

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

_____)	
In re:)	Chapter 11
)	
WAYFORTH, LLC, <i>et al.</i> , ¹)	Case No. 23-33000 (KRH)
)	
Debtors.)	Jointly Administered
_____)	

**CHAPTER 11 PLAN OF REORGANIZATION OF
WAYFORTH, INC. AND WAYFORTH, LLC**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: WayForth, LLC (5874) and WayForth, Inc. (8329). The mailing address for the Debtors is 1518 Willow Lawn Drive, Suite 300, Richmond, VA 23230.

EXHIBITS

<u>Exhibit</u>	<u>Title</u>
A	Form of Certificate of Incorporation of Reorganized WayForth, Inc.
B	Form of Bylaws of Reorganized WayForth, Inc.
C	Form of Certificate of Incorporation of Reorganized WayForth, LLC
D	Form of Bylaws of Reorganized WayForth, LLC
E	Feasibility Analysis
F	Liquidation Analysis

INTRODUCTION²

Capitalized terms used in this chapter 11 plan shall have the meanings set forth in Article I.B. The Debtors propose this Plan for the resolution of outstanding Claims against, and Interests in, the Debtors. The Debtors are the proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code.

ALL HOLDERS OF CLAIMS AND INTERESTS, TO THE EXTENT APPLICABLE, ARE ENCOURAGED TO READ THE PLAN AND THE EXHIBITS TO THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. TO ASSIST YOU IN YOUR REVIEW, PLEASE NOTE THE LIST OF DEFINITIONS AT THE START OF THE PLAN AND THE SECTION OF FREQUENTLY ASKED QUESTIONS AT THE END OF THE DOCUMENT.

IN ADDITION TO CASTING YOUR VOTE TO ACCEPT OR REJECT THE PLAN, YOU MAY OBJECT TO CONFIRMATION OF THE PLAN. IF YOU WISH TO OBJECT TO CONFIRMATION OF THE PLAN, THE DEBTORS HAVE PROPOSED DECEMBER 14, 2023 at 4:00 P.M. (PREVAILING EASTERN TIME) AS THE DEADLINE BY WHICH YOU MUST DO SO.

THE DEBTORS HAVE PROPOSED THAT YOUR BALLOT STATING HOW YOU ARE VOTING ON THE PLAN MUST BE RETURNED BY DECEMBER 15, 2023.

THE BALLOT MUST BE MAILED TO THE FOLLOWING ADDRESS:

**WayForth
1518 Willow Lawn Drive
Suite 300
Richmond, VA 23230**

A HEARING ON THE CONFIRMATION OF THE PLAN IS SCHEDULED FOR DECEMBER 21, 2023 AT 11:00 A.M. (PREVAILING EASTERN TIME) BEFORE THE HONORABLE KEVIN R HUENNEKENS, IN COURTROOM NO. 5000, 701 E. BROAD STREET, RICHMOND, VA 23219.

ARTICLE IX E. OF THE PLAN CONTAINS RELEASES BY THE DEBTORS OF ANY AND ALL CLAIMS AGAINST THE “RELEASED PARTIES” AS DEFINED IN THE PLAN.

ARTICLE IX F. OF THE PLAN CONTAINS AN EXCULPATION BY BOTH THE HOLDERS OF CLAIMS AND INTERESTS AND THE DEBTORS OF ANY AND ALL CLAIMS AGAINST THE “EXCULPATED PARTIES” AS DEFINED IN THE PLAN.

² Capitalized terms used in this Introduction shall have the meanings ascribed to such terms in Article I hereof.

YOUR RIGHTS MAY BE AFFECTED BY THIS PLAN. YOU SHOULD CONSIDER DISCUSSING THIS DOCUMENT WITH AN ATTORNEY.

CONCISE SUMMARY OF THE PLAN AND DISTRIBUTIONS TO CREDITORS

The Plan contains several key features involving both of the Debtors, Holdco and Opco, including the cancellation of all Holdco’s existing equity, exchanging Holdco’s secured Claims for newly issued equity in Holdco; preserving all Opco’s existing equity; and paying general unsecured creditors cash equal to the present value of the Debtors’ projected three-year Disposable Income.

The chart below reflects a summary³ of the proposed treatment of Claims and Interests under the Plan:

Class	Claim/Equity Interest	Treatment of Claim/Interest	Estimated Amount of Unpaid Allowed Claims on Effective Date	Projected Recovery Under the Plan
N/A	DIP Claims	On or before the Effective Date, except to the extent that a Holder of an Allowed DIP Claim agrees to a less favorable treatment, the DIP Claims shall be repaid indefeasibly in full in through the issuance of New Reorganized Holdco Stock and a secured promissory note.	\$1,000,000	Unknown
N/A	Professional Fee Claims	Upon Court approval Professional Fee Claims shall be promptly paid Cash in full by the Reorganized Debtors.	\$600,000	100%
N/A	Administrative Claims	Holder of an Allowed Administrative Claim shall receive, in full and final satisfaction, compromise, settlement, and release of and in exchange for its Claim Cash in full by the Reorganized Debtors.	\$100,000	100%
N/A	Priority Tax Claims	Holder of an Allowed Priority Tax Claim shall receive, in full and final satisfaction, compromise, settlement, and release of and in exchange for its Claim Cash in full by the Reorganized Debtors.	\$1,000	100%

³ As more fully described in and subject to the terms of the Plan. See Plan, Articles, III & IV.

Class	Claim/Equity Interest	Treatment of Claim/Interest	Estimated Amount of Unpaid Allowed Claims on Effective Date	Projected Recovery Under the Plan
1	Miscellaneous Secured Claims	Each Holder of an Allowed Other Secured Claim will receive, at the Debtors' election: (a) Cash in full by the Reorganized Debtors or (b) delivery of the collateral securing any such Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; (c) Reinstatement of such Claim; or (d) other treatment rendering such Claim Unimpaired	\$0.00	N/A
2	Other Priority Claims	Each Holder of an Allowed Other Priority Claim shall receive Cash in full by the Reorganized Debtors.	\$0.00	N/A
3	General Unsecured Claims	Each Holder of an Allowed General Unsecured Claim shall receive from the Reorganized Debtors such Holder's pro rata share of the Class 3 Payment Amount, which amount represents the present value of the Reorganized Opco's total estimated Disposable Income for three (3) years from the Effective Date; provided, however, that the Class 3 Payment Amount shall be reduced if there is insufficient Cash in the Estates sixty (60) days after the Effective Date to pay all Allowed Administrative Claims and Professional Fee Claims.	\$4,000,000	4% - 6%
4	HF Holdco Secured Claim	The HF Holdco Secured Claim is an Allowed Claim under the Plan. On the Effective Date, HF shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the HF Holdco Secured Claim up to seventy percent (70%) of New Reorganized Holdco Common Stock, subject to dilution by payment of DIP Claims.	\$1,500,000 (principal amount)	Unknown

Class	Claim/Equity Interest	Treatment of Claim/Interest	Estimated Amount of Unpaid Allowed Claims on Effective Date	Projected Recovery Under the Plan
5	Livable Holdco Secured Claim	The Livible Holdco Secured Claim is an Allowed Claim under the Plan. On the Effective Date, Livible shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the Livible Holdco Secured Claim up to nineteen percent (19%) of New Reorganized Holdco Common Stock, subject to dilution by payment of DIP Claims.	\$1,500,000 (principal amount)	Unknown
6	Other Holdco Noteholders Secured Claim	The Other Holdco Noteholders Secured Claim is an Allowed Claim under the Plan. On the Effective Date, the Other Holdco Noteholders shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the Other Noteholders Holdco Secured Claim up to eleven percent (11%) of New Reorganized Holdco Common Stock, subject to dilution by payment of DIP Claims.	\$980,000 (principal amount)	Unknown
7	HF Opco Secured Claim	The HF Opco Secured Claim is an Allowed Claim under the Plan. HF shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the HF Opco Secured Claim (i) within five (5) days of the Effective Date, Cash equal to \$125,000 plus 50% Effective Date Non-CVA AR; and (ii) as the Reorganized Debtors collect and receive Non-CVA AR, at least monthly, Cash equal to 50% Post-Effective Date Non-CVA AR.	\$605,000 (principal amount)	25% - 40%
8	Livable Opco Secured Claim	The Livible Opco Secured Claim is an Allowed Claim under the Plan. Livible shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the Livible Opco Secured	\$605,000 (principal amount)	25% - 40%

Class	Claim/Equity Interest	Treatment of Claim/Interest	Estimated Amount of Unpaid Allowed Claims on Effective Date	Projected Recovery Under the Plan
		Claim (i) within five (5) days of the Effective Date, Cash equal to \$125,000 plus 50% Effective Date Non-CVA AR; and (ii) as the Reorganized Debtors collect and receive Non-CVA AR, at least monthly, Cash equal to 50% Post-Effective Date Non-CVA AR.		
9	Subordinated 510(c) Claims	On or after the Effective Date, all Subordinated 510(c) Claims shall be deemed eliminated, cancelled and/or extinguished and each Holder thereof shall not be entitled to, and shall not receive or retain, any property or interest in property on account of such Claims.	\$0.00	N/A
10	Subordinated 510(b) Claims	On or after the Effective Date, all Subordinated 510(b) Claims shall be deemed eliminated, cancelled and/or extinguished and each Holder thereof shall not be entitled to, and shall not receive or retain, any property or interest in property on account of such Claims.	\$0.00	N/A
11	Holdco Interests	On the Effective Date, all Holdco Interests are deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors thereunder shall be discharged, and each Holder of a Holdco Interest shall not be entitled to, and shall not receive or retain, any property or interest in property on account of such Interests.	\$0.00	N/A
12	Opco Interests	All Opco Interests are Allowed Interests and shall be Unimpaired under the Plan.	100%	Unknown

ARTICLE I

DEFINITIONS AND RULES OF INTERPRETATION

A. Rules of Construction

For purposes of the Plan, except as expressly provided herein or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meanings ascribed to them in this Article I of the Plan. Any term used in the Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable. Whenever the context requires, such terms shall include the plural as well as the singular number, the masculine gender shall include the feminine, and the feminine gender shall include the masculine.

B. Definitions

1.1 “Administrative Claim” means a Claim for costs and expenses of administration of the Debtors’ Estates pursuant to sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Dates and through the Effective Date of preserving the Estates and operating the business of the Debtors; (b) Allowed Professional Fee Claims; (c) all Allowed requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4), and (5) of the Bankruptcy Code; and (d) all DIP Claims.

1.2 “Administrative Claims Bar Date” means the deadline for Filing requests for payment of Administrative Claims, except as otherwise set forth in the Plan or a Final Order, which: (a) with respect to Administrative Claims other than Professional Fee Claims, shall be 30 days after the Effective Date; and (b) with respect to Professional Fee Claims, shall be 30 days after the Effective Date; provided that Filing requests for payment of Administrative Claims is not required, where the Plan, Bankruptcy Code, or a Final Order does not require such Filing.

1.3 “Affiliate” means “affiliate” as defined in section 101(2) of the Bankruptcy Code.

1.4 “Allowed Claim” means (a) a Claim that is evidenced by a Proof of Claim timely Filed by the Bar Date (or for which Claim under the Plan, the Bankruptcy Code, or a Final Order of the Court a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim is or has been timely filed; or (c) a Claim Allowed pursuant to the Plan, any stipulation approved by the Court, any contract, instrument, indenture, or other agreement entered into or assumed in connection with the Plan, or a Final Order of the Court; provided that, with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that with respect to such Claim no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Court, or if such an objection is so interposed, such Claim shall have been Allowed by a Final Order. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim or Interest is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the

Debtors and without further notice to any party or action, approval, or order of the Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes. A Proof of Claim Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-Filed Claim.

