holder of such Claim is entitled remaining in place and unaltered by the Plan; (b) on the Effective Date, or as soon thereafter as practicable, except as provided in (c) below, Debtor shall cure any default under any and all loan documents and notes, and all obligations thereunder shall be deemed reinstated; and (c) on the Effective Date, any and all non-monetary defaults, including, without limitation, defaults regarding any restriction on the transfer of the collateral, shall be deemed cured or waived as of the Effective Date, and any and all attorneys' fees and costs incurred by such Claimant in connection with the chapter 11  |



| <u>CLASS #</u> | <u>DESCRIPTION</u> | <u>INSIDERS</u><br>(Y/N) | <u>IMPAIRED</u><br>(Y/N) | <u>TREATMENT</u>  |
|----------------|--------------------|--------------------------|--------------------------|---|
|                |                    |                          |                          | through Confirmation shall not be cured or added to the loan balance and shall be deemed waived |

**e. ISKCON LA**

ISKCON LA does not have any secured creditors.

**f. ISKCON SAN DIEGO**

ISKCON SAN DIEGO does not have any secured creditors.

**3. Classes Of General Unsecured Claims.**

General Unsecured Claims are Claims which are not secured or entitled to priority under Code Section 507(a). The following chart identifies the Plans' treatment of the classes containing all of the California Debtors' general Unsecured Claims:

| <u>CLASS #</u> | <u>DESCRIPTION</u>  | <u>IMPAIRED</u> | <u>TREATMENT</u>   |
|----------------|---|-----------------|--|
| 3              | <u>Tort Claimants Convenience Class.</u> Class 3 consists of Allowed Tort Claims that have been objected to for lack of documentary support and (a) the Claimant has failed to provide documentary support by the date on which a response to such objection is due, but (b) the Debtors have verified that the Claim is based on actual attendance at one of the Gurukuli schools. | Impaired        | <p>Allowed Claims in Class 3 shall be eligible to receive up to \$2,000 as follows:</p> <p>(1) Each Allowed Class 3 Claim shall receive a Cash payment of \$1,000 from Trust I on or as soon as practicable after the Effective Date, in full and complete satisfaction of their Claims.</p> <p>(2) Each Allowed Class 3 Claim shall receive a Cash payment of \$1,000 from Trust II on or as soon as practicable after the Effective Date provided that the Claimant executes and delivers the Release. The executed Release must be submitted with the Ballot in order for a Claimant to receive a distribution from Trust II. While an untimely Ballot will not be counted for purposes of Confirmation, Ballots and Releases received after the Ballot Date but before distributions under the Plan are completed will qualify for distribution from Trust II.</p> <p>If a Tort Claimant fails to provide prima facie support for his/her proof of Claim in response to an objection to such claim or a written request for such information by the Ballot Date, Claimant shall be deemed to be in Class 3 for voting purposes. A Tort Claimant is in Class 3 for distribution purposes upon entry of a Court order: (a) disallowing the Claim for all purposes other than treatment as a Class 3 Claim, (b) estimating the Claim at</p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u>   | <u>IMPAIRED</u> | <u>TREATMENT</u>   |
|----------------|--|-----------------|--|
|                |  |                 | <p>\$2,000 or less, or (c) deeming such Claim to be a Class 3 Claim.</p> <p>As Tort Claimants asserting Claims against any of the Debtors shall be sharing the same settlement funds and many of the Tort Claimants have filed proofs of claim in multiple Debtors' cases, each Tort Claimant shall be entitled to only a single distribution from Trust I and Trust II (if a Trust II election is made) in satisfaction of his or her Allowed Tort Claim. A Tort Claimant that has filed a proof of claim in each of the Debtors' cases shall not be entitled to twelve (12) Allowed Claims.</p>  |
| 4              | <p><u>Tort Claimants Opt-In Class.</u> This Class consists of Allowed Tort Claims as to which (a) the Debtors are able to verify that such Claim is based on actual attendance at one of the Gurukuli schools; (b) based on the Debtors' minimal review of the Claim it appears that the Claim is a bona fide Claim and the Debtors have not taken action to object to the Claim on grounds that it lacks support or is not a bona fide Tort Claim; and (c) the Claimant elects Class 4 treatment on the Ballot.</p> <p>While an untimely Ballot will not be considered for purposes of voting on the Plan, the elections made on the Ballot will be effective for distribution purposes so long as the Ballot is received before distributions under the Plan commence.</p> | Impaired        | <p>Allowed Class 4 Claims shall be eligible to receive, in full and complete satisfaction of their Claims:</p> <p>(1) From Trust I, a Cash payment in full satisfaction of their Allowed Claims, payable 90 days after the Effective Date or as soon thereafter as practicable, an equal share of \$250,000, not to exceed \$5,000 per Claimant.</p> <p>(2) Provided that such Claimant executes and delivers the Release, a Cash payment, payable 90 days after the Effective Date or as soon thereafter as practicable, an equal share of \$250,000 from Trust II, not to exceed \$5,000 per Claimant. The executed Release must be submitted along with the Ballot in order for Claimant to receive a distribution from Trust II.</p> <p>As Tort Claimants asserting Claims against any of the Debtors shall be sharing the same settlement funds and many of the Tort Claimants have filed proofs of claim in each of the Debtors' cases, each Tort Claimant shall be entitled to only a single Claim entitled to distribution from Trust I and Trust II (if a Trust II election is made) in satisfaction of its Allowed Tort Claim. A Tort Claimant that has filed a proof of claim in each of the Debtors' cases shall not be entitled to twelve (12) Allowed Claims – only one Allowed Claim.</p> |
| 5              | <p><u>Litigation/Arbitration Tort Claimants.</u> Class 5 consists of Allowed Tort Claims which do not qualify for or elect treatment under any other Class.</p> <p>While an untimely Ballot will not be considered for purposes of voting on the Plan, the elections made on the Ballot will be effective so long as the Ballot is received before distributions under the Plan commence.</p>  | Impaired        | <p>Claims in Class 5 shall be liquidated through settlement, claims estimation pursuant to 11 U.S.C. § 502(c), litigation or arbitration consistent with the Tort Claim Determination Procedures set forth in Article III, Section D.13 of the Plan.</p> <p>Each Holder of an Allowed Class 5 Claim shall be eligible to receive distributions as described in (1), (2) and (3) below, subject to the remaining provisions of the Plan, in full and complete satisfaction of their Claims:</p> <p>(1) Each Allowed Class 5 Claim Holder shall receive a Pro Rata share of Trust I remaining after payment of</p>   |

| <u>CLASS #</u> | <u>DESCRIPTION</u> | <u>IMPAIRED</u> | <u>TREATMENT</u>   |
|----------------|--------------------|-----------------|--|
|                |                    |                 | <p><i>Reorganization Trustee Fees and all distributions to Holders of Claims in Classes 3 and 4, based on the total Allowed Claims in Classes 5 and 5A (“Class 5 Trust I Distributions”), payable as provided below.</i></p> <p><i>With respect to distributions from Trust I, the Debtors shall execute and deliver to Trust I a separate conditional note for the benefit of Class 5 Claimants equal to the Class 5 Claimants’ share of Trust I.</i></p> <p><i>With respect to distribution from Trust II, the Debtors shall execute and deliver to Trust II a separate conditional note for the benefit of Allowed Class 5 Claimants equal to the Class 5 Claimants’ share of the first \$2 Million of Trust II distributions.</i></p> <p><i>(2) Provided that an Allowed Class 5 Claim Holder executes and delivers the Release, such Claimant shall receive a Pro Rata distribution of the proceeds of Trust II remaining after payment of Reorganization Trustee Fees and any amounts transferable to Trust I under the Plan, and distribution to Classes 3, 4, 6 and 7, based on the total Allowed Claims in Classes 5 and 5A whose Holders have executed and delivered the Release (“Class 5 Trust II Distributions”), payable as provided below.</i></p> <p><i>To receive the Class 5 Trust II Distribution, Class 5 Claimants must make an election on the Ballot, or an Amended Ballot, providing for such Release and execute and deliver the Release. The executed Release must be submitted along with the Ballot, or an Amended Ballot, before distributions under the Plan to Class 5 commence, in order for Claimant to receive a Class 5 Trust II Distribution.</i></p> <p><i>The right of Trust II to receive contributions sufficient to make Class 5 distributions shall be secured by the Trust II Trust Deed.</i></p> <p><i>(3) <u>Timing of Distribution of Insurance Action Proceeds and Insurance Proceeds.</u></i></p> <p><i>Each Holder of an Allowed Class 5 Claim entitled to distribution of Insurance Action Proceeds from Trust I and Insurance Proceeds from Trust I shall receive a Pro Rata share, based on aggregate Class 5 and Class 5A Claims, of the aggregate amount of any funds from the proceeds of Trust I to be paid on the later of (a) the Effective Date; (b) ninety days after receipt of proceeds pursuant to a Final Order on the Insurance Carrier Action or receipt of proceeds from Settling Insurers; or (c) the first date on which the Court has entered an order</i></p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u> | <u>IMPAIRED</u> | <u>TREATMENT</u>   |
|----------------|--------------------|-----------------|--|
|                |                    |                 | <p><i>Allowing or estimating for purposes of allowance and distribution each and every Claim in Classes 5 and 5A.</i></p> <p><i>The Reorganization Trustee may establish a reserve for any Insurance Proceeds in Trust I which remain subject to dispute as to the right of Trust I to retain the funds, and the funds so reserved shall be deemed not to be available for distribution.</i></p> <p><i>(4) <u>Timing of Distributions (Other Than Insurance Proceeds and Insurance Action Proceeds).</u></i></p> <p><i>Class 5 Trust I and Trust II Distributions (other than Insurance Proceeds and Insurance Action Proceeds) shall be made in fourteen (14) biannual installments on September 30 and April 30 (or the first Business Day thereafter) commencing on the first such date which is at least 90 days following the later of the Effective Date or entry of an order of the Court allowing, estimating or fixing for purposes of distribution each and every Claim in Classes 3, 4, 5, 5A, 6 and 7, and continuing on each such date thereafter, provided that there are sufficient funds available on such dates to make such payments after allowing for distributions to other classes.</i></p> <p><i>Provided that there are sufficient funds available to make such payments after allowing for distributions to other classes, each biannual installment shall be in the amount required so that, on a cumulative basis, each of the distributions to date is equal to at least 5% of the aggregate amount of distributions to which the Holder of such Claim would be entitled collectively from the Trust I Minimum Fund and from Trust II based on the aggregate amounts of (i) anticipated funds available for, and (ii) Allowed Claims eligible for, Class 5 Trust I and Trust II Distributions as of a date thirty (30) days prior to the distribution date. The final installment shall be in the amount of the balance payable on each Class 5 Claim from Trust I (other than Insurance Proceeds and Insurance Action Proceeds) and from Trust II under the Plan. (By way of illustration, if all Class 5 Claims were Allowed prior to the first installment and received 13 installments in the amount of 5% of their Pro Rata share of the Trust I Minimum Fund and Trust II, the 14th and final installment would be equal to 35% of such Pro Rata share (plus any additional funds in Trust I, such as recovery on Rights of Action, other than Insurance Proceeds and Insurance Action Proceeds). However, if sufficient funds to make one or more biannual distributions to Class 5 are not available after making distributions to other classes, those biannual distributions to Class 5 would be deferred until sufficient</i></p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u> | <u>IMPAIRED</u> | <u>TREATMENT</u>   |
|----------------|--------------------|-----------------|--|
|                |                    |                 | <p><i>funds were available. When sufficient funds are available, the biannual distributions will be caught up and maintained on a cumulative 5% basis. Each installment will be payable first from funds available therefor in Trust I (other than Insurance Proceeds and Insurance Action Proceeds), and then from Funds available in Trust II.)</i></p> <p><i>(5) Each biannual installment payable to a Class 5 or Class 5A Claimant will be calculated based on the aggregate distribution such Claimant would receive as a Pro Rata share of all Class 5 and Class 5A Claims as Allowed or reserved for Allowance as of a date 30 days prior to the date of such distribution (the "Determination Date"). In the event that the anticipated amount available for distribution or the Allowed or reserved amount of total Class 5 or Class 5A Claims changes prior to the next Determination Date (as a result of, for example, reconsideration of an estimated Claim or disallowance of a reserved Claim), the amount of the next installment will be (i) adjusted to reflect the revised Pro Rata distribution amount, and (ii) reduced or increased to reflect any excess or underpayment in any prior installment. In no event shall any installment be reduced to less than zero (i.e., no repayments will be required), so that any Claim as to which insufficient funds remain to adjust to 100% of the calculated distributable amount shall receive only the amount available Pro Rata based on the adjustment provided herein.</i></p> <p><i>(6) A determination of Class 5 Claims shall include a determination whether the Claim is barred by the applicable statute of limitations, and issues respecting applicable choice of law.</i></p> <p><i>If a Class 5 Claim is disallowed because it is barred by the statute of limitations, such Claimant shall be treated as a Class 6 Claimant if it has executed and delivered the Release. The statute of limitations will not be asserted against any Holder of a Tort Claim, which is a Resolved Claim, and who is a Gurukuli.</i></p> <p><i>Class 5 Claims as to which a proof of claim has been filed on or before the Effective Date will be deemed timely filed, notwithstanding that they were filed after the Bar Date, if the Holder of such Claim is a Settling Tort Claimant who has executed and delivered the Release, and is not a Plaintiff Tort Claimant.</i></p> <p><i>Class 5 Tort Claimants filing identical Claims in more than one of the Debtors' cases shall be entitled to only a single Claim entitled to distribution from Trust I and</i></p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u>   | <u>IMPAIRED</u> | <u>TREATMENT</u>  |
|----------------|--|-----------------|---|
|                |  |                 | <i>Trust II (if the Release is executed and delivered) in satisfaction of each Claimant's Allowed Tort Claim.</i>   |
| 5A             | <i>Plaintiff Tort Claimants. Class 5A consists of the Plaintiff Tort Claimants electing treatment under Class 5A and accepting the Plan on the Ballot.</i> | <i>Impaired</i> | <p><i>To qualify for Treatment in Class 5A, Plaintiff Tort Claimants must: (a) elect treatment under Class 5A on the Ballot; (b) accept the Plans on the Ballot; (c) agree that by doing so they irrevocably consent to be a Settling Tort Claimant and agree to the Releases set forth in the Plan; (d) execute and deliver the Release; and (e) waive and set aside any and all default judgments against the Debtors and take any and all action reasonably necessary to accomplish the foregoing.</i></p> <p><i>Class 5A Claimants shall receive distributions as described in (1), (2), (3) and (4) below, subject to the remaining provisions of the Plan, in full and complete satisfaction of their Claims:</i></p> <p><i>(1) Each Class 5A Claim Holder shall receive a Pro Rata share, based on the Claims Matrix and total Allowed Claims in Classes 5 and 5A, of Trust I remaining after payment of Reorganization Trustee Fees and all distributions to Holders of Claims in Classes 3 and 4 ("Class 5A Trust I Distributions"), payable as provided below.</i></p> <p><i>With respect to distributions from Trust I, the Debtors shall execute and deliver to Trust I the Trust I PTC Note and the Trust II PTC Note.</i></p> <p><i>(2) Each Class 5A Claim Holder will receive a Pro Rata share, based on the Claims Matrix and the aggregate amount of all Class 5A Claims and Class 5 Claims executing and delivering the Release, of the proceeds of Trust II remaining after payment of Reorganization Trustee Fees and any amounts transferrable to Trust I under the Plan and all distributions to Holders of Claims in Classes 3, 4, 6 and 7 ("Class 5A Trust II Distributions"), payable as provided below.</i></p> <p><i>The right of Trust II to receive contributions sufficient to make Class 5A distributions shall be secured by the Trust II PTC Guaranty and the Trust II PTC Collateral.</i></p> <p><i>(3) In addition, Holders of Allowed Class 5A Claims shall be entitled to receive the proceeds of Trust III remaining after payment of Reorganization Trustee Fees, Pro Rata, based on the total Class 5A Claims, or as otherwise agreed by all Class 5A Claimants.</i></p> <p><i>(4) <u>Timing of Distribution of Insurance Action</u></i></p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u> | <u>IMPAIRED</u> | <u>TREATMENT</u>  |
|----------------|--------------------|-----------------|---|
|                |                    |                 | <p><u>Proceeds and Insurance Proceeds.</u></p> <p><i>Each Holder of an Allowed Class 5A Claim entitled to distribution of Insurance Action Proceeds and Insurance Proceeds shall receive the Pro Rata share of the proceeds of Trust I and Trust III to which they are entitled on the later of the (a) Effective Date, (b) ninety days after receipt of proceeds pursuant to a Final Order in the Insurance Carrier Action or receipt of Proceeds from a Settling Insurer, or (c) the first date on which the Court has entered an order Allowing or estimating for purposes of allowance and distribution each and every Claim in Classes 5 and 5A.</i></p> <p>(5) <u>Timing of Distributions (Other Than Insurance Proceeds and Insurance Action Proceeds).</u></p> <p><i>Class 5A Trust I Distributions and Class 5A Trust II Distributions (other than Insurance Proceeds and Insurance Action Proceeds) shall be made in eight (8) biannual installments on September 30 and April 30 (or the first Business Day thereafter) commencing on the first such date which is at least 90 days following the later of the Effective Date or entry of an order of the Court allowing, estimating or fixing for purposes of distribution each and every Claim in Classes 3, 4, 5, 5A, 6 and 7, and continuing on each such date thereafter.</i></p> <p><i>Each biannual installment shall be in the amount required so that, on a cumulative basis, each of the distributions to date is equal to at least 8.75% of the aggregate amount of distributions to which the Holder of such Claim would be entitled collectively from the Trust I Minimum Fund and from Trust II based on the aggregate amounts of (i) anticipated funds available for, and (ii) Allowed Claims eligible for, Class 5A Trust I and Trust II Distributions as of a date thirty (30) days prior to the distribution date ("Class 5A Minimum Distribution"); provided that the aforesaid percentage distribution of 8.75% shall be increased to a percentage increase of up to 12.5% but only to the extent that the total biannual distribution to Class 5A on such distribution date does not exceed 80% of the aggregate funds available for distribution to Class 5 and 5A on such distribution date. The final installment shall be in the amount of the balance payable on each Class 5A Claim from Trust I (other than Insurance Proceeds and Insurance Action Proceeds) and from Trust II under the Plan. (By way of illustration, if all Class 5A Claims were Allowed prior to the first installment and 80% of total funds available was sufficient to permit installment payments of 12.5%, Class 5A distributions would be completed in eight (8) biannual</i></p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u> | <u>IMPAIRED</u> | <u>TREATMENT</u>  |
|----------------|--------------------|-----------------|---|
|                |                    |                 | <p><i>installments. Alternatively, if Class 5A received 7 installments in the minimum amount of 8.75% of their Pro Rata share of the Trust I Minimum Fund and Trust II, the 8th and final installment would be equal to 38.75% of such Pro Rata share (plus any additional funds in Trust I, such as recovery on Rights of Action, other than Insurance Proceeds and Insurance Action Proceeds). Each installment will be payable first from funds available therefor in Trust I (other than Insurance Proceeds and Insurance Action Proceeds), and then from Funds available in Trust II.) In the event of the failure of Trust I or Trust II to receive sufficient deposits to make a Class 5A Trust I Distribution or Class 5A Trust II Distribution by the conclusion of the first 60 day grace period applicable to such payment, then such 5A Claimants shall be entitled to receive as a late charge an additional payment from Trust II in an amount equal to 1.5% of such late payment, payable as part of the cure of such default.</i></p> <p><i>(6) Each biannual installment payable to a Class 5 or Class 5A Claimant will be calculated based on the aggregate distribution such Claimant would receive as a Pro Rata share of all Class 5 and Class 5A Claims as Allowed or reserved for Allowance as of the Determination Date. In the event that the anticipated amount available for distribution or the Allowed or reserved amount of total Class 5 or Class 5A Claims changes prior to the next Determination Date (as a result of, for example, reconsideration of an estimated Claim or disallowance of a reserved Claim), the amount of the next installment will be (i) adjusted to reflect the revised Pro Rata distribution amount, and (ii) reduced or increased to reflect any excess or underpayment in any prior installment. In no event shall any installment be reduced to less than zero (i.e., no repayments will be required), so that any Claim as to which insufficient funds remain to adjust to 100% of the calculated distributable amount shall receive only the amount available Pro Rata based on the adjustment provided herein.</i></p> <p><i>(7) Solely for purposes of the Bankruptcy Cases and distributions from the Trusts, the Debtors will not assert objections to Class 5A Claims deemed to be Settling Tort Claimants on the basis of the statute of limitations or on the basis that the Claims were filed after the bar date in West Virginia.</i></p> <p><i>Class 5A Claimants deemed to be a Settling Tort Claimant shall be allocated a 25% increase in the total amount of points to which they are otherwise entitled</i></p> |