1.5 “Allowed Interest” means an Opco Interest in the specified Class or of a specified type.

1.6 “Assumption Schedule” means the schedule listing those executory contracts and unexpired leases to be assumed by the Debtors pursuant to the Plan and the proposed cure amounts, if any, related thereto, in the form filed as part of the Plan Supplement, as the same may be amended, modified, or supplemented from time to time, all of which shall be in form and substance acceptable to HF.

1.7 “Avoidance Actions” means any and all actual or potential claims and causes of action to avoid a transfer of property or an obligation incurred by the Debtors and its recovery, subordination, or other remedies that may be brought by and/or on behalf of the Debtors and their Estates under the Bankruptcy Code or applicable non-bankruptcy law, including actions or remedies arising under chapter 5 of the Bankruptcy Code, including, without limitation, sections 542, 544, 545, 547, 548, 549 and 550 thereof, or their state law analogs.

1.8 “Ballot” means each of the ballot forms distributed with the Plan to Holders of Impaired Claims entitled to vote to accept or reject the Plan.

1.9 “Bankruptcy Code” means title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as such title has been, or may be, amended from time to time, to the extent that any such amendment is applicable to the Chapter 11 Cases.

1.10 “Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure, the Official Bankruptcy Forms and the Local Rules, as each has been, or may be, amended from time to time, to the extent that any such amendment is applicable to the Chapter 11 Cases.

1.11 “Bar Date” means the Opco Bar Date and Holdco Bar Date, as applicable, together.

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

1.13 “Case Closing” means the date upon which the Court issues the discharge and closes the Chapter 11 Cases upon a showing that all payments contemplated under this Plan have been made.

1.14 “Cash” means legal tender of the United States of America or equivalents thereof.

1.15 “Causes of Action” means any and all actions, proceedings, causes of action, Avoidance Actions, suits, accounts, controversies, agreements, promises, rights to legal remedies, rights to equitable remedies, rights to payment, and Claims, whether known or

unknown, reduced to judgment or not reduced to judgment, liquidated or unliquidated, contingent or non-contingent, matured or unmatured, disputed or undisputed, secured or unsecured, assertable directly or derivatively, in law, equity or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Dates or during the course of the Chapter 11 Cases, through and including the Effective Date.

1.16 “Chapter 11 Cases” means the chapter 11 cases commenced by the Debtors and jointly administered under case number 23-33000 (KRH) in the Court.

1.17 “Claim” means a claim against the Debtors, whether or not asserted, as such term is defined in section 101(5) of the Bankruptcy Code, including, without limitation, claims under §§ 502(h) and 502(g)

1.18 “Claimholder” means the Holder of a Claim.

1.19 “Claims Objection Deadline” means the last day for filing objections to Claims (other than Disallowed Claims for which no objection or request for estimation is required), which day shall be one hundred eighty (180) days after the Effective Date, as such deadline may be extended from time to time by the Court.

1.20 “Class” means each category or group of Holders of Claims or Interests that has been designated as a class in Article IV of the Plan.

1.21 “Class 3 Payment Amount” means Cash in the amount of \$150,000,⁴ which amount shall represent the present value of the Reorganized Opco’s total estimated Disposable Income for three (3) years from the Effective Date and shall be distributed to Holders of Class 3 General Unsecured Claims.

1.22 “Collateral” means any property or interest in property of the Debtors’ Estates subject to a Lien to secure the payment or performance of a Claim, which Lien is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law.

1.23 “Confirmation” means the entry of the Confirmation Order.

1.24 “Confirmation Date” means the date of entry of the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

1.25 “Confirmation Hearing” means the hearing(s) before the Court to consider confirmation of the Plan and related matters pursuant to section 1128 of the Bankruptcy Code, as such hearing(s) may be adjourned or continued from time to time.

⁴ The Feasibility Analysis to be filed with the Plan Supplement as Exhibit E to the Plan shall provide the basis for the Cash Payment Amount, the amount of which is subject to change based on such analysis.

1.26 “Confirmation Order” means the order entered by the Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which shall be in form and substance reasonably acceptable to the Debtors and HF.

1.27 “Consummation” means the occurrence of the Effective Date.

1.28 “Court” means the United States Bankruptcy Court for the Eastern District of Virginia or such other court as may have jurisdiction over the Chapter 11 Cases.

1.29 “Creditor” means “creditor” as defined in section 101(10) of the Bankruptcy Code, including any Person or Entity that holds a Claim against the Debtors.

1.30 “Cure” means Cash, or such other property as may be agreed upon by the parties or ordered by the Court, with respect to the assumption or assumption and assignment of an Executory Contract or Unexpired Lease, pursuant to Bankruptcy Code section 365(b), in an amount equal to all unpaid monetary obligations, without interest, or such other amount as may be agreed upon by the parties, under such Executory Contract or Unexpired Lease, to the extent such obligations are enforceable under the Bankruptcy Code and applicable bankruptcy law.

1.31 “Cure Amount” means, for any Executory Contract or Unexpired Lease, the amount of the Cure asserted by the Debtors.

1.32 “Debtors” means WayForth, Inc. and WayForth, LLC, together.

1.33 “DIP Claim” means any Claim against the Debtors arising under the DIP Facility (as such term is defined in the DIP Orders) or the DIP Orders, including Claims for all principal amounts outstanding, interest, fees, expenses, costs, and other charges and obligations.

1.34 “DIP Loan Documents” has the meaning set forth in the DIP Orders.

1.35 “DIP Facility” has the meaning set forth in the DIP Orders.

1.36 “DIP Lender” means Tennessee Investment Ventures, LLC.

1.37 “DIP Orders” means, collectively, the interim and final orders entered by the Court authorizing the Debtors to enter into the DIP Loan Documents and incur postpetition obligations thereunder.

1.38 “Disallowed” means, when used in reference to a Claim, a Claim or any portion thereof that (a) has been disallowed by a Final Order, (b) is Scheduled at zero or as contingent, disputed or unliquidated and as to which no Proof of Claim has been Filed by the Bar Date or deemed timely Filed with the Court pursuant to either the Bankruptcy Code or any Final Order or under applicable law, (c) is not Scheduled, and as to which (i) no Proof of Claim has been Filed by the Bar Date or deemed timely Filed with the Court pursuant to either the Bankruptcy Code or any Final Order or under applicable law, and (ii) no request for payment of an Administrative Claim has been Filed by the Administrative Claims Bar Date or deemed timely Filed with the Court pursuant to either the Bankruptcy Code or any Final Order or under applicable law, or (d) after the Effective Date, has been disallowed in a written agreement by and between the Reorganized Debtors and the Holder of such Claim.

1.39 “Disbursing Agent” means (a) on or prior to the Effective Date, the Debtors, and (b) after the Effective Date, the Reorganized Debtors; provided, however, that the Debtors or the Reorganized Debtors may, in their discretion, retain a third party to act as Disbursing Agent.

1.40 “Disposable Income” means as defined in 11 U.S.C. § 1191(d).

1.41 “Disputed” means, when used in reference to a Claim, a Claim or any portion thereof that is neither an Allowed Claim nor a Disallowed Claim.

1.42 “Disputed Claim Amount” means (a) if a liquidated amount is set forth in the Proof of Claim relating to a Disputed Claim, (i) the liquidated amount set forth in the Proof of Claim relating to a Disputed Claim; (ii) an amount agreed to by the Reorganized Debtors and the Holder of such Disputed Claim; or (iii) if a request for estimation is Filed by any party, the amount at which such Claim is estimated by the Court; (b) if no liquidated amount is set forth in the Proof of Claim relating to a Disputed Claim, (i) an amount agreed to by the Reorganized Debtors and the Holder of such Disputed Claim or (ii) the amount estimated by the Court with respect to such Disputed Claim; or (c) if the Claim is a Disallowed Claim, zero.

1.43 “Distribution” means the distributions to be made by the Disbursing Agent in accordance with the Plan of, as the case may be: (a) Cash or (b) any other consideration or residual value distributed to Holders of Allowed Claims under the terms and provisions of the Plan.

1.44 “Distribution Date” means one hundred eighty (180) days after the Effective Date, as such deadline may be extended from time to time by the Court.

1.45 “Distribution Record Date” means the record date for the purpose of determining Holders of Allowed Claims entitled to receive Distributions under the Plan on account of Allowed Claims, which date shall be the Confirmation Date or such other date designated in the Confirmation Order or any subsequent Court order.

1.46 “DTC” means Depository Trust Company or similar such company selected by the Reorganized Debtors.

1.47 “Effective Date” means, with respect to the Plan, the date that is a Business Day selected by the Debtors, with the consent of HF, on which: (a) no stay of the Confirmation Order is in effect; (b) all conditions precedent specified in Article X.B hereof have been satisfied or waived (in accordance with Article X.C); and (c) the Plan is declared effective.

1.48 “Effective Date Non-CVA AR” means Non-CVA accounts receivable of Opco collected and received by the Debtors from September 29, 2023 through and including the Effective Date.

1.49 “Entity” has the meaning ascribed to such term in section 101(15) of the Bankruptcy Code.

1.50 “Estates” means the estate of the Debtors created under section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases on the Petition Dates.

1.51 “Exculpated Parties” means, collectively, and in each case in its capacity as such: (a) the Debtors; (b) the Debtors’ directors and officers who served during the Chapter 11 Cases; (c) the DIP Lender; (d) HF; (e) Livible; and (d) the Professionals.

1.52 “Executory Contract” means a contract to which any of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

1.53 “Exhibit” means an exhibit attached to the Plan.

1.54 “Face Amount” means (i) when used in reference to a Disputed or Disallowed Claim, the Disputed Claim Amount, and (ii) when used in reference to an Allowed Claim, the Allowed amount of such Claim.

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

1.56 “Final Order” means: (a) an order or judgment of the Court, as entered on the docket in the Chapter 11 Cases (or any related adversary proceeding or contested matter) or the docket of any other court of competent jurisdiction; or (b) an order or judgment of any other court having jurisdiction over any appeal from (or petition seeking certiorari or other review of) any order or judgment entered by the Court (or any other court of competent jurisdiction, including in an appeal taken) in the Chapter 11 Cases (or in any related adversary proceeding or contested matter), in each case that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired according to applicable law and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely Filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; provided that the possibility a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or the Local Bankruptcy Rules of the Bankruptcy Court, may be filed relating to such order shall not prevent such order from being a Final Order.

1.57 “General Unsecured Claim” means a Claim against the Debtors that is not an Administrative Claim, Priority Tax Claim, Miscellaneous Secured Claim, HF Holdco Secured Claim, Livible Holdco Secured Claim, Other Holdco Noteholders Secured Claim, HF Opco Secured Claim, Livible Opco Secured Claim, and Other Priority Claim.

1.58 “Governmental Unit” has the meaning ascribed to such term in section 101(27) of the Bankruptcy Code.

1.59 “HF” means HF Direct Investments Pool, LLC and its affiliated companies.

1.60 “HF Holdco Secured Claim” means HF’s Secured claim against Holdco in the principal amount of \$1,500,000.

1.61 “HF Opco Secured Claim” means HF’s Secured claim against Opco in the principal amount of \$605,000.

1.62 “Holdco” means WayForth, Inc.

1.63 “Holdco Bar Date” means December 8, 2023, and, solely for Governmental Units, March 27, 2024.

1.64 “Holdco Petition Date” means September 29, 2023.