| <u>CLASS #</u> | <u>DESCRIPTION</u>  | <u>IMPAIRED</u> | <u>TREATMENT</u>   |
|----------------|---|-----------------|--|
|                |   |                 | <p>pursuant to the Claims Matrix. For example, if a Tort Claimant would be determined to be a 100 point Claimant, a similar Class 5A Claimant will receive 125 points.</p> <p>(8) Provided that seventy percent (70%) of the Plaintiff Tort Claimants elect Class 5A treatment, vote in favor of the Plan and do not contest confirmation, the Debtors will stipulate, subject to application and Court approval pursuant to 11 U.S.C. § 503(b)(4), to payment of the Plaintiff Tort Claimants' Allowed Bankruptcy fees and expenses on the basis of substantial contribution to the Estates, not to exceed \$250,000; provided that the Plaintiff Tort Claimants and their counsel waive any additional claims for substantial contribution.</p>                |
| 6              | <p><u>Tort Claimants Barred By Statute of Limitations.</u> Class 6 consists of Tort Claims electing the Release which would qualify for Class 4 or Class 5 except that such Claims have been determined to be barred by the statute of limitations. In the event a Claimant elects to have its Claim determined in Class 5 other than as a Resolved Claim, the determination of the Claim shall include a determination as to whether the Claim is barred by the applicable statute of limitations. In the event the Bankruptcy Court, District Court or Arbitration Panel enters an order determining that any particular Claim is barred by the statute of limitations, such Claim shall not be an Allowed Claim but shall nevertheless be treated in this Class.</p> | Impaired        | <p>Class 6 Claimants shall be entitled to receive a Cash payment of \$500 from Trust II, 90 days after Final Order denying their claims, provided that such Claimant executes and delivers the Release.</p> <p>To receive the Trust II distribution, Class 6 Claimants must make an election on the Ballot providing for such a release and execute and deliver the Release. The executed Release must be submitted along with the Ballot in order for Claimant to receive a distribution from Trust II. Class 6 Tort Claimants filing identical Claims in more than one of the Debtors' cases shall be entitled to a single distribution from Trust II (if the Release is executed and delivered) in satisfaction of any and all of such Claimant's Claims.</p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u>   | <u>IMPAIRED</u> | <u>TREATMENT</u>   |
|----------------|--|-----------------|--|
| 7              | <p><u>Unknown Tort Claims or Late Filed Tort Claims.</u> Class 7 consists of Tort Claims electing the Release which would qualify for Class 4 or Class 5 except that such Claim has been disallowed because a proof of claim was not filed or was filed after the Effective Date but before the last distribution is made under the Plan. Class 7 Claims shall not be Allowed Claims but shall nevertheless be treated in this Class.</p>  | Impaired        | <p>Claimants in Class 7 shall be entitled to a Cash payment of \$2,000 from Trust II 90 days after the Effective Date, provided that such Claimant executes and delivers the Release.</p> <p>To receive the Trust II distribution, Class 7 Claimants must make an election on the Ballot providing for such a release and requesting the additional distribution. The executed Release must be submitted along with the Ballot in order for Claimant to receive a distribution from Trust II. To the extent Claimant does not receive a Ballot or fails to submit a timely Ballot and Release, such documents may be obtained from Debtors' counsel and submitted after the Effective Date but before all distributions commence under the Plan.</p>   |
| 8              | <p><u>General Unsecured Trade Claims.</u> Class 8 consists of Allowed Unsecured Claims that are not Tort Claims.</p> <p><b>ISKCON CA:</b> Total amount of such Claims filed and scheduled = \$1,356,506.16. ISKCON CA believes the Allowed Class 8 Claims will total approximately \$90,000.</p> <p><b>ITV:</b> Total amount of such Claims filed and scheduled = \$32,409. ITV believes the Allowed Class 8 Claims will total approximately \$16,460.</p> <p><b>BBTI:</b> Total amount of such Claims filed and scheduled = approximately \$329,530.04 including, without limitation, the disputed claim of Coudert Bros. BBTI believes the Allowed Class 8 Claims will total approximately \$96,000.</p> | Impaired        | <p>Allowed Claims in Class 8 shall receive the amount stated below on account of their Allowed Claim, without interest, on the later of the Effective Date or the date the Claim is Allowed.</p> <ul style="list-style-type: none"> <li>• Pymt. interval = One</li> <li>• Begin date = Effective Date or date of estimation or allowance</li> <li>• End date = Approximately 2005</li> <li>• Interest Rate = 0%</li> <li>• Total payout = (See below)</li> </ul> <p><b>ISKCON CA:</b> Allowed Claims in Class 8 against ISKCON CA shall receive fifty percent (50%) of their Allowed Claims.</p> <p><b>ITV:</b> Allowed Claims in Class 8 against ITV shall receive fifty percent (50%) of their Allowed Claims.</p> <p><b>BBTI:</b> Allowed Claims in Class 8 against BBTI shall receive fifty percent (50%) of their Allowed Claims.</p> |

| <u>CLASS #</u> | <u>DESCRIPTION</u>  | <u>IMPAIRED</u> | <u>TREATMENT</u>   |
|----------------|---|-----------------|--|
|                | <p><b><u>ISKCON SoCal:</u></b> Total amount of such Claims filed and scheduled = approximately \$29,909. ISKCON SoCaL believes the Allowed Class 8 Claims will total approximately \$16,460.00.</p> <p><b><u>ISKCON LA:</u></b> Total amount of such Claims filed and scheduled = approximately \$15,949. ISKCON LA believes that the Allowed Class 8 Claims will total \$0.</p> <p><b><u>ISKCON SAN DIEGO:</u></b> Total amount of such Claims filed and scheduled = approximately \$11,961.94. ISKCON SAN DIEGO believes the Allowed Class 8 Claims will total approximately \$9,159.</p> |                 | <p><b><u>ISKCON SoCal:</u></b> Allowed Claims in Class 8 against ISKCON SoCal shall receive fifty percent (50%) of their Allowed Claims.</p> <p><b><u>ISKCON LA:</u></b> Allowed Claims in Class 8 against ISKCON LA shall receive fifty percent (50%) of their Allowed Claims.</p> <p><b><u>ISKCON SAN DIEGO:</u></b> Allowed Claims in Class 8 against ISKCON SAN DIEGO shall receive fifty percent (50%) of their Allowed Claims.</p> |

**4. Class(es) Of Interest Holders.**

Interest Holders are the parties who hold ownership interest (i.e., equity interest) in the debtor. If the debtor is a corporation, entities holding preferred or common stock in the debtor are interest holders. If the debtor is a partnership, the interest holders include both general and limited partners. If the debtor is an individual, the debtor is the interest holder. As the California Debtors are a non-profit religious organizations, the California Debtors do not have any interest holders.

**D. Means Of Performing The Plan.**

**1. Funding For The Plan.**

Trust I and Trust II will be established on or as soon as practicable after the Effective Date to make distributions to Holders of Class 3, 4, 5, 5A, 6 and 7 Claims. Trust III will be established on or as soon as practicable after the Effective Date to fund distributions to holders of Class 5A Claims entitled thereto as more specifically described in the treatment of Class 5A Claims. The Holders of Allowed Claims in Classes entitled to distribution from a Trust shall be the beneficiaries of such Trust, and on the Effective Date shall have no claims against, or recourse to, the Debtors and Reorganized Debtors. Except as provided above, the California Debtors will directly make all other distributions to be made directly by them under each of their Plans, except for professional fees to the extent such fees are paid from the Professional Fee Account. The Plans will be funded by the following:

**a. Donations.** The Debtors shall solicit donations specifically for Trust I. The Debtors will also coordinate with Non-Debtor Defendant Participants and Non-Debtor Interested Parties to facilitate contributions to fund Trust II.

**b. Initial Funding.**

1. On the Effective Date, the Debtors shall deposit into Trust I the sum of \$500,000 from proceeds of settlement of Alter Ego Claims, contributed by the Non-Debtor Defendant Participants and Non-Debtor Interested Parties;

2. On the Effective Date, the Debtors shall deposit, or cause to be deposited, into Trust II the sum of \$500,000 contributed by the Non-Debtor Defendant Participants and Non-Debtor Interested Parties;

3. On the Effective Date, the Debtors shall deposit, or cause to be deposited, into the Professional Fee Account an amount necessary to satisfy all unpaid accrued and estimated professional fees of the Debtors in full; and

4. On the Effective Date, there shall be on deposit in each of the Debtors' general accounts sufficient funds to satisfy any and all payments required to be made under the Plans of each of the Debtors on, or as of, the Effective Date other than for professional fees or payments to the Tort Claimants.

**c. Alter Ego Claims/Third Party Contribution.** The Plans shall settle any and all Alter Ego Claims that may exist for \$1 million.

**d. Contributions From Non-Debtor Interested Parties.** Funds resulting from contributions made by Non-Debtor Interested Parties, other than in connection with Alter Ego Claims, shall be placed in Trust II for distribution only to those Claimants in Classes 3, 4, 5, 5A, 6 and 7 electing such a distribution in exchange for executing the Release, subject to rights of Trust I.

**e. Insurance Action Proceeds/Insurance Proceeds.** Insurance Action Proceeds and Insurance Proceeds shall be placed into Trust I and Trust III, as more specifically provided herein.

**f. Other Funds.** Funds from Rights of Action, 50% of the recovery from BBTI's action against Coudert Brothers for malpractice, if any (less any and all amounts which the Coudert Brothers are entitled to receive as distribution pursuant to the Plans), shall be placed in Trust I to the extent such funds exceed the funds necessary for BBTI to satisfy Administrative Claims and Priority Claims under its Plan.

**g. Business and Operations.** Funds from the operation of each of the Debtors' businesses, after payment of ongoing operating costs including appropriate reserves, may be used to fund Trust I to the extent that such funds are not necessary for religious purposes, operating expenses or to make distributions under such Debtor's Plan to satisfy Claims other than Tort Claims.

**2. Trust I.**

Trust I will be a trust established by the Reorganized Debtors. Trust I will be funded by: (1) Contributions from the Debtors, Non-Debtor Defendant Participants or Non-Debtor Interested Parties, in the amount of \$2,000,000; (2) to the extent necessary, contribution from Trust II in an amount which, together with the aforesaid \$2,000,000, will equal the sum of (a) the combined Liquidation Value of the Liquidation Value Entities, and (b) the aggregate amount of the fees and costs charged by the Reorganization Trustee; (3) thirty-five percent (35%) of any Insurance Proceeds; (4) thirty-five percent (35%) of Insurance Action Proceeds remaining after any reimbursement to Trust I of any amounts expended by Trust I in the Insurance Carrier Action; (5) \$1,000,000 from the settlement of Alter Ego Claims; and (6) proceeds from other Rights of Action (remaining after payment of Administrative and Priority Claims, to the extent such proceeds are used to pay such Claims). The \$3,000,000 Trust I Minimum Fund, including the aforesaid \$2,000,000 in contributions and the \$1,000,000 in proceeds of settlements of the Alter Ego Claims, will be funded from (a) the initial Cash of \$500,000, and (b) donations funded from the Effective Date through December 31, 2011, and backed by a conditional note for \$2,500,000, executed by, and enforceable against, the Debtors only on default (and after any applicable notice period pursuant to the Plans and Trust agreements) to Trust I. The Reorganization Trustee Fees with respect to administration of Trust I will be paid from funds of Trust I.

**3. Trust II.**

*Trust II shall be funded by contributions from Non-Debtor Interested Parties and Non-Debtor Defendant Participants. Trust II shall only fund distributions to those Tort Claimants executing and delivering the Release and electing to release the Non-Debtor Interested Parties and Non-Debtor Defendant Participants on the Ballot subject to the contingent right of contribution from Trust II to Trust I. Trust II will be a trust established by the Debtors and managed by the Reorganization Trustee and funded by contributions from Non-Debtor Defendant Interested Parties and Non-Debtor Defendant Participants in the amount of \$6,500,000 by December 31, 2011 (plus any applicable grace period).*

*Trust II will be funded in the total amount of \$6,500,000 from (a) the initial Cash of \$500,000, and (b) an additional \$6,000,000 from donations funded from the Effective Date through December 31, 2011 (plus any applicable notice period). \$4,000,000 will be guaranteed by one or more entities pursuant to non-recourse guaranties enforceable only against real property collateral specifically granted as security, having a fair market value as of the Effective Date of at least \$4,000,000. The first \$2,000,000 of Trust II distributions shall also be backed by a conditional note for \$2,000,000, executed by, and enforceable against, the Debtors only on default (and after any applicable notice period pursuant to the Plans and Trust Agreements). Once \$2,000,000 has been deposited into Trust II, this conditional note shall be deemed satisfied. The Reorganization Trustee Fees with respect to administration of Trust II will be paid from funds of Trust II.*

**4. Trust III**

*Trust III will be a trust established by ISKCON CA, ISKCON SoCal and ISKCON San Diego. Sixty-five percent (65%) of Insurance Proceeds and sixty-five percent (65%) of Insurance Action Proceeds remaining after any reimbursement to Trust I of any amounts expended by Trust I in the Insurance Carrier Action shall be deposited in Trust III. The Reorganization Trustee may take appropriate action to cause the Insurance Action Proceeds and Insurance Proceeds to be deposited into Trust III to the extent provided under the Plans. In the event that there are no Class 5A Claimants, then to the extent proceeds are held in Trust III, such unused proceeds will be distributed to Trust I. The Reorganization Trustee Fees with respect to administration of Trust III will be paid from funds of Trust III.*

**5. Post-Confirmation Management.**

*Post-Confirmation Management shall be identical to the management in place prior to and during each of the California Debtors' Bankruptcy Case, and may be changed from time to time pursuant to the California Debtors' usual procedures.*

**6. Disbursing Agent.**

*Each of the Reorganized California Debtors shall act as the Disbursing Agent for their respective Reorganized Estates for the purpose of making all distributions to be made directly by them under each of the California Debtors' Plans. The Disbursing Agent shall serve without bond and shall receive no compensation for distribution services rendered and expenses incurred pursuant to the Plans. The Reorganization Trustee shall act as Disbursing Agent for purposes of making all distributions by the Trusts. All funds used to make distributions under the Plans including, but not limited to, the funds in the Trusts shall be maintained in segregated interest-bearing accounts.*

**7. Litigation.**

*The Reorganized Debtors shall pursue Rights of Action, the Insurance Carrier Action (subject to the funding provisions of the Plans), any and all preference actions and fraudulent transfer actions that may exist, claims litigation and estimation, the malpractice claim against Coudert Brothers for the benefit of each of the Debtors' Estates, and, to the extent necessary, the Court Actions for purposes of liquidating the claims of the Plaintiff Tort Claimants. Except as otherwise provided in this Plan, the Debtors may settle such actions following the Effective Date without further notice or hearing. The Insurance Carrier Action may be settled by the Debtors only after 14 days written notice to the Plaintiff Tort Claimants, provided that the Debtors do not receive a written objection to such settlement. In the event the Plaintiff Tort Claimants serve a written objection within 14 days of such notice then the Debtors may consummate such settlement with Court approval after a hearing on not less than 24 days notice (inclusive of the 14 days specified above). The Court shall apply the general standards for approving a compromise by a Debtor-in-Possession or Trustee.*

Notwithstanding the foregoing, once (a) the Debtors have expended the \$500,000 limit on funding of the Insurance Carrier Action, (b) have made the full Insurance Loan, (c) Trust I has paid \$100,000 of fees and costs in pursuit of the Insurance Carrier Action from the proceeds of Trust I, and (d) the Plaintiff Tort Claimants have elected to and commenced funding the Insurance Carrier Action, then the Plaintiff Tort Claimants shall have the right to settle the Insurance Carrier Action after 14 days written notice to the Debtors and the Reorganization Trustee, provided that the Plaintiff Tort Claimants do not receive a written objection to such settlement. In the event the Debtors or Reorganization Trustee serve a written objection within 14 days of such notice, the Plaintiff Tort Claimants may settle with Court approval after a hearing on not less than 24 days notice (inclusive of the 14 days specified above). The Court shall apply the general standards for approving a compromise by a Trustee.

**8. Post-Confirmation Business Operations.**

The Debtors have the right to continue each of their business operations post-petition.

**9. Claims Determination**

The fees and costs for litigation and estimation of Claims shall be funded by the Debtors, Non-Debtor Defendant Participants and Non-Debtor Interested Parties, and no funds of the Trusts shall be used for such purpose.

**10. Trust Default Rights Respecting Class 5 Claimants**

The Trusts will be funded following the Effective Date in the manner prescribed by the Plans and shall make distributions to Tort Claimants as set forth in the Plans. The Debtors will execute and deliver to the Reorganization Trustee two conditional notes in the aggregate face amount of up to \$4.5 million (the actual maximum amount payable under the Note to be \$4.5 million less the distributive share of that amount to which Class 5A Claimants are entitled from Trust I and Trust II), without interest. The conditional note for Trust I may be enforced against the Debtors by the Reorganization Trustee only in the event that Trust I does not receive aggregate total contributions equal to the Trust I Minimum Fund by December 31, 2011. The conditional note for Trust II may be enforced against the Debtors by the Reorganization Trustee only in the event that Trust II does not receive aggregate total contributions of at least \$2 million by December 31, 2011. The Debtors and Reorganized Debtors shall be given written notice of any such default and shall have 90 days grace period from receipt of written notice to cure any defaults. Thereafter, the Reorganization Trustee shall give the Debtors and Reorganized Debtors an additional 30 days written notice of such defaults, and no default remedies may be exercised until the expiration of the 30 days from receipt of such notice provided the Debtors fail to cure said default.