1.65 “Holdco Interests” means the legal interests, equitable interests, contractual interests, equity interests or ownership interests, or other rights of any Person or Entity in Holdco, including all capital stock, stock certificates, common stock, preferred stock, partnership interests, limited liability company or membership interests, rights, treasury stock, options, warrants, contingent warrants, convertible or exchangeable securities, investment securities, subscriptions or other agreements and contractual rights to acquire or obtain such an interest or share in Holdco, partnership interests in Holdco’s stock appreciation rights, conversion rights, repurchase rights, redemption rights, dividend rights, preemptive rights, subscription rights and liquidation preferences, puts, calls, awards or commitments of any character whatsoever relating to any such equity, common stock, preferred stock, ownership interests or other shares of capital stock of Holdco or obligating Holdco to issue, transfer or sell any shares of capital stock whether or not certificated, transferable, voting or denominated stock or a similar security.

1.66 “Holder” means an Entity holding a Claim or Interest.

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

1.68 “Impaired Class” means a Class of Claims or Interests that is Impaired.

1.69 “Interests” means Holdco Interests and Opco Interests, together.

1.70 “Lien” has the meaning ascribed to such term in section 101(37) of the Bankruptcy Code.

1.71 “Livable” means LE Livible Investments, LLC and its affiliated companies.

1.72 “Livable Holdco Secured Claim” means Livible’s Secured claim against Holdco in the principal amount of \$1,500,000.

1.73 “Livable Opco Secured Claim” means Livible’s Secured claim against Opco in the principal amount of \$605,000.

1.74 “Local Rules” means the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Eastern District of Virginia.

1.75 “Miscellaneous Secured Claim” means a Claim (a) that is secured by a Lien on property in which one or more of the Estates have an interest, which Lien is valid, perfected and enforceable under applicable law or by reason of a Final Order, or (b) that is subject to setoff

under section 553 of the Bankruptcy Code and such right of setoff has been asserted by the holder of such right prior to the Confirmation Date in a properly Filed motion for relief from the automatic stay, to the extent of the value of the Claimholder's interest in the Estates' interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code.

1.76 “New Reorganized Holdco Common Stock” means newly issued common stock in Reorganized Holdco on the Effective Date after giving effect to the Restructuring.

1.77 “Non-CVA” means any location from which Opco generated a sale prior to the Opco Petition Date, other than in central Virginia.

1.78 “Objection(s)” means any objection, application, motion, complaint or other legal proceeding seeking, in whole or in part, to disallow, determine, liquidate, classify, reclassify or establish the priority, expunge, subordinate or estimate any Claim (including the resolution of any request for payment of any Administrative Claim).

1.79 “Official Bankruptcy Forms” means the Official Bankruptcy Forms, prescribed by the Judicial Conference of the United States, the observance and use of which is required pursuant to Bankruptcy Rule 9009, as such forms may be amended, revised or supplemented from time to time.

1.80 “Opco” means WayForth, LLC.

1.81 “Opco Bar Date” means January 3, 2024, and, solely for Governmental Units, February 28, 2024.

1.82 “Opco Interests” means the legal interests, equitable interests, contractual interests, equity interests or ownership interests, or other rights of any Person or Entity in Opco, including all capital stock, stock certificates, common stock, preferred stock, partnership interests, limited liability company or membership interests, rights, treasury stock, options, warrants, contingent warrants, convertible or exchangeable securities, investment securities, subscriptions or other agreements and contractual rights to acquire or obtain such an interest or share in Opco, partnership interests in Opco's stock appreciation rights, conversion rights, repurchase rights, redemption rights, dividend rights, preemptive rights, subscription rights and liquidation preferences, puts, calls, awards or commitments of any character whatsoever relating to any such equity, common stock, preferred stock, ownership interests or other shares of capital stock of Opco or obligating Opco to issue, transfer or sell any shares of capital stock whether or not certificated, transferable, voting or denominated stock or a similar security.

1.83 “Opco Petition Date” means September 1, 2023.

1.84 “Other Holdco Noteholders” means, collectively, Bryan Bogese, George C. Freeman, III, Virginia B Wortham Trust, Coleman Wortham Trust, Price Partners and Branch Investment Group, LLC.

1.85 “Other Priority Claim” means any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or an Administrative Claim.

1.86 “Person” has the meaning ascribed to such term in section 101(41) of the Bankruptcy Code.

1.87 “Petition Dates” means the Opco Petition Date and the Holdco Petition Date, together.

1.88 “Plan” means the Subchapter V chapter 11 plan of reorganization proposed by the Plan Proponent, including all exhibits and schedules attached hereto or otherwise incorporated herein, as such Plan may be altered, amended, modified or supplemented from time to time, including in accordance with its terms, the Bankruptcy Code and the Bankruptcy Rules, which shall be in form and substance reasonably acceptable to the Debtors and HF.

1.89 “Plan Proponent” means the Debtors.

1.90 “Plan Supplement” means the compilation(s) of documents and forms of documents, including any exhibits and schedules to the Plan not included herewith, that the Debtors shall file with the Court, which shall be in form and substance reasonably acceptable to HF.

1.91 “Plan Support Agreement” means the agreement dated September 29, 2023, by and among: the Debtors; HF; solely with respect to Section 4.3 of the agreement, Livible; and solely with respect to Section 4.4 of the agreement, the Other Holdco Noteholders, and Exhibit A thereto, the Plan Term Sheet, filed as an exhibit to the *Debtors’ Motion to Authorize Entry Into Plan Support Agreement with HF Direct Investments Pool, LLC* (Doc. No. 67).

1.92 “Priority Claims” means, collectively, Other Priority Claims and Priority Tax Claims.

1.93 “Priority Tax Claim” means any Claim accorded priority in right of payment under section 507(a)(8) of the Bankruptcy Code.

1.94 “Professional” means any professional employed by the Debtors in the Chapter 11 Cases pursuant to sections 327, 328, or 1103 of the Bankruptcy Code. For the avoidance of doubt, the Subchapter V Trustee shall be considered a Professional, including for purposes of the Professional Fee Claims.

1.95 “Professional Fee Claim” means all Administrative Claims for the compensation of Professionals and the reimbursement of expenses incurred by such Professionals through and including the Confirmation Date to the extent such fees and expenses have not been previously paid.

1.96 “Proof of Claim” means a proof of Claim Filed in the Chapter 11 Cases.

1.97 “Pro Rata” means, at any time, the proportion that the Face Amount of a Claim in a particular Class bears to the aggregate Face Amount of all Claims (including Disputed Claims, but excluding Disallowed Claims) in such Class, unless the Plan provides otherwise.

1.98 “Rejection Bar Date” means the deadline by which a counterparty to a rejected Executory Contract or an Unexpired Lease of the Debtors must File a Proof of Claim for damages resulting from the rejection of such Executory Contract or Unexpired Lease by the Debtors, which deadline shall be the later of: (a) the Bar Date; (b) thirty (30) days after the entry of an order by the Court authorizing such rejection; or (c) such other date, if any, as the Court may fix in the order authorizing such rejection.

1.99 “Released Party” means each of the following in their capacity as such: (a) the Debtors’ current officers, directors, and managers; (b) the DIP Lender; (c) HF; (d) Livible; (e) the Other Holdco Noteholders; and (f) with respect to each of the foregoing Entities described in clauses (b) through (e), such Entities’ respective current and former directors, managers, officers, committee members, members of any governing body, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed accounts or funds, predecessors, participants, successors, assigns, subsidiaries, Affiliates, partners, limited partners, general partners, principals, members, management companies, fund advisors or managers, employees, agents, trustees, advisory board members, financial advisors, attorneys (including any other attorneys or professionals retained by any current or former director or manager in his or her capacity as director or manager of an Entity), accountants, investment bankers, consultants, representatives, and other professionals and advisors and any such Entity’s respective heirs, executors, estates, and nominees, in each case solely in their capacity as such.

1.100 “Reorganized Debtors” means Reorganized Holdco and Reorganized Opco, together.

1.101 “Reorganized Holdco” means WayForth, Inc., on and after the Effective Date.

1.102 “Reorganized Opco” means WayForth, LLC, on and after the Effective Date.

1.103 “Reorganized WayForth, Inc. Bylaws” means Reorganized Holdco’s bylaws substantially in the form attached hereto as Exhibit B, which shall be acceptable in form and substance to HF.

1.104 “Reorganized WayForth, Inc. Certificate of Incorporation” means Reorganized Holdco’s certificate of incorporation substantially in the form attached hereto as Exhibit A, which shall be acceptable in form and substance to HF.

1.105 “Reorganized WayForth, LLC Bylaws” means Reorganized Opco’s bylaws substantially in the form attached hereto as Exhibit D, which shall be acceptable in form and substance to HF.

1.106 “Reorganized WayForth, LLC Certificate of Incorporation” means Reorganized Opco’s certificate of incorporation substantially in the form attached hereto as Exhibit C, which shall be acceptable in form and substance to HF.

1.107 “Restructuring” means the restructuring of the Debtors on the terms of the Plan.

1.108 “Restructuring Documents” means the Plan, Plan Supplement, the Plan Support Agreement and the various agreements and other documents formalizing or implementing the Plan and the transactions contemplated thereunder.

1.109 “Retained Causes of Action List” means a list of all retained Claims and Causes of Action of the Debtors, identified in the Plan Supplement.

1.110 “Secured” means, when referring to a Claim: (a) secured by a Lien on property in which the Debtors have an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the applicable Holder’s interest in the applicable Debtors’ interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code; or (b) pursuant to the Plan, or separate order of the Court, as a secured claim.

1.111 “Secured Holdco Claims” means, collectively, the HF Holdco Secured Claim, the Livible Holdco Secured Claim and the Other Holdco Noteholders Secured Claim.

1.112 “Secured Holdco Creditors” means, collectively, HF, Livible and the Other Holdco Noteholders.

1.113 “Scheduled” means, with respect to any Claim, the status and amount, if any, of that Claim as set forth in the Schedules.

1.114 “Schedules” mean the schedules of assets and liabilities, schedules of executory contracts and statement of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, Bankruptcy Rule 1007 and the Official Bankruptcy Forms, as such schedules and statements have been or may be supplemented or amended from time to time in accordance with Bankruptcy Rule 1009 or any orders of the Court.

1.115 “Subchapter V Trustee” means any trustee appointed under section 1183(a) of the Bankruptcy Code, including William E. Callahan, Jr.

1.116 “Subordinated 510(b) Claim” means any Claim subordinated pursuant to section 510(b) of the Bankruptcy Code, including pursuant to a Final Order of the Court.

1.117 “Subordinated 510(c) Claim” means any Claim that has been subordinated pursuant to section 510(c) of the Bankruptcy Code, including pursuant to a Final Order of the Court, or is for punitive or exemplary damages or for a fine or penalty, to the extent permitted by applicable law.

1.118 “Unclaimed Distributions” means any undeliverable or unclaimed Distributions.

1.119 “Unexpired Lease(s)” means a lease to which any of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

1.120 “Unimpaired” means, when used in reference to a Claim or a Class, a Claim or a Class that is not impaired within the meaning of section 1124 of the Bankruptcy Code and, when used in reference to an Opco Interest or a Class, an Opco Interest or a Class that is not impaired within the meaning of section 1124 of the Bankruptcy Code.

1.121 “Voting Deadline” means November [27], 2023, at 5:00 p.m. (Eastern Time), the date and time by which all Ballots to accept or reject the Plan must be received in order to be counted, as set forth by the Plan.