The Class 5 distributive share of the \$4,000,000 balance of contributions due to Trust II (such distributive share being the \$4,000,000 less the portion of that amount to which Class 5A Claimants are entitled) shall be secured by one or more parcels of real property, owned by one or more non-debtor entities, pursuant to a standard deed of trust (collectively "Trust II Trust Deed"), whereby Trust II shall hold the beneficial interest. The Reorganization Trustee may enforce Trust II's rights under the Trust II Trust Deed only in the event that the sum of \$6,000,000 (as adjusted by Class 5A entitlement) (excluding the \$500,000 initial Cash deposit on the Effective Date) has not been paid by December 31, 2011. In such event, the Reorganization Trustee shall provide 90 days written notice of such default (specifying the unpaid balance) to (a) the Debtors, (b) the Reorganized Debtors and (c) each of the title holders of the collateral and the non-recourse guarantors. If the unpaid balance (without interest) is not delivered to Trust II by the first Business Day following the 90th day of delivery of such written notice, the Reorganization Trustee shall provide an additional 30 days written notice to the same parties. If the default is not cured within such additional 30 day period, the Reorganization Trustee may proceed to foreclosure on the collateral pursuant to the terms of the Trust II Trust Deed and applicable non-bankruptcy law. Trust II's only right shall be to foreclose on the collateral. There shall be no recourse against anyone, including without limitation, the non-recourse guarantors, Debtors, Reorganized Debtors, Non-Debtor Interested Parties or Non-Debtor Defendant Participants for the unpaid balance due to Trust II or any deficiency whatsoever. To the extent that one or more parcels constituting collateral are also covered by the Trust II Trust Deed, the lien of the Trust II Trust Deed shall be subordinate to the lien covering Trust II PTC Collateral and rights thereof.

**11. Class 5A Special Provisions/Trust Default Rights Class 5A Claimants.**

**a. Trust I**

After the Effective Date and as soon thereafter as practicable, the Debtors will execute and deliver to the Reorganization Trustee a separate conditional note in the face amount equal to the aggregate amount to which the Class 5A beneficiaries of Trust I

are entitled to receive from Trust I ("Trust I PTC Note"). The Debtors will maintain an aggregate collateral value equal to the balance due under the Trust I PTC Note, plus 10%.

The only events of default under the Trust I PTC Note shall be failure of Trust I to receive deposits in an amount sufficient to make the portion of the Class 5A Minimum Distribution payable from the Trust I Minimum Fund. The Debtors and Reorganized Debtors shall be given written notice of such default and shall have 60 days grace period from receipt of written notice to cure any defaults. Thereafter, the Reorganization Trustee shall give the Debtors and Reorganized Debtors an additional 30 days written notice of such defaults, and no default remedies may be exercised until the expiration of the 30 days from receipt of such notice provided the Debtors fail to cure said default, including payment of any late fees.

**b. Trust II**

After the Effective Date and as soon thereafter as practicable, the Debtors will execute and deliver to the Reorganization Trustee a separate conditional note in the face amount equal to the aggregate amount to which the Class 5A beneficiaries of Trust II are entitled to receive from the first \$2,000,000 of contributions to Trust II ("Trust II PTC Note"). The only event of default under the Trust II PTC Note shall be failure of the Trust to receive deposits in an amount sufficient to make the portion of the Class 5A Minimum Distribution payable from the first \$2,000,000 of Trust II deposits to which they are entitled from the first \$2,000,000 of contributions into Trust II. On the Effective Date or as soon thereafter as practicable, Trust II shall receive one or more conditional, non-recourse guaranties by Non-Debtors ("Trust II PTC Guaranty"), collateralized by a first priority security interest in one or more parcels of real property owned by Non-Debtors ("Trust II PTC Collateral"). The Trust II PTC Collateral held by Trust II for the benefit of the Class 5A Claimants shall have an aggregate value equal to the balance of the Class 5A distributive share payable from Trust II, such balance being the aggregate amount to which the Class 5A beneficiaries of Trust II are entitled to receive from Trust II other than from the first \$2,000,000 in Trust II contributions, plus 10% of such balance. The Reorganization Trustee may enforce Trust II's rights under the Trust II PTC Guaranty and Trust II PTC Collateral only in the event of failure of Trust II to receive deposits in an amount sufficient to make the portion of the Class 5A Minimum Distribution payable from the last \$4 Million of Trust II deposits. In such event the Reorganization Trustee shall provide 60 days written notice of such default (specifying the amount of any deficiency) to (a) the Debtors, (b) the Reorganized Debtors and (c) each of the title holders of the Trust II PTC Collateral and guarantors under the Trust II PTC Guaranty. If an amount sufficient to make up any deficiency (without interest) is not delivered to Trust II by the first Business Day following the 60th day of delivery of such written notice, the Reorganization Trustee shall provide an additional 30 days written notice to the same parties. If the default is not cured within such additional 30 day period, including payment of any late fees, the Reorganization Trustee may proceed to foreclose on the Trust II PTC Collateral pursuant to the terms of the Trust II PTC Guaranty and applicable non-bankruptcy law.

The Trust II PTC Collateral shall be released by the Reorganization Trustee as the aggregate amount to which Class 5A Claimants are entitled is reduced, so long as the value of the remaining Trust II PTC Collateral is equal to or greater than the balance of the Class 5A distributive share payable from Trust II, plus 10%.

**c. Maintenance of Collateral Value**

In addition, in the event of sale or destruction of the Debtors' real estate assets with the result that the aggregate equity remaining in all of the Debtors' property (including, without limitation, cash, real and personal property and intangibles) falls below the unpaid balances due under Trust I PTC Note and Trust II PTC Note plus 10% of such remaining balances, then the Reorganization Trustee may provide the Debtors and Reorganized Debtors 60 days notice of default, provided that included with such notice is an appraisal of the remaining assets demonstrating the foregoing. Thereafter, the Debtors may (a) dispute the appraisal and provide their own appraisal, (b) pay down the Trust I PTC Note or Trust II PTC Note so that they are equal to the Debtors' aggregate equity value; or (c) provide one or more conditional notes from entities who have equity in their assets so that when combined with the Debtors' equity in their assets, the aggregate equity is not less than the balances due under the Trust I PTC Note and Trust II PTC Note, plus 10%. In the event the Debtors fail to do one of (a), (b) or (c) above, the Reorganization Trustee may give an additional 30 days written notice of default in which case the Debtors shall have an additional 30 days to accomplish (a), (b) and (c). Thereafter, if Debtors' failure continues, Trust I may pursue all of its rights under the Trust I PTC Note.

In the event that there is a dispute over the valuations, the decision shall be turned over to the Special Master who shall have 30 days to render his decision which decision shall be binding and non-reviewable. Thereafter, the Debtors shall have an additional 30 days to accomplish (a), (b) or (c) above.

*In the event of destruction of the Trust II PTC Collateral so that the aggregate equity in the Non-Debtors aggregate equity in all of the Trust II PTC Collateral falls below the unpaid balance due under Trust II PTC Note plus 10% of such remaining balance, then the Reorganization Trustee may provide the Debtors and Reorganized Debtor 60 days notice of default, provided that included with such notice is an appraisal of the remaining assets demonstrating the foregoing. Thereafter, the Debtors may (a) dispute the appraisal and provide their own appraisal, (b) pay down the Trust II PTC Collateral so that it is equal to the aggregate equity value in the Trust II PTC Collateral; or (c) provide additional collateral from Non-Debtor entities who have equity in their assets so that when combined with the Trust II PTC Collateral, the aggregate equity is not less than the balance due under the Trust II PTC Note, plus 10%. In the event the Debtors fail to do one of (a), (b) or (c) above, the Reorganization Trustee may give an additional 30 days written notice of default in which case the Debtors shall have an additional 30 days to accomplish (a), (b) and (c). Thereafter, Trust II may pursue all of its rights under the Trust I PTC Note.*

*In the event that there is a dispute over the valuations, the decision shall be turned over to the Special Master who shall have 30 days to render his decision which decision shall be binding and non-reviewable. Thereafter, the Debtors shall have an additional 30 days to accomplish (a), (b) or (c) above, and if not cured, Trust II may pursue its rights in the Trust II PTC Collateral.*

## **12. Tort Claim Determination Procedures**

*a. The Debtors may file an objection to any Tort Claim, including, but not limited to, an objection on the grounds that the statute of limitations has run, except as expressly provided elsewhere in this Plan. Any objections to Tort Claims must be filed within 180 days following the Effective Date, except as to Tort Claims which are then the subject of a pending motion or order to estimate Claims for purposes of allowance. Notwithstanding any provision of the Bankruptcy Code or Rules or anything herein to the contrary, the Debtors shall have the exclusive right to object to Claims. However, if the Class 5 or 5A Claimants wish to object to a particular Tort Claim, such Class 5 or 5A Claimants shall notify the Debtors in writing at least 120 days prior to expiration of the applicable objection period for objection to such Claim, and such written notification shall identify the Tort Claim which they wish the Debtors to object to, and state with specificity the basis for such objection based upon an agreed to criteria. A basis for objection will not be the location of the injury or the location of the Claimants' residence. In the event the Debtors fail to file an objection within 90 days from the date it receives written notification from a Class 5 or 5A Claimant of its desire to object to a particular Tort Claim, the decision of whether the objection fits within the agreed objection criteria shall be decided by majority vote of a panel appointed pursuant to the Plan, with each member having one vote, consisting of (a) one representative appointed by the Debtors; (b) one representative appointed by Class 5A; and (c) the Special Master.*

*b. Prior to the Confirmation Date, any Tort Claim may be estimated for purposes of voting as the Court may order on motion of the Debtors. To the extent that applicable insurance policies require, the motion to estimate Claims for voting purposes may be served on such Insurance Carriers. Any order determining such Tort Claim for purposes of voting shall not result in the waiver or limitation of the Debtors' right to coverage under any applicable insurance policies, and the Insurance Carrier shall be precluded from denying coverage or indemnification, excusing performance, or asserting breach of contract, on the basis of any order, stipulation, settlement or any other adjudication respecting such motion estimating claims, notwithstanding any applicable provision of any of the applicable insurance policies. Nor shall such order, stipulation, settlement or any other adjudication be used to establish insurance coverage for such claims.*

*c. Settling Tort Claimants may accept the amount of their Claims determined based on the Claims Matrix for purposes of receiving distributions from the Trusts. In the event a Tort Claimant elects to be a Settling Tort Claimant but objects to the proposed amount, such Claimant must provide to the Special Master in writing within sixty (60) days following the Effective Date facts and any supporting evidence to demonstrate that such Claimant's entitlement to a greater amount than proposed. The Special Master will consider the written submission in accordance with the provisions of the Claims Matrix. Thereafter, the Special Master shall evaluate, liquidate and allow or disallow the amount of the Claim of each Settling Tort Claimant based on the criteria set forth on the Claims Matrix. The Special Master will assign the matrix points which he deems appropriate based on the Claims Matrix, increasing or decreasing the points as assigned by the Claims Matrix. In no event, however, will the Special Master be able to increase the total points of (i) any Non-Plaintiff Tort Claimant to more than 100 points; and (ii) any Plaintiff Tort Claimant to more than 125 points. All distributions to the Holders of Allowed Tort Claims will be in full satisfaction of such Allowed Tort Claims. A Settling Tort Claimant whose Claim is disallowed by the Special Master will receive no distribution under the Plan and will have no further claims against the Debtors, Reorganized Debtors, Non-Debtor Defendant Participants, Non-Debtor Interested Parties or any Settling Insurer. Once a Tort Claimant makes its election on the Ballot to be a Settling Tort Claimant such election is (a) binding, final and may not be revoked, reconsidered or appealed, and (b) such Claimant's Claim will be Allowed or disallowed as determined by Debtors or by the Special Master pursuant to the Claims Matrix.*



d. *After the Confirmation Date, any Class 5 or Class 5A Tort Claim which is not a Settling Tort Claim may be estimated for purposes of allowance and distribution as the Court may order on motion of the Debtors or Reorganized Debtors. To the extent that applicable insurance policies require, a motion for estimation of Tort Claims for purposes of allowance and distribution shall be served on the applicable Insurance Carriers, who shall be entitled to participate in proceedings on such motion if they wish to do so. The Tort Claim Determination Procedure shall not in any way result in a waiver or limitation of the Debtors' right to coverage under any applicable insurance policies and the Insurance Carriers shall be precluded from denying coverage, excusing their performance or asserting breach of contract as a result of the Tort Claim Determination Procedure. Nor shall such procedure be used to establish insurance coverage for such claims. In the event estimation is denied as to any Claim, the Debtors may file an objection to such Claim within 120 days of entry of the order denying estimation. Once a Tort Claim has been estimated and allowed for purposes of distribution at a fixed amount, a Claimant will receive distribution, or distribution shall be reserved, based on such fixed amount, as if such Claim was an Allowed Claim subject to any further order upon motion under Bankruptcy Code § 502(j) to reconsider the fixed amount allowed. Unless the Tort Claimant elects to pursue litigation of its Claim by filing and serving on the Debtors notice of such election no later than 120 days of the entry of an order estimating such Tort Claim for distribution purposes, such order shall be given effect as if it had been entered based on an objection to such Tort Claim and after full opportunity for hearing on such objection. If notice of election to pursue litigation of such Tort Claim is filed and served as provided herein the Debtor shall file its objection to the Tort Claim within 180 days of service of such election. If such an election is made as provided herein, then until such Tort Claim is finally Allowed: (a) such Tort Claim shall not receive any distribution; and (b) such Tort Claim shall be reserved in the amount estimated.*

e. *Any Tort Claimant whose Tort Claim has not been Allowed or estimated for purposes of allowance, or who files and serves an election to pursue litigation of such Tort Claim as provided herein, may (with the consent of the Insurance Carriers to the extent such consent is required under the applicable insurance policy) elect to resolve its Tort Claim (i) before the Bankruptcy Court; (ii) before the District Court; (iii) by an arbitration panel located in the district where such Debtors' Case is pending ("Arbitration Panel"); or (iv) in such other court that the Court orders, including, but not limited to, the state or federal court for the district in which the Texas Court Action is pending. Such election must be made on or before the earlier of the deadline for responding to an objection to such Tort Claim, or 120 days after entry of an order granting the motion to estimate such Tort Claim for purposes of allowance and distribution. In default of any election and consent thereto, the objection to any such Claim shall initially be heard in the District Court or such other court that the Court orders.*

f. *For purposes of calculating distributions to be made under this Plan to Holders of Class 5 and Class 5A Tort Claims, the Disbursing Agent shall compute the aggregate amount of Allowed Class 5 and Class 5A Claims as if all estimated Class 5 and Class 5A Claims were to be allowed in the amount estimated (reserving, as provided above, the pro rata share of any Holder whose Claim has been estimated but who has elected to pursue litigation, until such time as the Allowed amount of such estimated Claims is determined by Final Order). If an estimated Class 5 Claim as to which the Holder has elected to pursue litigation is finally Allowed, (a) amounts previously reserved for such Claim shall be released; (b) such Allowed Claim shall participate in future distributions based on the Allowed amount of such Claim; and (c) the Disbursing Agent shall compute the aggregate amount of Allowed Class 5 and Class 5A Claims based on the Allowed amount of such Claim for purposes of all future distributions.*

g. *There shall be no right of appeal from an arbitration award, unless there is a showing by the Claimant that: (a) the award was procured by corruption, fraud or other undue means; (b) there was corruption in any of the judges or arbitrator; (c) the rights of the Claimant were substantially prejudiced by misconduct of the judge or neutral arbitrator; or, (d) the arbitrator or judge making the award failed to disclose within the time required for disclosure a ground for disqualification of which the arbitrator or judge was then aware.*

h. *After the Effective Date, the Debtors or Reorganized Debtors may stipulate to treat any Tort Claim as an Allowed Claim without further notice or opportunity for hearing so long as the Allowed Claim does not exceed 100 points on the Claims Matrix, and any such allowance shall be conclusive for purposes of distribution from the Trusts. Any such stipulation and allowance of such Tort Claim for distribution purposes shall not in any way waive or eliminate the Debtor's right to coverage under any applicable insurance policies and the Insurance Carriers shall be precluded from denying coverage excusing their performance or asserting breach of contract as a result of such stipulation. Nor shall such stipulation be used to establish insurance coverage for such claims.*

i. After the Effective Date, for purposes of establishing insurance coverage for any Resolved Claims, the Debtors may (a) modify the stay to permit the Texas Court Action to proceed against the Insured Debtors, or (b) request that the District Court determine any Resolved Claim for purposes of establishing insurance coverage. Any Holder of a Resolved Claim not represented by counsel may elect to be represented by a legal representative appointed pursuant to the Plan on a 40% contingency fee arrangement for purposes of pursuing litigation of their Tort Claims for insurance purposes.

j. After the Effective Date, any Tort Claim which is not a Resolved Claim may pursue resolution of its Claim pursuant to Paragraph e above. Any judgment obtained pursuant to claims litigation (a) shall determine the Allowed Amount of such Tort Claim for purposes of distribution under the Plan; (b) may be pursued against an Insurance Carrier which is not a Settling Insurer, subject to the provisions of the Plan requiring the deposit of Insurance Proceeds in the Trusts; and (c) may not be enforced against the Debtors, Non-Debtor Defendant Participants or Non-Debtor Interested Parties.

k. All Insurance Proceeds, as specifically defined in this Plan, shall be payable to the Insured Debtors and held pending a determination whether total covered Claims exceed total potential Insurance Proceeds. The order confirming this Plan shall provide that the Insurance Carriers shall pay all Insurance Proceeds to the Insured Debtors for distribution as provided herein. If the total of covered Claims, inclusive of any reimbursement rights of the Insured Debtors, does not exceed the total Insurance Proceeds, then Insurance Proceeds shall be distributed to Holders of covered Claims, including the Insured Debtors on account of their reimbursement claims. If, however, the aggregate judgments for covered Claims exceed the aggregate remaining indemnity coverage of Insurance Carriers which are not Settling Insurers, then all Insurance Proceeds shall be deposited into Trust I and Trust III pursuant to the Plans for distribution in the manner provided therein.

l. Any Holder of a Resolved Claim also may elect to join the Texas Court Action or amend its Claim to adopt the allegations set forth in the Texas Court Action. Notwithstanding the foregoing, any Judgment obtained in the Texas Court Action or pursuant to Claims litigation by the Holder of a Resolved Claim: (a) subject to the provisions of the Plan requiring the deposit of Insurance Proceeds in the Trusts, may be pursued against an Insurance Carrier which is not a Settling Insurer; (b) may not be enforced against the Debtors, Non-Debtor Defendant Participants or Non-Debtor Interested Parties; and (c) will not affect the Holder's Allowed Tort Claim for purposes of distribution from the Trusts pursuant to the Claims Matrix.

m. Allowance of a Tort Claim for purposes of the Plans will not affect or determine the amount of such Claim for purposes of coverage or payment under any insurance policy issued by an Insurance Carrier.

n. Any Settling Insurer will obtain the benefit of an injunction against prosecution of Claims against the Settling Insurer by any Creditor or other party-in-interest, including Tort Claimants. The terms of any settlement with a Settling Insurer, if not previously approved by the Bankruptcy Court pursuant to Bankruptcy Rule 9019, will be approved at the Confirmation Hearing and pursuant to the Confirmation Order.

Any settlement reached with a Settling Insurer after the Effective Date will be submitted for approval by the Bankruptcy Court pursuant to its retained jurisdiction.

### **13. Claims Matrix-Compensation Methodology for Chapter 11 Tort Claimants.**

Tort Claims of Settling Tort Claimants will be resolved based on the Claims Matrix as set forth below. The Debtors will also use the Claims Matrix for estimation of Tort Claims which are not Settling Claims. The Claims Matrix is used to evaluate Claims based on points to determine the Claims Matrix Score. Each point shall be equal to \$250,000 of Allowed Claim. Each \$250,000 of an Allowed Claim in favor of any Tort Claim that is not a Resolved Claim shall be converted to one point for purposes of distributions under the Plan.

The Claims Matrix involves the application of various factors as set forth below. The Proof of Claim of each Tort Claimant has been evaluated by the Debtors. Each Tort Claim Holder will be notified of its Claims Matrix Score prior to the deadline for submitting Ballots. The maximum Claims Matrix Score is 100 points, except as to Class 5A Claims deemed to be Settling Tort Claimants which may receive a maximum of 125 points.