C. Rules of Interpretation

For purposes herein: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit as it may thereafter be amended, modified, or supplemented; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity’s successors and assigns; (5) unless otherwise specified, all references herein to “Articles” are references to Articles hereof or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) unless otherwise specified, the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (8) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (9) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (10) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (11) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Court’s CM/ECF system; (12) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (13) any immaterial effectuating provisions may be interpreted by the Debtors, or the Reorganized Debtors in such a manner that is consistent with the overall purpose and intent of the Plan, all without further notice to, or action, order, or approval of, the Court or any other Entity; (14) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to (i) the Debtors or to the Reorganized Debtors shall mean the Debtors and the Reorganized Debtors, as applicable; (ii) Petition Dates shall mean the Opco Petition Date and the Holdco Petition Date, as applicable; and (iii) the Bar Date shall mean the Opco Bar Date and the Holdco Bar Date, as applicable, to the extent the context requires.

D. Computation of Time

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a

transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day. Any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable after the Effective Date.

E. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) and except as otherwise provided herein or therein, the laws of (i) the state of Delaware shall govern the construction and implementation of the Plan and any agreements, documents and instruments executed in connection with the Plan and (ii) the state of incorporation of the Debtors shall govern corporate governance matters with respect to each of the Debtors, in either case without giving effect to the principles of conflicts of law thereof.

F. Reference to Monetary Figures

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

G. Controlling Document

In the event of an inconsistency between the Plan and any document included in the Plan Supplement, the terms of the relevant provision in the Plan shall control (unless stated otherwise in such document or in the Confirmation Order). In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

**ARTICLE II
BACKGROUND, HISTORY AND FINANCIAL INFORMATION**

A. Background and History of the Debtor

The Debtors operated as the nation's leading provider of complete home transition solutions for individuals and families experiencing challenging transitions, including downsizing, relocating to a new living environment or managing estates. The Debtors provided a full suite of moving services, including move management, packing, floor planning, decluttering, clear-out, and storage services. Founded in 2016, the Debtors' services were designed to support the specific logistical needs of the aging population relocating to senior communities or downsizing but are available and applicable to almost any family during a relocation. At their peak, the business employed over 470 workers and operated in 12 states and in cities such as Boston, Philadelphia, Baltimore, Washington, and Charlotte.

B. Prepetition Capital Structure

Opcoco executed a Promissory Note Purchase Agreement, dated August 16, 2023, pursuant to which WayForth made the following notes: (i) Secured Promissory Note dated August 16, 2023 held by Livible in the amount of \$175,000; (ii) Secured Promissory Note dated August 16, 2023 held by HF in the amount of \$175,000; (iii) Secured Promissory Note dated August 31, 2023 held by Livible in the amount of \$430,000; and (iv) Secured Promissory Note dated August 31, 2023 held by HF in the amount of \$430,000.

Holdco executed the following notes: (i) Secured Promissory Note dated May 23, 2023 held by Livible in the amount of \$1,500,000; (ii) Secured Promissory Note dated May 23, 2023 held by HF in the amount of \$1,500,000; and (iii) Secured Promissory Notes dated between June 15, 2023 and June 20, 2023, held by the Other Holdco Noteholders, in the aggregate amount of \$980,000.

C. Chapter 11 Cases Filing Background

After securing new capital to grow the business, the Debtors pursued an aggressive growth strategy. First, the Debtors increased their operations by acquiring similar businesses throughout the United States. Second, the Debtors sought to grow organically by opening new locations and hiring staff to establish the new locations. But the timing coincided with unforeseen complications. The Debtors struggled to find sufficient labor to conduct its growth plans. The Debtors could not find employees to fill critical positions in their many, new operations. Opportunities were lost as the Debtors simply did not have the workforce to operate operations profitably. Meanwhile, inflationary forces further decimated the already-diminishing margins. All of these events significantly reduced the Debtors' cashflow forcing the company to pursue other means to survive. Initially, WayForth sought to merge and engaged in advanced negotiations with a private equity group in which the merger transaction would have provided significant equity capital as well as lead to combining with a larger, profitable entity. The merger collapsed when the private equity group decided not to move forward with the transaction. As a consequence, the Debtors faced an imminent cash crisis and extremely limited options.

After the merger process terminated, the Debtors' management reviewed a number of strategic options, including: (a) selling the companies; (b) partnering in new structures or combining with commercial and operating partners; (c) investing additional equity capital; and (d) various restructuring options to reduce the cost structure and footprint of the business. Ultimately, the decision was made to wind down all markets outside of the central Virginia (Richmond) market, as well as most corporate functions, as soon as reasonably possible. At the end of the summer of 2023, the Debtors closed all of their operations except those in the Richmond market. The Debtors have also done their best to ensure employees are paid for time worked, clients receive items in storage, and leased trucks and other assets are returned to their owners in a safe and orderly fashion. On September 1, 2023, Opco commenced its bankruptcy case by filing a voluntary petition for relief under subchapter V of Chapter 11 of the Bankruptcy Code. Holdco followed with its own subchapter V filing on September 29, 2023. Both cases have been procedurally consolidated and are being jointly administered in the Chapter 11 Cases.

D. The Debtors' Assets

Information regarding the Debtors' assets are set forth in the Debtors' Schedules and Statements of Financial Affairs. [Doc. Nos. 48 and 88].

E. Summary of the Plan and Expected Recoveries Under the Plan

In short, the Plan cancels Holdco's existing equity, exchanges Holdco's secured Claims for newly issued equity in Holdco, preserves Opco's existing equity, and provides for the payment to general unsecured creditors cash equal to the present value of Reorganized Opco's

projected three-year Disposable Income. An estimate of expected recoveries under the Plan is summarized in table form in the “Introduction” section to the Plan.

F. Feasibility

See Exhibit E attached hereto.

G. Liquidation Analysis

See Exhibit F attached hereto.

**ARTICLE III
ADMINISTRATIVE CLAIMS AND PRIORITY CLAIMS**

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified and thus are excluded from the Classes of Claims and Interests set forth in Article IV hereof.

A. Administrative Claims and Priority Tax Claims

Except as otherwise provided in this Article III.A and except with respect to Administrative Claims that are Professional Fee Claims, requests for payment of Allowed Administrative Claims must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be Filed and served on the Reorganized Debtors and the requesting party by the Claims Objection Bar Date.

Except with respect to Administrative Claims that are Professional Fee Claims or DIP Claims, and except to the extent that an Administrative Claim or Priority Tax Claim has already been paid during the Chapter 11 Cases or a Holder of an Allowed Administrative Claim or Priority Tax Claim and the applicable Debtor(s) agree to less favorable treatment, each Holder of an Allowed Administrative Claim or Priority Tax Claim shall receive, in full and final satisfaction, compromise, settlement, and release of and in exchange for its Claim, payment in Cash in full by the Reorganized Debtors.

Notwithstanding the foregoing, no request for payment of an Administrative Claim need be Filed with respect to an Administrative Claim Allowed by Final Order.

B. Professional Compensation

1. Final Fee Applications and Payment of Professional Fee Claims

All final requests for payment of Professional Fee Claims incurred during the period from the Petition Dates through the Confirmation Date shall be Filed no later than thirty (30) days

after the Effective Date. All such final requests will be subject to approval by the Court after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior orders of the Court, and once approved by the Court, shall be promptly paid by the Reorganized Debtors up to the full Allowed amount.

2. Post-Confirmation Date Fees and Expenses

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to, or action, order, or approval of, the Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses incurred by the Professionals. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors may employ and pay any Professional in the ordinary course of business without any further notice to, or action, order, or approval of, the Court.

C. DIP Claims

As of the Effective Date, the DIP Claims shall be Allowed Claims in the full amount outstanding under the DIP Loan Documents, including principal, interest, fees, and expenses.

On or before the Effective Date, except to the extent that a Holder of an Allowed DIP Claim agrees to a less favorable treatment, the DIP Claims shall be repaid indefeasibly in full in two parts: (i) DIP Claims up to \$1,000,000 shall be repaid through the issuance of 40% of the New Reorganized Holdco Common Stock as of the Effective Date and such issuance shall dilute any other issuances of New Reorganized Holdco Common Stock under the Plan; and (ii) any DIP Claims exceeding \$1,000,000 shall be repaid through a secured promissory note executed by the Reorganized Debtors on or prior to the Effective Date payable no earlier than December 31, 2028.

ARTICLE IV CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. Summary of Classification

Claims and Interests, except for DIP Claims, Administrative Claims, and Priority Tax Claims, are classified in the Classes set forth in this Article IV. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. Except as otherwise provided in this Plan, a Claim or Interest also is classified in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim is an Allowed Claim in that Class and has not been paid, released, or otherwise satisfied before the Effective Date.

1. Class Identification

The classification of Claims and Interests against the Debtors (as applicable) pursuant to the Plan is as follows:

<u>Class</u>	<u>Claim or Interest</u>	<u>Status</u>	<u>Voting</u>
1	Miscellaneous Secured Claims	Unimpaired	Deemed to Accept
2	Other Priority Claims	Unimpaired	Deemed to Accept
3	General Unsecured Claims	Impaired	Entitled to Vote
4	HF Holdco Secured Claim	Impaired	Entitled to Vote
5	Livable Holdco Secured Claim	Impaired	Entitled to Vote
6	Other Holdco Noteholders Secured Claim	Impaired	Entitled to Vote
7	HF Opco Secured Claim	Impaired	Entitled to Vote
8	Livable Opco Secured Claim	Impaired	Entitled to Vote
9	Subordinated 510(c) Claims	Impaired	Deemed to Reject
10	Subordinated 510(b) Claims	Impaired	Deemed to Reject
11	Holdco Interests	Impaired	Deemed to Reject
12	Opco Interests	Unimpaired	Deemed to Accept

B. Treatment of Claims and Interests

Subject to Article VI hereof, each holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, compromise, settlement, release, and discharge of, and in exchange for, such holder’s Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Debtors and the holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the later of the Effective Date and the date such holder’s Claim or Interest becomes an Allowed Claim or Allowed Interest or as soon as reasonably practicable thereafter.

1. Class 1: Miscellaneous Secured Claims

- a. *Classification:* Class 1 consists of Miscellaneous Secured Claims against any Debtor.
- b. *Treatment:* Each Holder of an Allowed Miscellaneous Secured Claim will receive, at the Debtors’ election: (a) payment in Cash in full from the Reorganized Debtors; (b) delivery of the collateral securing any such Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; (c) Reinstatement of such Claim; or (d) other treatment rendering such Claim Unimpaired.
- c. *Voting:* Class 1 is Unimpaired. Holders of Other Secured Claims are conclusively presumed to have accepted the Plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

2. Class 2: Other Priority Claims

- a. *Classification:* Class 2 consists of Other Priority Claims.
- b. *Treatment:* Each Holder of an Allowed Other Priority Claim will receive (a) payment in Cash, in full, from the Reorganized Debtors or (b) such other treatment as to which such Holder and the Reorganized Debtors shall have agreed upon in writing. The failure to object to Confirmation by a Holder of an Allowed Other Priority Claim shall be deemed to be such Holder's consent to receive treatment for such Claim that is different from that set forth in section 1129(a)(9) of the Bankruptcy Code.
- c. *Voting:* Class 2 is Unimpaired. Holders of Other Priority Claims are conclusively presumed to have accepted the Plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

3. Class 3: General Unsecured Claims

- a. *Classification:* Class 3 consists of all General Unsecured Claims.
- b. *Treatment:* Each Holder of an Allowed General Unsecured Claim shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, such Allowed General Unsecured Claim, such Holder's pro rata share of the Class 3 Payment Amount; provided, however, that the Class 3 Payment Amount shall be reduced if there is insufficient Cash in the Estates sixty (60) days after the Effective Date to pay all Allowed Administrative Claims and Professional Fee Claims.
- c. *Voting:* Class 3 is impaired. Holders of Allowed General Unsecured Claims are entitled to vote on the Plan.

4. Class 4: HF Holdco Secured Claim

- a. *Classification:* Class 4 consists of the HF Holdco Secured Claim.
- b. *Treatment:* The HF Holdco Secured Claim is an Allowed Claim under the Plan. On the Effective Date, HF shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the HF Holdco Secured Claim up to seventy percent (70%) of New Reorganized Holdco Common Stock, subject to dilution by the issuance of New Reorganized Holdco Common Stock in payment of DIP Claims.
- c. *Voting:* Class 4 is impaired. Holders of the HF Holdco Secured Claim are entitled to vote on the Plan.

5. Class 5: Livible Holdco Secured Claim

- a. *Classification:* Class 5 consists of the Livible Holdco Secured Claim.

- b. *Treatment:* The Livible Holdco Secured Claim is an Allowed Claim under the Plan. On the Effective Date, Livible shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the Livible Holdco Secured Claim up to nineteen percent (19%) of New Reorganized Holdco Common Stock, subject to dilution by the issuance of New Reorganized Holdco Common Stock in payment of DIP Claims.
- c. *Voting:* Class 5 is impaired. Holders of the Livible Holdco Secured Claim are entitled to vote on the Plan.

6. Class 6: Other Holdco Noteholders Secured Claim

- a. *Classification:* Class 6 consists of the Other Holdco Noteholders Secured Claim.
- b. *Treatment:* The Other Holdco Noteholders Secured Claim is an Allowed Claim under the Plan. On the Effective Date, the Other Holdco Noteholders shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the Livible Holdco Secured Claim up to eleven percent (11%) of New Reorganized Holdco Common Stock, subject to dilution by the issuance of New Reorganized Holdco Common Stock in payment of DIP Claims.
- c. *Voting:* Class 6 is impaired. Holders of the Other Holdco Noteholders Secured Claim are entitled to vote on the Plan.

7. Class 7: HF Opco Secured Claim

- a. *Classification:* Class 7 consists of the HF Opco Secured Claim.
- b. *Treatment:* The HF Opco Secured Claim is an Allowed Claim under the Plan. HF shall receive, in full satisfaction, settlement, release and discharge of, and in exchange for, the HF Opco Secured Claim (i) within five (5) days of the Effective Date, Cash equal to \$125,000 plus 50% Effective Date Non-CVA AR; and (ii) as the Reorganized Debtors collect and receive Non-CVA AR, at least monthly, Cash equal to 50% Post-Effective Date Non-CVA AR.
- c. *Voting:* Class 7 is impaired. Holders of the HF Opco Secured Claim are entitled to vote on the Plan.

8. Class 8: Livible Opco Secured Claim

- a. *Classification:* Class 8 consists of the Livible Opco Secured Claim.
- b. *Treatment:* The Livible Opco Secured Claim is an Allowed Claim under the Plan. Livible shall receive, in full satisfaction, settlement, release and

discharge of, and in exchange for, the Livible Opco Secured Claim (i) within five (5) days of the Effective Date, Cash equal to \$125,000 plus 50% Effective Date Non-CVA AR; and (ii) as the Reorganized Debtors collect and receive Non-CVA AR, at least monthly, Cash equal to 50% Post-Effective Date Non-CVA AR.

- c. *Voting:* Class 8 is impaired. Holders of the Livible Opco Secured Claim are entitled to vote on the Plan.

9. Class 9: Subordinated 510(c) Claims

Classification: Class 9 consists of the Subordinated 510(c) Claims.

- b. *Treatment:* On or after the Effective Date, all Subordinated 510(c) Claims shall be deemed eliminated, cancelled and/or extinguished and each Holder thereof shall not be entitled to, and shall not receive or retain, any property or interest in property on account of such Claims.
- c. *Voting:* Class 9 is impaired. Holders of Subordinated 510(c) Claims are deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

10. Class 10: Subordinated 510(b) Claims

- a. *Classification:* Class 10 consists of the Subordinated 510(b) Claims.
- b. *Treatment:* On or after the Effective Date, all Subordinated 510(b) Claims shall be deemed eliminated, cancelled and/or extinguished and each Holder thereof shall not be entitled to, and shall not receive or retain, any property or interest in property on account of such Claims.
- c. *Voting:* Class 10 is impaired. Holders of Subordinated 510(b) Claims are deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

11. Class 11: Holdco Interests

- a. *Classification:* Class 11 consists of Holdco Interests.
- b. *Treatment:* On the Effective Date, all Holdco Interests are deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors, and the obligations of the Debtors thereunder shall be discharged, and each Holder of a Holdco Interest shall not be entitled to, and shall not receive or retain, any property or interest in property on account of such Interests.

- c. *Voting:* Class 11 is impaired. Holders of Holdco Interests are deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

12. Class 12: Opco Interests

- a. *Classification:* Class 12 consists of Opco Interests.
- b. *Treatment:* All Opco Interests are Allowed Interests and Unimpaired under the Plan.
- c. *Voting:* Class 12 is unimpaired. Holders of Opco Interests are deemed to accept the Plan.

C. Special Provision Regarding Unimpaired Claims

Except as otherwise provided in the Plan, the Confirmation Order, any other order of the Court or any document or agreement enforceable pursuant to the terms of the Plan, nothing shall affect the rights and defenses, both legal and equitable, of the Debtors or the Reorganized Debtors with respect to any Unimpaired Claims, including, but not limited to, all rights with respect to legal and equitable defenses to setoffs or recoupments against Unimpaired Claims.

D. Allowed Claims

Notwithstanding any provision herein to the contrary, the Disbursing Agent shall only make Distributions to Holders of Allowed Claims. No Holder of a Disputed Claim shall receive any Distribution on account thereof until (and then only to the extent that) its Disputed Claim becomes an Allowed Claim. The Reorganized Debtors may, in their discretion, withhold Distributions otherwise due hereunder to any Claimholder until the Claims Objection Deadline, to enable a timely objection thereto to be Filed. Any Holder of a Claim that becomes an Allowed Claim after the Effective Date shall receive its Distribution in accordance with the terms and provisions of the Plan.

**ARTICLE V
MEANS FOR IMPLEMENTATION OF THE PLAN**

A Corporate Action

1. Continued Corporate Existence

The Debtors shall continue to exist after the Effective Date as the Reorganized Debtors in accordance with the applicable law in the jurisdiction in which they are incorporated and pursuant to their certificates of incorporation and bylaws in effect prior to the Effective Date, except to the extent such certificates and bylaws are amended on the Effective Date.

2. Cancellation of Existing Holdco Securities, Notes and Agreements

Except as otherwise provided in the Plan, and in any contract, instrument or other agreement or document created in connection with the Plan, on the Effective Date, any and all

Holdco Interests, including promissory notes, share certificates, whether for preferred or common stock (including treasury stock), other instruments evidencing any Claims or Holdco Interests, other than a Claim that is being reinstated and rendered Unimpaired, and all options, warrants, calls, rights, puts, awards, commitments or any other agreements of any character to acquire such Interests shall be deemed automatically canceled, retired, released, and/or extinguished and of no further force and effect, without any further act or action under any applicable agreement, law, regulation, order or rule, and the obligations of Holdco under the notes, share certificates and other agreements and instruments governing such Claims and Holdco Interests shall be discharged. The holders of or parties to such canceled notes, share certificates and other agreements and instruments shall have no rights arising from or relating to such notes, share certificates and other agreements and instruments or the cancellation thereof, except the rights provided pursuant to the Plan.

3. Preservation of Existing Opco Securities

On the Effective Date, any and all Opco Interests, share certificates, whether for preferred or common stock (including treasury stock), other instruments evidencing Opco Interests, and all options, warrants, calls, rights, puts, awards, commitments or any other agreements of any character to acquire such Opco Interests shall be preserved. The holders of or parties to such Opco Interests are Unimpaired under the Plan.

4. Cancellation of Existing Opco Notes and Agreements

Except as otherwise provided in the Plan, and in any contract, instrument or other agreement or document created in connection with the Plan, on the Effective Date, any and all Opco promissory notes or other instruments evidencing any Claims shall be deemed automatically canceled, retired, released, and/or extinguished and of no further force and effect, without any further act or action under any applicable agreement, law, regulation, order or rule, and the obligations of Opco under the notes and other agreements and instruments governing such Claims shall be discharged. The holders of or parties to such canceled notes and other agreements and instruments shall have no rights arising from or relating to such notes and other agreements and instruments or the cancellation thereof, except the rights provided pursuant to the Plan.

5. Certificate of Incorporation and Bylaws

The certificate of incorporation and bylaws of the Debtors shall be amended as necessary to satisfy the provisions of the Plan and the Bankruptcy Code and shall include, among other things, pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code. The Reorganized WayForth, Inc. Certificate of Incorporation, Reorganized WayForth, Inc. Bylaws, Reorganized WayForth, LLC Certificate of Incorporation and Reorganized WayForth, LLC Bylaws shall be in substantially the forms attached to the Plan as Exhibit A, Exhibit B, Exhibit C, and Exhibit D respectively, and shall be acceptable in form and substance to HF.

6. Authorization and Issuance of New Reorganized Holdco Common Stock

As of the Effective Date, without the requirement of further act or action under applicable non-bankruptcy law, regulation, order or rule, the Reorganized Debtors are authorized to issue shares of New Reorganized Holdco Common Stock, including to the Holders of the Secured Holdco Claims and DIP Claims; provided, that Holders of the Secured Holdco Claims are subject to dilution by the issuance of shares in repayment of the DIP Claims. On or as soon as practicable after the Effective Date, shares of New Reorganized Holdco Common Stock shall be issued by the Reorganized Debtors pursuant to the Plan, without the requirement of further act or action under applicable non-bankruptcy law, regulation, order or rule.

7. Directors and Officers of Reorganized Debtors

On the Effective Date, the term of the current board of directors of the Debtors shall expire. The initial board of directors of the Reorganized Debtors shall consist of three (3) members. The individuals proposed to serve as officers and directors of the Reorganized Debtors shall be designated by HF and identified on a schedule attached to the Plan Supplement.

8. No Further Action

Each of the matters provided for under the Plan involving the corporate structure of the Debtors or corporate action to be taken by or required of the Debtors shall, as of the Effective Date, be deemed to have occurred and be effective as provided herein, and shall be authorized and approved in all respects without any requirement of further action by any Person or Entity, including but not limited to, Holders of Claims or Interests against or in the Debtors, or directors or officers of the Debtors.

9. Closing the Chapter 11 Cases

When all Disputed Claims have become Allowed or Disallowed, the Reorganized Debtors shall seek authority from the Bankruptcy Court to close the Chapter 11 Cases in accordance with the Bankruptcy Code and the Bankruptcy Rules. Case Closing shall occur upon Bankruptcy Court approval to close the Chapter 11 Cases.

B. Vesting of Assets; Release of Liens

As of the Effective Date, the property of the Debtors' Estates, together with any property of the Debtors that is not property of their Estates and that is not specifically disposed of pursuant to the Plan, shall vest in the Reorganized Debtors on the Effective Date. Thereafter, the Reorganized Debtors may operate their business and may use, acquire and dispose of property free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules and the Court. As of the Effective Date, all property of the Reorganized Debtors shall be free and clear of all Claims and Interests, except as specifically provided in the Plan or the Confirmation Order. Without limiting the generality of the foregoing, the Reorganized Debtors may, without application to or approval by the Court, pay fees that they incur after the Effective Date for reasonable professional fees and expenses.