Compensable Incident: Incident giving rise to any alleged Tort Claim.

Characterization Factors: Those items which will be considered in determining the amount of points compensation paid to a Holder of a Tort Claim for a compensable incident. Three general factors will be considered and evaluated: (1) nature of abuse; (2) severity of abuse; and, (3) length of time of abuse.

Nature of Abuse Factor

1. Emotional abuse (E): An assault which has an emotional or psychological effect; excludes physical and sexual abuse by definition. This category subsumes all Claims regarding the quality of education provided.
2. Physical abuse (P): A non-sexual battery; includes emotional abuse by definition.
3. Sexual abuse (S): Sexual battery; includes both physical and emotional abuse by definition.

Severity Factor

1. Tier 1 - Slight: minor incidents or injury. Small number, amount or effect. E1, P1 or S1.
2. Tier 2 - Substantial: serious incidents or injury. Medium number, amount or effect. E2, P2 or S2.
3. Tier 3 - Severe: extreme incidents or injury. Large number, amount or effect. E3, P3 or S3.

Severity Enhancement

The most extreme cases of emotional abuse (E3), physical abuse (P3) or sexual abuse (S3) may receive an increase of up to 10 points.

Time Factor

One point added for each year of school attendance, up to a maximum of fifteen points. Years are calculated by adding the number of full years (12 months) plus one year for any additional month of attendance up to the next full year. Example: 10 months = one year, one point; 4 years and 7 months = 5 years, five points.

Class 5A Enhancement

For Holders of Class 5A Claims, add 25% of total points to which such Claimant is otherwise entitled.

Matrix Interpretation:

1. One resolution per claimant, regardless of the number, amount or timing of incidents.
2. Flexible interpretation upward; but consistently applied to all Claimants.

|                             | <i>Severity Factor</i>   | <i>Base Points</i>     |
|-----------------------------|--|------------------------|
|                             |  | <i>Non Cumulative</i>  |
| <i>Emotion Abuse (E) AB</i> |  |                        |
|                             | <i>E1</i>  | <i>5 points</i>        |
|                             | <i>E2</i>  | <i>10 points</i>       |
|                             | <i>E3</i>  | <i>15 points</i>       |
| <i>Physical Abuse (P)</i>   |  |                        |
|                             | <i>P1</i>  | <i>20 points</i>       |
|                             | <i>P2</i>  | <i>30 points</i>       |
|                             | <i>P3</i>  | <i>40 points</i>       |
| <i>Sexual Abuse (S)</i>     |  |                        |
|                             | <i>S1</i>  | <i>45 points</i>       |
|                             | <i>S2</i>  | <i>60 points</i>       |
|                             | <i>S3</i>  | <i>75 points</i>       |
|                             |  | <i>Then Add:</i>       |
| <i>Severity Enhancement</i> | <i>Add up to 10 points for extreme abuse E3, P3 or S3 cases</i>                              | <i>Up to 10 points</i> |
| <i>Time Factor</i>          | <i>Add 1 point per year of attendance<br/>Up to 15 years</i>                                 | <i>Up to 15 points</i> |
| <i>Class 5A Enhancement</i> | <i>Add 25% of total points to the score to which<br/>such Claimant is otherwise entitled</i> |                        |

Notes:

1. *Severity characterized as: (1) Slight; (2) Substantial; or, (3) Severe.*
2. *Severity Enhancement: up to ten (10) points may be added to the most extreme cases (E3), (P3) or (S3).*
3. *Time Factor: one (1) point added per year of attendance, up to 15 points maximum. Years are calculated by adding the number of full 8years plus one year for any additional portion of time claimant attended an ISKCON school.*  
  
*Examples: 10 months = 1 year (1 point); 4 years and 7 months = 5 years (5 points).*
4. *Class 5A Claimant Enhancement: add 25% of points to Class 5A Claimant's score.*

**14. Treatment of Punitive Damages**

*Claims for punitive or exemplary damages in connection with the Tort Claims are disallowed and shall not be Allowed Claims. If necessary, punitive or exemplary damage Claims shall be deemed to be separately classified and shall receive no distribution, and shall not be entitled to vote on the Plans.*

**15. Insurance Carrier Action Funding**

The Debtors will contribute \$500,000 (less the amount of fees and costs approved and paid pursuant to the August 2004 fee application order) to fees and expenses of the Insurance Carrier Action incurred from and after August 1, 2004. Thereafter, the Reorganization Trustee may elect to pay the fees and costs of the Insurance Carrier Action from the proceeds of Trust I up to a maximum amount of \$100,000. To the extent such fees and costs are paid from Trust I, Trust I shall be entitled to reimbursement of such amounts from the next Insurance Action Proceeds remaining after repayment of the Insurance Loan. Once the Reorganization Trustee has expended the \$100,000 from the proceeds of Trust I, the Plaintiff Tort Claimants may elect to pay the fees and costs thereof from their own funds, subject to a right of reimbursement from Insurance Action Proceeds junior to prior rights to reimbursement.

The Reorganized Debtors will make the Insurance Loan to Trust I up to \$250,000 for purposes of pursuing the Insurance Carrier Action. The Insurance Loan will be repaid from the first Insurance Action Proceeds with priority over all other disbursements of Insurance Action Proceeds. To the extent the Debtors have expended by the Effective Date in excess of \$500,000 referred to above, the excess will be deemed part of the Insurance Loan.

**IV.**

**TREATMENT OF MISCELLANEOUS ITEMS**

**A. Executory Contracts And Unexpired Leases.**

**1. Assumptions.**

The California Debtors shall assume no executory contracts or unexpired leases through their Plans. ISKCON CA shall assume no executory contracts or unexpired leases through its Plan. ITV shall assume no executory contracts or unexpired leases through its Plan. BBTI shall assume no executory contracts or unexpired leases through its Plan. ISKCON SoCal shall assume no executory contracts or unexpired leases through its Plan. ISKCON LA shall assume no executory contracts or unexpired leases through its Plan. ISKCON San Diego shall assume no executory contracts through its Plan.

**2. Rejections.**

On the Effective Date, any executory contracts and unexpired leases (except any and all contracts of insurance) which are not assumed under this Plan will be rejected. The California Debtors do not plan on rejecting any executory contracts or unexpired leases.

**B. Changes In Rates Subject To Regulatory Commission Approval.**

The California Debtors are not subject to governmental regulatory commission approval of rates.

**C. Retention Of Jurisdiction.**

The Court will retain jurisdiction to the extent provided by law, including, without limitation, (a) motions to reconsider any estimated claims, (b) any settlement of the Insurance Carrier Action pursuant to the Plans; and (c) to resolve any disputes or inconsistencies respecting the interpretation of any terms of the Plans and documents contemplated thereunder.

**V.**

**EFFECT OF CONFIRMATION OF PLAN**

**A. Discharge.**

Except as otherwise provided in the Plan or in the Confirmation Order, Confirmation shall operate as a discharge pursuant to Code Section 1141(d)(1), effective as of the Effective Date, of any and all Claims and debts of the California Debtors that arose at any time before Confirmation, including but not limited to all Tort Claims and all principal and interest, whether accrued before, on or after the Petition Date. As to every discharged debt and Claim, the Creditor that held such debt or Claim shall be precluded from asserting against the California Debtors or against the California Debtors' assets or the Reorganized California Debtors or any

assets of the Reorganized Debtors, any or further Claim based upon any document, instrument or act, omission, transaction or any other activity of any kind or nature that occurred prior to the Confirmation Date, including, without limitation, Claims in the nature of successor liability. Without limiting the generality of the foregoing, on the Effective Date the California Debtors shall be discharged from any debt that arose before Confirmation and any debt of the kind specified in Sections 502(g), 502(h) or 502(i) of the Code to the full extent permitted by Section 1141(d)(1)(A) of the Code. Furthermore, all Claims and debts against the California Debtors which are so discharged may not be asserted against the Reorganized California Debtors or the Trusts under any circumstances unless pursuant to the provisions of the Plan.

**B. Injunction.**

The Order of Confirmation shall operate as an injunction against the commencement or continuation of any action relating to the collection or enforcement of any Claim, including without limitation Tort Claims, or rights governed by the discharge provisions hereof (“Discharged Claim”), including, but not limited to, the Court Actions and actions based on Alter Ego Claims, against the Debtors, the Reorganized Debtors, the Non-Debtor Defendant Participants and the Non-Debtor Interested Parties, and shall direct the parties to the Court Actions to take any and all actions necessary to dismiss such actions with prejudice; provided that, the Texas Court Action may be maintained for the limited purposes consistent with the Tort Claims Determination Procedures set forth at Article III, Section D.12 of the Plan. The Confirmation Order shall provide, among other things, that except as otherwise provided in the Plan, all Persons who have held, hold or may hold Claims (including, without limitation, Tort Claims) against or Interests in the Debtors, the Non-Debtor Defendant Participants and the Non-Debtor Interested Parties are enjoined from and after the Effective Date from: (i) commencing or continuing in any manner any action or proceeding of any kind with respect to such Discharged Claim or Alter Ego Claim against the Debtors, the Reorganized Debtors, the Non-Debtor Defendant Participants or the Non-Debtor Interested Parties; (ii) enforcing, attaching, collecting or recovering by any manner or means any judgment, award, decree or order against the Debtors, the Reorganized Debtors, the Non-Debtor Defendant Participants or the Non-Debtor Interested Parties with respect to any such Discharged Claim or Alter Ego Claim; (iii) creating, perfecting or enforcing any encumbrance of any kind against the Debtors, the Reorganized Debtors, the Non-Debtor Defendant Participants or the Non-Debtor Interested Parties with respect to any such Discharged Claim or Alter Ego Claim; and (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due the Debtors, the Reorganized Debtors, the Non-Debtor Defendant Participants or the Non-Debtor Interested Parties with respect to any such Discharged Claim or Alter Ego Claim.