C. Exemption from Certain Transfer Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax or other similar tax or governmental assessment, and the Confirmation Order shall direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents without the payment of any such tax or governmental assessment.

D. Applicability of Section 1145 of the Bankruptcy Code

The issuance and distribution of the New Reorganized Holdco Common Stock will be made in reliance on the exemption from registration under the Securities Act provided by section 1145 of the Bankruptcy Code, or section 4(a)(2) of the Securities & Exchange Act of 1933 (as amended), Regulation D promulgated thereunder, in each case to the extent applicable, and will be exempt from registration under applicable securities laws.

If any recipients of the New Reorganized Holdco Common Stock determine, with the advice of respective counsel, that compliance is required with the registration and reporting requirements, including the Securities & Exchange Act of 1934, as amended, or the Investment Company Act of 1940, as amended, then any such party, as the case may be, shall take any and all actions to comply with such reporting requirements and file necessary periodic reports with the Securities and Exchange Commission.

Should the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the New Reorganized Holdco Common Stock through the facilities of DTC, the Reorganized Debtors need not provide any further evidence other than the Plan or the Confirmation Order with respect to the treatment of the New Reorganized Holdco Common Stock or under applicable securities laws. DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the New Reorganized Holdco Common Stock issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

Notwithstanding anything to the contrary in the Plan, no entity (including DTC) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including whether the New Reorganized Holdco Common Stock issued under the Plan are exempt from registration and/or eligible for DTC book entry delivery, settlement, and depository services.

E. Preservation of Causes of Action

In accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors shall retain and may (but are not required to) enforce all rights to commence and pursue any and all Causes of Action, whether arising before or after the Petition Dates, including any actions or categories of actions specifically identified on the Retained Causes of Action List, and such Causes of Action shall vest in the Reorganized Debtors as of the Effective Date. The Reorganized Debtors, in their sole and absolute discretion, shall determine whether to bring, settle, release, compromise or enforce Causes of Action (or decline to do any of the foregoing), and shall not be required to seek further approval of the Court for such action. The Reorganized

Debtors or any successors may pursue such litigation claims in accordance with the best interests of the Reorganized Debtors or any successor holding such rights of action. No Entity may rely on the absence of a specific reference in the Plan or the Plan Supplement to any Causes of Action against them as any indication that the Reorganized Debtors will not pursue any and all available Causes of Action against them. The Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise provided in the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or an order of the Court, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise) or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or consummation of the Plan; provided, however, solely with respect to Avoidance Actions, only those Avoidance Actions specifically identified on a schedule attached to the Plan Supplement shall vest in the Reorganized Debtors, and all other Avoidance Actions shall be waived.

1. Causes of Action Recoveries

To the extent the Reorganized Debtors recover Cash from an Entity pursuant to any Causes of Action, including Avoidance Actions, the Reorganized Debtors shall retain all recoveries derived from any Causes of Action and shall have no obligation to make any distributions to Creditors.

F. Effectuating Documents; Further Transactions

The Debtors' Chief Executive Officer and the officers and directors of the Reorganized Debtors, if applicable, shall be authorized to execute, deliver, file or record such contracts, instruments, releases, indentures and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors' Chief Executive Officer shall be authorized to certify or attest to any of the foregoing actions.

ARTICLE VI PROVISIONS GOVERNING DISTRIBUTIONS

A. Timing and Calculation of Amounts to Be Distributed

Unless otherwise provided in the Plan, on the Effective Date or as soon as reasonably practicable thereafter (or, if a Claim is not an Allowed Claim on the Effective Date, on the date that such Claim becomes Allowed or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim or Allowed Interest (or such Holder's affiliate) shall receive the full amount of the distributions that the Plan provides for Allowed Claims and Interests in each applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in the Plan. Except as otherwise provided in the Plan, Holders of

Claims shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. Disbursing Agent

Distributions under the Plan shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Court. Additionally, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Reorganized Debtor.

C. Rights and Powers of Disbursing Agent

1. Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred on or After the Effective Date

Except as otherwise ordered by the Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and out of pocket expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtor.

D. Delivery of Distributions and Undeliverable or Unclaimed Distributions

1. Record Date for Distribution

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record holders listed on the Claims Register as of the close of business on the Distribution Record Date, irrespective of any claims trading activity occurring on or after the Distribution Record Date.

2. Delivery of Distributions

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims, except as otherwise provided in this Article VII, or Interests shall be made to Holders of record as of the Distribution Record Date by the Disbursing Agent: (a) to the signatory set forth on any of the Proof of Claim Filed by such Holder or other representative identified therein (or at the

last known addresses of such Holder if no Proof of Claim is Filed or if the Debtors have been notified in writing of a change of address); (b) at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim; (c) at the addresses reflected in the Schedules if no Proof of Claim has been Filed and the Reorganized Debtors have not received a written notice of a change of address; or (d) on any counsel that has appeared in the Chapter 11 Cases on such Holder's behalf. Subject to this Article VIII, distributions under the Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment, or like legal process, so that each Holder of an Allowed Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan. The Debtors, the Disbursing Agent, or the Reorganized Debtors as applicable, shall not incur any liability whatsoever on account of any distributions under the Plan except for gross negligence or willful misconduct.

3. No Fractional Distributions

No fractional shares of New Reorganized Holdco Common Stock shall be distributed, and no Cash shall be distributed in lieu of such fractional shares. When any distribution pursuant to the Plan on account of any Allowed Claim would otherwise result in the issuance of a number of shares of New Reorganized Holdco Common Stock that is not a whole number, the actual distribution of shares of New Reorganized Holdco Common Stock shall be rounded as follows: (a) fractions of one-half or greater shall be rounded to the next higher whole number and (b) fractions of less than one-half shall be rounded to the next lower whole number with no further payment therefore. The total number of authorized shares of New Reorganized Holdco Common Stock to be distributed pursuant to the Plan shall be adjusted as necessary to account for the foregoing rounding.

4. Minimum Distributions

Holders of Allowed Claims entitled to distributions of \$50 (whether Cash or otherwise) or less shall not receive distributions, and each such Claim shall be discharged pursuant to Article IX and its Holder is forever barred pursuant to Article IX from asserting that Claim against the Debtors or the Reorganized Debtors, as applicable, or their property.

5. Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; provided that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six months from the Distribution Date. After such date, all unclaimed property or interests in property shall revert to the applicable Reorganized Debtor, without need for a further order by the Court (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be discharged and forever barred.

E. Manner of Payment

Unless otherwise set forth herein, all distributions of Cash and the New Reorganized Holdco Common Stock, as applicable, to the Holders of Allowed Claims under the Plan shall be made by the Disbursing Agent. At the option of the Disbursing Agent, any Cash payment to be made under the Plan may be made by check or wire transfer or as otherwise required or provided in applicable agreements.

F. Tax Issues and Compliance with Tax Requirements

Creditors and Interest Holders concerned with how the Plan may affect their tax liability should consult their own accountants, attorneys, and/or advisors.

In connection with the Plan, to the extent applicable, the Reorganized Debtors shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

G. No Postpetition Interest on Claims

Unless otherwise specifically provided for in an order of the Court, the Plan, or the Confirmation Order, or required by applicable bankruptcy law, postpetition interest shall not accrue or be paid on any Claims other than DIP Claims and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Dates on any such Claim other than on account of DIP Claims.

H. Setoffs and Recoupment

The Debtors or the Reorganized Debtors, as applicable, may, but shall not be required to, set off against or recoup any payments or distributions to be made pursuant to the Plan in respect of any Claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the claimant, provided that, the Debtors give the holder of such Claim no less than 10 days' written notice of the proposed setoff or recoupment and the holder does not object to the proposed setoff or recoupment within thirty (30) days; provided, further, that if the holder of such Claim timely objects to the proposed setoff or recoupment, such setoff or recoupment may not be effectuated without prior approval of the Court; but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors, the Reorganized Debtors, or their successors of any such Claim it may have against the Holder of such Claim.

I. Claims Paid or Payable by Third Parties

1. Claims Paid by Third Parties

To the extent that the Holder of an Allowed Claim receives payment in full on account of such Claim from a party that is not the Debtors or Reorganized Debtors, such Claim shall be Disallowed without an objection having to be Filed and without any further notice to, or action, order, or approval of, the Court. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not the Debtors or Reorganized Debtors on account of such Claim, such Holder shall, within 14 days of receipt thereof, repay or return the distribution to the applicable Debtors or Reorganized Debtors, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the Debtors annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the 14-day grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to, or action, order, or approval of, the Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Notwithstanding anything herein to the contrary, nothing shall constitute or be deemed a release, settlement, satisfaction, compromise, or waiver of any Cause of Action that the Debtors or any other Entity may hold against any other Entity, including insurers under any policies of insurance or applicable indemnity, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

**ARTICLE VII
PROCEDURE FOR TREATING AND RESOLVING DISPUTED,
CONTINGENT AND/OR UNLIQUIDATED CLAIMS**

A. Allowance of Claims

After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses the Debtors had with respect to any Claim immediately before the Effective Date. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim

unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code, or the Court has entered a Final Order, including the Confirmation Order (when it becomes a Final Order), in the Chapter 11 Cases allowing such Claim.

B. Claims Administration Responsibilities

Except as otherwise specifically provided in the Plan and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, after the Effective Date, the Reorganized Debtors or the Subchapter V Trustee, as applicable, shall have the sole authority to File and prosecute objections to Claims, and to: (1) settle, compromise, withdraw, litigate to judgment, or otherwise resolve objections to any and all Claims, regardless of whether such Claims are in a Class or otherwise; (2) settle, compromise, or resolve any Disputed Claim without any further notice to or action, order, or approval by the Court; and (3) administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Court. On and after the Effective Date, the Reorganized Debtors will use commercially reasonable efforts to advance the claims resolution process through estimation or otherwise.

C. Estimation of Claims

Before, on, or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Court estimate any Claim pursuant to applicable law, including pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Court has ruled on any such objection, and the Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, including during the litigation of any objection to any Claim or during the pendency of any appeal relating to such objection. Notwithstanding any provision to the contrary in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Court. In the event that the Court estimates any Claim, such estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions and discharge) and may be used as evidence in any supplemental proceedings, and the Debtors or the Reorganized Debtors, as applicable, may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before seven days after the date on which such Claim is estimated. Each of the foregoing Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Court.

D. Time to File Objections to Claims

Any objections to Claims shall be Filed on or before the Claims Objection Bar Date.

E. Amendments to Claims

On or after the Effective Date, a Claim may not be amended without the prior authorization of the Court or the Reorganized Debtors, and any such new or amended Claim Filed shall be deemed Disallowed in full and expunged without any further notice to, or action, order, or approval of, the Court to the maximum extent provided by applicable law.

F. No Distributions Pending Allowance

If an objection to a Claim or portion thereof is Filed, no payment or distribution provided under the Plan shall be made on account of such Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim, unless otherwise determined by the Reorganized Debtors.

G. Distributions After Allowance

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as reasonably practicable after the date that the order or judgment of the Court allowing any Disputed Claim becomes a Final Order, the Reorganized Debtors shall provide to the Holder of such Claim the distribution to which such Holder is entitled under the Plan as of the Effective Date, less any previous distribution (if any) that was made on account of the undisputed portion of such Claim, without any interest, dividends, or accruals to be paid on account of such Claim unless required under applicable bankruptcy law or as otherwise provided herein.

H. Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a Distribution under the Plan is composed of indebtedness and accrued but unpaid interest thereon, such Distribution shall, for all income tax purposes, be allocated to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

**ARTICLE VIII
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

A. Assumed and Rejected Contracts and Leases

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into in connection with the Plan, each of the Executory Contracts and Unexpired Leases to which the Debtors are a party shall be deemed automatically rejected by the Debtors as of the Effective Date, unless such contract or lease (i) previously has been assumed or rejected by the Debtors, (ii) expired or terminated pursuant to its own terms, (iii) is the subject of a motion to assume or reject pending before the Court as of the Confirmation Date or (iv) is identified the Assumption Schedule as a contract to be assumed (which schedule shall be designated by HF); provided, however, that nothing contained in the Plan shall constitute an admission by the Debtors that any such contract or lease is an Executory Contract or Unexpired

Lease or that the Debtors or their successors and assigns have any liability thereunder; and, provided further, that the Debtors reserve their right, at any time before the Confirmation Date, to assume any Executory Contract or Unexpired Lease that was not already rejected prior to the Confirmation Date, subject to the consent of HF. The Confirmation Order shall constitute an order of the Court approving the rejections described in this Article VIII.A, pursuant to section 365 of the Bankruptcy Code, as of the Effective Date.

B. Establishment of Cure Amounts

The proposed Cure Amount for an executory contract or unexpired lease that is assumed pursuant to this Plan shall be zero dollars unless otherwise indicated in the Assumption Schedule. Cure obligations, if any, shall be satisfied, pursuant to Bankruptcy Code section 365(b)(1), by payment of the Cure Amount in Cash within thirty (30) days of the Effective Date or on such other terms as the parties to such executory contract or unexpired lease may otherwise agree. In the event of a dispute regarding (a) the amount of any Cure Amount, (b) the ability of the Reorganized Debtors to provide “adequate assurance of future performance” (within the meaning of Bankruptcy Code section 365) under the executory contract or unexpired lease to be assumed or (c) any other matter pertaining to assumption, any Cure payments required by Bankruptcy Code section 365(b)(1) shall be made thirty (30) days following entry of a Final Order resolving the dispute and approving the assumption; provided, however, that following the resolution of any such dispute, the Debtors or Reorganized Debtors shall have the right to reject such executory contract or unexpired lease, with any such rejection by the Debtors or the Reorganized Debtors to be subject to the consent of HF.

C. Rejection Damages Bar Date

If the rejection of an Executory Contract or Unexpired Lease pursuant to Article VIII.A gives rise to a Claim by the other party or parties to such contract or lease, such Claim shall be forever barred and shall not be enforceable against the Debtors or their Estates, the Reorganized Debtors or their respective successors or properties unless a Proof of Claim is Filed with the Court and served on counsel for the Reorganized Debtors within thirty (30) days after service of notice of entry of the Confirmation Order.

D. Indemnification Obligations

Subject to the last sentence of this Article VIII.D, any obligations of the Debtors pursuant to their organizational documents, including amendments, entered into any time prior to the Effective Date, to indemnify, reimburse or limit the liability of any Person pursuant to the Debtors’ organizational documents, policy of providing employee indemnification, applicable state law or specific agreement in respect of any claims, demands, suits, causes of action or proceedings against such Persons based upon any act or omission related to such Persons’ service with, for or on behalf of the Debtors prior to the Effective Date with respect to all present and future actions, suits and proceedings relating to the Debtors shall survive Confirmation of the Plan and except as set forth herein, remain unaffected thereby, and shall not be discharged, irrespective of whether such defense, indemnification, reimbursement or limitation of liability accrued or is owed in connection with an occurrence before or after the Petition Dates; provided, however, that all obligations under this Article VIII.D shall be limited solely to available insurance coverage and neither the Reorganized Debtors nor any of their assets shall be liable for

any such obligations. Any Claim based on the Debtors' obligations set forth in this Article VIII.D shall not be a Disputed Claim or subject to any objection in either case by reason of section 502(e)(1)(B) of the Bankruptcy Code. This provision for indemnification, reimbursement and limitation of liability shall not apply to or cover any Claims, suits or actions against a Person that result in a Final Order determining that such covered Person is liable for fraud, willful misconduct, gross negligence, bad faith, self-dealing or breach of the duty of loyalty.

E. Confidentiality Obligations Owed to Debtors

Any confidentiality agreement entered into between the Debtors and any other party requiring such party to maintain the confidentiality of the Debtors' proprietary information shall be deemed to be, and will be treated as though it is, an Executory Contract that is assumed pursuant to section 365 of the Bankruptcy Code under the Plan, so long as the Reorganized Debtors shall not have to pay any cure amounts or have any other obligations to effect the assumption thereto.

F. Treatment of Insurance Policies

The Debtors will assume under the Plan any and all insurance policies maintained by the Debtors that have not expired or terminated pursuant to their own terms on or before the Effective Date, including but not limited to policies issued by AFCO Insurance, Argonaut Insurance Company, Crum & Forster Specialty Insurance Company, Encova Insurance, Hanover Insurance Company, Inland Marine, IPFS Insurance, New York Life Insurance, Principal Life Insurance, Scott Insurance and Scottsdale Insurance Co., or their respective affiliates providing directors and officers insurance coverage, products liability insurance coverage, fiduciary liability insurance coverage, employment practices liability insurance coverage and other customary insurance coverages. For the avoidance of doubt, the Reorganized Debtors shall not have to pay any cure amounts or have any other obligations to effect the assumption thereto.

**ARTICLE IX
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS**

A. Discharge of Claims and Termination of Interests

Effective upon Case Closing, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release of debts provided in sections 1141(d)(1)(A) and all other debts allowed under section 503 of this title except as set forth in section 1192.

B. Term of Injunctions or Stays

Unless otherwise provided in the Plan or the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

C. Release of Liens

Except as otherwise specifically provided in the Plan, or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, upon the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns, in each case, without any further approval or order of the Court and without any action or Filing being required to be made by the Debtors or the Reorganized Debtors, as applicable. The DIP Lender may execute and deliver all documents reasonably requested by the Reorganized Debtors to evidence the release of such mortgages, deeds of trust, Liens, pledges, and other security interests and shall authorize the Reorganized Debtors to file UCC-3 termination statements (to the extent applicable) with respect thereto.

D. Remedies Upon Default

Pursuant to § 1191(c)(3) of the Bankruptcy Code, if the Reorganized Debtors default in payments under the Plan, the affected creditor shall notify the Reorganized Debtors, who shall have fifteen (15) days to cure the default. If the Reorganized Debtors do not cure within the 15 days, the creditor may file a notice of the default with the Court and request a hearing to consider appropriate remedies.

E. Debtors Release

Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, each Released Party is deemed released and discharged by the Debtors, the Reorganized Debtors and their Estates from any and all Causes of Action, including all direct and derivative claims asserted by or on behalf of the Debtors, that the Debtors, the Reorganized Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Interest, or that any Holder of any Claim or Interest could have asserted on behalf of the Debtors, based on or relating to, or in any manner arising from, in whole or in part:

(1) the Debtors, the Debtors' in- or out-of-court restructuring efforts, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Documents;

(2) any Restructuring Document, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Plan;

(3) the Chapter 11 Cases, the Plan, the DIP Loan Documents, the DIP Facility, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of

Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities (including the New Reorganized Holdco Common Stock) pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; or

(4) the business or contractual arrangements between any Debtors and any Released Party, and any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to any of the foregoing.

Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any claims or liabilities arising from any act or omission of a Released Party that constitutes fraud, willful misconduct, or gross negligence or (ii) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

F. Exculpation

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the Plan, the DIP Loan Documents, the DIP Facility, or any Restructuring Document, contract, instrument, release or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; provided that, the foregoing “exculpation” shall have no effect on the liability of any entity that results from any such act or omission that is determined in a final order to have constituted fraud, gross negligence, or willful misconduct.

G. Injunction

Except with respect to the obligations arising under the Plan or the Confirmation Order, and except as otherwise expressly provided in the Plan or the Confirmation Order, all Entities that held, hold, or may hold claims or interests that have been released, discharged, or exculpated pursuant to the Plan, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors or Reorganized Debtors, or the other Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (3) creating, perfecting, or enforcing any Lien or encumbrance of any kind against such Entities or the property of such Entities on account of or in connection with or

with respect to any such claims or interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Entity has timely asserted such setoff right in a document filed with the Court explicitly preserving such setoff, and notwithstanding an indication of a claim or interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan.

H. Protection Against Discriminatory Treatment

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors has been associated, solely because the Debtors have been debtors under chapter 11 of the Bankruptcy Code, may have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases), or have not paid a debt that is dischargeable in the Chapter 11 Cases.

I. Recoupment

In no event shall any Holder of a Claim be entitled to recoup against such Claim any claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has provided notice of such recoupment in writing to the Debtors on or before the Confirmation Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

J. Subordination Rights

Any distributions under the Plan shall be received and retained free from any obligations to hold or transfer the same to any other Holder and shall not be subject to levy, garnishment, attachment, or other legal process by any Holder by reason of claimed contractual subordination rights. Any such subordination rights shall be waived, and the Confirmation Order shall constitute an injunction enjoining any Entity from enforcing or attempting to enforce any contractual, legal, or equitable subordination rights to property distributed under the Plan, in each case other than as provided in the Plan.

ARTICLE X CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The following are conditions precedent to confirmation of the Plan, each of which must be satisfied or waived in accordance with Article X.C. of the Plan:

A. Conditions to Confirmation

1. the Confirmation Order is in form and substance reasonably acceptable to the Debtors and HF and shall, among other things:
 - (a) provide that the Debtors are authorized and directed to take all actions necessary or appropriate to enter into, implement and consummate the agreements or documents created under or in connection with the Plan; and
 - (b) provide that, notwithstanding Bankruptcy Rule 3020(e), the Confirmation Order shall be immediately effective, subject to the terms and conditions of the Plan; and
2. the Confirmation Order shall have been entered by the Court and in full force and effect.

B. Conditions to Occurrence of the Effective Date

The following are conditions precedent to the occurrence of the Effective Date, each of which must be satisfied or waived in accordance with Article VIII.C of the Plan:

1. the Confirmation Order shall not then be stayed, vacated or reversed and shall not have been amended without the agreement of the Debtors and HF; provided, that Livible's and the Other Holdco Noteholders' agreement shall also be required, as applicable, to the extent such amendment affects in more than a *de minimus* manner the treatment of the Livible Secured Claims or the Other Holdco Noteholders Secured Claims, as the case may be;
2. the Confirmation Order shall not then be subject to a pending appeal, and the time to appeal or seek review or rehearing or leave to appeal has expired and as to which no appeal or petition for review or rehearing was filed or, if filed, remains pending;
3. all actions, documents and agreements (including, but not limited to, the Plan, and Plan Supplement) necessary to implement the provisions of the Plan to be effectuated on or prior to the Effective Date shall be reasonably satisfactory to the Debtors and HF, and such actions, documents and agreements shall have been effected or executed and delivered; and
4. the New Reorganized Holdco Common Stock, representing all the Reorganized Holdco's equity interests, shall have been issued to the Secured Holdco Creditors (or their designates) and DIP Lender (or its designate) as provided for in the Plan.

C. Waiver of Conditions

Each of the conditions to Confirmation and the Effective Date set forth in Articles X.A and X.B of the Plan, respectively, may be waived in whole or in part by the Debtors without any other notice to parties in interest or the Court, provided that the Debtors have received the prior written consent of HF; provided, that Livible's and the Other Holdco Noteholders' consent shall also be required, as applicable, to the extent such waiver affects in more than a *de minimus* manner the treatment of the Livible Secured Claims or the Other Holdco Noteholders Secured Claim, as the case may be;

The failure of any party to exercise any of its foregoing rights shall not be deemed a waiver of any of its other rights, and each such right shall be deemed an ongoing right that may be asserted thereby at any time.