**C. Releases.**

Except for the obligations of the Debtors under the Plans, including any notes or other obligations to the Trusts given in connection with funding the Plans, the Debtors, Non-Debtor Defendant Participants, Non-Debtor Interested Parties and Settling Insurers (collectively, the “Debtor Released Parties”) shall be released as of the Effective Date from any and all claims, including, without limitation, Tort Claims, or liabilities (including claims by the Debtors), obligations, rights and causes of action which any Holder of a claim against or Interest in the Debtors may be entitled to assert, whether known or unknown, foreseen and unforeseen, existing or hereafter arising, based in whole or in part upon any act or omission, transaction or other occurrence taking place on or before the Effective Date in any way relating to the Debtors, the Alter Ego Claims, the Case, the Court Actions or the Plans, including, without limitation, any claims of equitable subordination or similar assertions. Without limiting the generality of the foregoing, except as otherwise expressly provided in the Plans, in consideration of: (a) the promises of the Non-Debtor Interested Parties and Non-Debtor Defendant Participants under the Plan, including the establishment and funding of the Trusts; and (b) the undertakings of the Settling Insurers pursuant to their respective settlements with the Debtors, on the Effective Date, all Persons who have held, hold, or may hold Tort Claims, whether known or unknown, will be forever barred from pursuing such claims, whether such claims are based upon tort or contract or otherwise, that they heretofore, now or hereafter possess or may possess, against the Debtor Released Parties, including any such claims based upon or in any manner arising from or related to any acts or omissions of the Debtors or their members or devotees or any of the other Debtor Released Parties related to any sexual misconduct, physical or emotional abuse, or other acts committed by any devotee, member, employee or other person associated with ISKCON, or any religious schools operated by ISKCON, including, but not limited to, any volunteers; and further including, without limitation: (a) such claims for personal injuries, including emotional distress; (b) those claims against any Person against whom any claim, demand, proceeding, suit or cause of action based upon or in any manner arising from or relating to any of the matters enumerated or described herein, has been or may be asserted (including, without limitation, rights of indemnity, whether contractual or otherwise, contribution claims and subrogation claims); (c) those for damages, including punitive damages; (d) those for attorneys’ fees and other expenses, fees or costs; (e) those for possible economic loss or loss of consortium; (f) those for damage to reputation; and (g) those for any equitable remedy.

*The foregoing provisions are an integral part of the Plan and are essential to its implementation. It is the intention of the parties granting the Releases provided for in the Plan, and of the parties receiving the Releases provided for in the Plan, that the Plan shall be effective as a full and final accord and satisfaction and release of each and every claim released in the Plan. In furtherance of this intention, the parties to the Releases, and each of them, acknowledge that they are familiar with Section 1542 of the Civil Code of the State of California, which provides as follows:*

*A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing a release, which, if known by him must have materially affected his settlement with the debtor.*

*The parties to the Releases provided for in this Article V, and each of them, hereby waive and relinquish all of the rights and benefits which any of them has, or may have, under Section 1542 of the Civil Code of the State of California (as well as any similar rights and benefits which they may have by virtue of any statute or rule of law in any other state or territory of the United States). The parties to the Releases provided for in this Plan, and each of them, hereby acknowledge that they may hereafter discover facts in addition to, or different from, those facts which they now know or believe to be true with respect to the subject matter of the Releases and the claims released thereunder, but that notwithstanding the foregoing, it is their intention hereby to fully, finally, completely and forever settle and release each, every and all of said claims, and that in furtherance of such intention, the Releases herein given shall be and remain in effect as full and complete general releases, notwithstanding the discovery or existence of any such additional or different facts.*

*Nothing in the release set forth herein shall preclude the Plaintiff Tort Claimants from pursuing any claims against one of the Debtor Released Parties who is a named defendant as of the Effective Date (excluding Does) in the Texas Court Action and is not a Debtor, Non-Debtor Defendant Participant, Non-Debtor Interested Party or Settling Insurer.*

*Nothing in the release set forth herein shall preclude the Tort Claimants from pursuing their rights against any insurance carrier which is not a Settling Insurer, subject, however, to the provisions of the Plans regarding disposition of Insurance Proceeds.*

*This Release is not intended to and shall not relieve the Insured Debtors and The Texas Krishnas Inc. from liability that may exist on account of any Tort Claims which are covered by a legally binding and enforceable insurance policy issued by an Insurance Carrier other than a Settling Insurer, or other company providing insurance to The Texas Krishnas Inc., under which such liability of Insured Debtors, or The Texas Krishnas Inc., if any, is covered. If, and to the extent, any Tort Claimant establishes such liability, such Tort Claimant shall look solely to the Insurance Carrier which is not a Settling Insurer, or other company providing insurance to The Texas Krishnas Inc., for payment of such claims or liability, and not the Insured Debtors and The Texas Krishnas Inc., personally, and this Release shall remain valid as a release of the Insured Debtors and The Texas Krishnas Inc. from such Tort Claims other than as to payment of coverage under such policies. The foregoing shall not be construed to restrict the right of such Tort Claimant to receive distribution under the Plans to the extent such Tort Claimant is otherwise entitled to receive distributions from the Trusts under the Plans.*

**D. Exculpation.**

*The Debtors, Reorganized Debtors, Reorganization Trustee, Non-Debtor Defendant Participants and Non-Debtor Interested Parties, their affiliates, officers, partners, directors, employees, and other agents, financial advisors, attorneys and accountants, or any property of the foregoing persons or any direct or indirect transferee of any property of, or direct or indirect successor in interest to any of the foregoing persons, or any property of any such transferee or successor, shall have no liability to any Holder of a Claim or Interest for any act or omission in connection with or arising out of the administration of the Plan or the property to be distributed under the Plan, the Insurance Carrier Action, prosecution or settlement of any Claims against Coudert Brothers, the Claims Matrix, Claims estimation motions or resolution of any Claim, including, without limitation, any Tort Claim, except for willful misconduct or gross negligence and, in all respects, shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.*

**E. Revesting Of Property In The Debtor.**

*Except as otherwise provided in the Plan, the Confirmation of the Plan revests all of the property of the Estate, including all Rights of Action, in the Reorganized California Debtors free and clear of all claims, liens, encumbrances and interests, including those of Creditors.*

## MISCELLANEOUS PLAN PROVISIONS

### **A. Modification Of Plan.**

The Plan Proponent may modify the Plan at any time before Confirmation. However, the Court may require a new disclosure statement and/or revoting on the Plan if the Plan Proponent modifies the Plan before Confirmation.

The Proponent of the Plan may also seek to modify the Plan at any time after confirmation so long as (1) the Plan has not been substantially consummated and (2) if the Court authorizes the proposed modifications after notice and a hearing.

### **B. Post-Confirmation Conversion/Dismissal.**

A creditor or party in interest may not bring a motion to convert the case under § 1112(b), after the Plan is confirmed, even if there is a default in performing the Plans. The Court cannot order the case converted to Chapter 7 after this Plan is confirmed. In the event the Court orders the case dismissed after Confirmation pursuant to a default, then all property that had been property of the Chapter 11 estate, and that has not been disbursed pursuant to this Plan, will revert in the appropriate California Debtor. Notwithstanding the foregoing, any Holder of a Tort Claim, including, without limitation, those included within Classes 3, 4, 5, 5A, 6 and 7, shall have an interest in the Trusts, and any undisbursed proceeds of the Trusts, and not against the Debtors or Reorganized Debtors.

### **C. Final Decree.**

Once the Estate of each of the California Debtors has been fully administered as referred to in Bankruptcy Rule 3022, the Plan Proponent, or other such party as the Court shall designate in the Confirmation Order, shall file a motion with the Court to obtain a final decree to close each of the cases.

### **D. Post-Confirmation Business Operations and United States Trustee Fees.**

The Reorganized Debtors shall continue to operate its business free of supervision by the United States Trustee and shall no longer be required to file interim statements or operating reports but shall be obligated to pay fees pursuant to 28 U.S.C. Section 1930(a)(6) until the entry of a final decree closing the Chapter 11 cases.

### **E. Confirmation By Non-Acceptance.**

The Debtors hereby request, if necessary, confirmation of the Plan pursuant to Bankruptcy Code § 1129(b) with respect to any impaired Class of Claims which does not vote to accept the Plan.

### **F. Unclaimed Property.**

Until the expiration of the earlier of seven (7) years following the Effective Date or closing of the Trusts, unclaimed property shall be delivered upon presentation of proper proof by the Holder of a Claim of its entitlement thereto, after which time any Holder entitled to such unclaimed property shall cease to be entitled thereto. Thereafter, all right, title and interest therein shall vest in (a) Trust I if such was the source of the unclaimed distribution, and such unclaimed property shall be redistributed to the Holders of Claims participating as beneficiaries in such trust other than those Holders failing to claim the property distributed with respect to such Claim; (b) Trust II if such was the source of the unclaimed distribution, and such unclaimed property shall be redistributed to the Holders of Claims participating as beneficiaries of such trust other than those Holders failing to claim the property distributed with respect to such Claim; or, (c) Trust III if such was the source of the unclaimed distributions, and such unclaimed property shall be redistributed to the Holders of Claims participating as beneficiaries of such trust other than those Holders failing to claim the property distributed with respect to such Claim. Any other unclaimed property shall revert in the appropriate Reorganized California Debtor.

### **G. Rounding.**

Whenever any payment of a fraction of a cent would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole cent, with one-half cent being rounded up to the nearest whole cent.



**H. Payment Date.**

*Whenever any payment or distribution to be made under the Plan is due on a day other than a Business Day, such payment or distribution will instead be made on the next Business Day.*

DATED: February \_\_, 2005

**ROBINSON, DIAMANT & WOLKOWITZ**  
**A Professional Corporation**

By: \_\_\_\_\_  
SANDFORD L. FREY  
*Attorneys for Debtors and Debtors-in-Possession*

*The Release*