D. Substantial Consummation

“Substantial Consummation” of the Plan, as defined in 11 U.S.C. § 1101(2), shall be deemed to occur on the Effective Date.

E. Consequences of Non-Occurrence of Effective Date

If the Effective Date does not occur within ninety (90) days following the Confirmation Date, or by such later date after notice and hearing, as is proposed by the Debtors with the consent of HF, then upon motion by the Debtors and upon notice to such parties in interest as the Court may direct, (a) the Plan shall be null and void in all respects; (b) any settlement of Claims shall be null and void without further order of the Court; and (c) the time within which the Debtors may assume and assign or reject all Executory Contracts shall be extended for a period of thirty (30) days after such motion is granted.

**ARTICLE XI
EFFECTS OF CONFIRMATION**

A. Compromise and Settlement of Claims and Controversies

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the classification, Distributions, releases and other benefits provided pursuant to the Plan, on the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Interests and controversies resolved pursuant to the Plan or relating to the contractual, legal and subordination rights that a Holder of a Claim or Interest may have with respect to any Claim or Interest, or any Distribution to be made on account of such Claim or Interest. The entry of the Confirmation Order shall constitute the Court’s approval of the compromise or settlement of all such Claims, Interests and controversies, as well as a finding by the Court that such compromise or settlement is in the best interests of the Debtors, their Estates and Holders of Claims and Interests and is fair, equitable and reasonable.

B. Binding Effect

The Plan shall be binding upon and inure to the benefit of the Debtors, all present and former Holders of Claims and Interests, whether or not such Holders shall receive or retain any property or interest in property under the Plan, and their respective successors and assigns, including, but not limited to, the Reorganized Debtors and all other parties in interest in the Chapter 11 Cases.

C. Discharge of the Debtors

Except as provided in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan shall be in exchange for, and in complete satisfaction, discharge and release of all Claims and termination of all Holdco Interests, regardless of whether any property shall have been distributed or retained pursuant to the Plan on

account of or in exchange for such Claims and Holdco Interests. Except as provided in the Plan or the Confirmation Order, Confirmation shall (a) discharge the Debtors from all Claims and other debts that arose before the Confirmation Date and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) a Proof of Claim based on such debt is filed or deemed filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (iii) the Holder of a Claim based on such debt has accepted the Plan; and (b) terminate all Holdco Interests and any other rights of equity security holders of Holdco.

As of the Confirmation date, except as provided in the Plan or the Confirmation Order, all Persons and Entities shall be precluded from asserting against the Debtors, the Reorganized Debtors, their successors or their property, any other or further claims, debts, rights, causes of action, liabilities or equity interests based upon any act, omission, transaction or other activity of any nature that occurred prior to the Confirmation Date. In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order shall be a judicial determination of discharge of all such Claims and other debts and liabilities against the Debtors and termination of Holdco Interests in Holdco, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge shall void any judgment obtained against the Debtors at any time, to the extent that such judgment relates to a discharged Claim or terminated Holdco Interest. Notwithstanding anything to the contrary in the Plan, no party may assert any Claims against the Reorganized Debtors.

D. Restrictions on Trading In Holdco Interests

The restrictions imposed in the Plan Support Agreement with respect to Holdco Interests shall remain effective and binding.

**ARTICLE XII
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

A. Modification and Amendments

Subject to the limitations contained in the Plan, the Plan Support Agreement, and Bankruptcy Code section 1193, the Debtors, with the consent of HF, reserve the right to modify the Plan and seek Confirmation consistent with the Bankruptcy Code and, as appropriate; provided, that Livible's and the Other Holdco Noteholders' consent shall also be required, as applicable, to the extent such modification affects in more than a *de minimus* manner the treatment of the Livible Secured Claims or the Other Holdco Noteholders Secured Claim, as the case may be. The Debtors expressly reserve the right to alter, amend, or modify materially the Plan, with the consent of HF, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in the Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan; provided, that Livible's and the Other Holdco Noteholders' consent shall also be required, as applicable, to the extent such alteration, amendment or modification affects in more than a *de minimus* manner the treatment of the Livible Secured Claims or the Other Holdco Noteholders Secured Claim.

B. Effect of Confirmation on Modifications

Entry of the Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof are approved and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of the Plan

Subject to the limitations of the Plan Support Agreement, the Debtors, with the consent of HF, reserve the right to revoke or withdraw the Plan before the Confirmation Date. If the Debtors revoke or withdraw the Plan, or if Confirmation and Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (i) constitute a waiver or release of any Claims or Interests; (ii) prejudice in any manner the rights of the Debtors or any other Entity, including the Holders of Claims; or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity.

**ARTICLE XIII
RETENTION OF JURISDICTION**

A. Retention of Jurisdiction by the Court

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Court shall retain jurisdiction over the Chapter 11 Cases and all matters arising out of or related to the Chapter 11 Cases and the Plan, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;
2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals;
3. resolve any matters related to: (a) the assumption or rejection of any Executory Contract or Unexpired Lease and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Claims related to the rejection of an Executory Contract or Unexpired Lease, Cure Claims pursuant to section 365 of the Bankruptcy Code, or any other matter related to such Executory Contract or Unexpired Lease; (b) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article VIII hereof, the Assumption Schedule; and (c) any dispute regarding whether a contract or lease is or was executory or expired;
4. ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide, or resolve any motions, adversary proceedings, contested, or litigated matters, and any other matters, and grant or deny any applications involving a Debtors that may be pending on the Effective Date;
6. adjudicate, decide, or resolve any and all matters related to Causes of Action;
7. adjudicate, decide, or resolve any and all matters related to sections 1141 and 1145 of the Bankruptcy Code;
8. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan;
9. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
11. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;
12. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the settlements, compromises, discharges, releases, injunctions, exculpations, and other provisions contained in Article IX hereof and enter such orders as may be necessary or appropriate to implement or enforce such releases, injunctions, and other provisions;
13. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Interest for amounts not timely repaid pursuant to Article VI.I.1 hereof;
14. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
15. determine any other matters that may arise in connection with or relate to the Plan, the Confirmation Order, or the Plan Supplement;
16. adjudicate any and all disputes arising from or relating to distributions under the Plan or any transactions contemplated therein;
17. consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Court order, including the Confirmation Order;
18. determine requests for the payment of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;
19. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

20. hear and determine all disputes involving the existence, nature, or scope of the release provisions set forth in the Plan, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;
21. enforce all orders previously entered by the Court in the Chapter 11 Cases;
22. hear any other matter not inconsistent with the Bankruptcy Code;
23. enter an order closing the Chapter 11 Cases; and
24. enforce the injunction, release, and exculpation provisions provided in Article IX hereof.

ARTICLE XIV MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Subject to Article X hereof and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan, the final versions of the documents contained in the Plan Supplement, and the Confirmation Order, shall be immediately effective and enforceable and deemed binding upon the Debtors or Reorganized Debtors, as applicable, and any and all Holders of Claims or Interests (regardless of whether such Claims or Interests are deemed to have accepted or rejected the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan or the Confirmation Order, and any and all non-debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims and debts shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or debt has voted on the Plan.

B. Additional Documents

On or before the Effective Date, the Debtors may File with the Court such agreements and other documents as may be necessary or advisable to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Reorganized Debtors, as applicable, all Holders of Claims and Interests receiving distributions pursuant to the Plan, and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Reservation of Rights

Except as provided for in the Plan Support Agreement, before the Effective Date, neither the Plan, any statement or provision contained in the Plan, nor any action taken or not taken by any Debtors with respect to the Plan, the Confirmation Order, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtors with respect to any

Claims or Interests.

D. Successors and Assigns

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to, the benefit of any heir, executor, administrator, successor, assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

F. Entire Agreement

Except as otherwise indicated, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

G. Nonseverability of Plan Provisions

If, before Confirmation, any term or provision of the Plan is held by the Court to be invalid, void, or unenforceable, the Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Debtors' or Reorganized Debtors,' as applicable, and HF's consent; and (3) nonseverable and mutually dependent.

H. Revocation, Withdrawal or Non-Consummation

The Debtors reserve the right, subject to the Plan Support Agreement and consent of HF, to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent plans of reorganization. If the Debtors revoke or withdraw the Plan, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Class of Claims), assumption or rejection of Executory Contracts or Unexpired Leases effected under the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any claims held by the Debtors, Claims, Interests or Causes of Action; (b) prejudice in any manner the rights of the Debtors or any other Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by the Debtors or any other Entity.

I. Service of Documents

Any notice, request or demand required or permitted to be made or provided to or upon the Debtors, the Reorganized Debtors, or HF shall be (a) in writing; (b) served by (i) certified mail, return receipt requested, (ii) hand delivery, (iii) overnight delivery service or (iv) first class mail; (c) deemed to have been duly given or made when actually delivered; and (d) addressed as follows:

Debtors and Reorganized Debtors

WayForth
1518 Willow Lane Drive
Suite 300
Richmond, VA 23230

Email Addresses: craig.shealy@wayforth.com; jon.hruska@wayforth.com

with copies to:

Kutak Rock LLP
901 East Byrd Street, Suite 1000
Richmond, Virginia 23219-4071
Attention: Loc Pfeiffer and Peter Barrett
Email Addresses: loc.pfeiffer@kutakrock.com; peter.barrett@kutakrock.com

HF

HF Direct Investments Pool, LLC
510 Union Avenue
Knoxville, TN 37902

Email Address: tskelton@hfcapital.com

with copies to:

Womble Bond Dickinson (US) LLP
717 Texas Avenue, Suite 2100
Houston, Texas 77002
Attention: Todd A. Atkinson

Email Address: tatkinson@wbd-us.com

J. Plan Supplement(s)

Exhibits and schedules to the Plan not attached hereto shall be Filed in one or more Plan Supplements. Any Plan Supplement (and amendments thereto) Filed by the Debtors shall be deemed an integral part of the Plan and shall be incorporated by reference as if fully set forth herein. Substantially contemporaneously with their filing, the Plan Supplements may be viewed at the Court's website (www.vaeb.uscourts.gov). The documents contained in any Plan Supplements shall be approved by the Court pursuant to the Confirmation Order.

ARTICLE XV FREQUENTLY ASKED QUESTIONS

What are the Debtors Attempting to do in Chapter 11? Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Under Chapter 11, a debtor attempts to restructure the claims and interests held against it. Formulation and confirmation of a plan of reorganization is the primary goal of Chapter 11. The plan is the legal document which sets forth the manner and the means by which holders of claims and interests against a debtor will be treated.

Why am I Receiving this Plan? In order to confirm a plan of reorganization, the Bankruptcy Code requires that a debtor solicit acceptances of a proposed plan, which it is doing with this Plan. If the creditors and interest holders are satisfied with the information provided in the Plan and the terms of the Plan as proposed, and have voted for the Plan and returned the requisite number of ballots to counsel for the Debtors, the Court may confirm the Plan as proposed by the Debtors.

How do I Determine Which Class I am in? To determine the class of your claim or interest, you must first determine whether your claim is secured or unsecured. Your claim is secured if you have a validly perfected security interest in collateral owned by one or more of the Debtors. If you do not have any collateral, your claim is unsecured. The charts contained herein will direct you to the treatment provided to the class in which you are grouped. The pertinent section of the Plan dealing with that class will explain, among other things, who is in that class, what is the size of the class, what you will receive if the Plan is confirmed, and when you will receive what the Plan has provided for you if the Plan is confirmed. Article IV lists all classes of claimants and their types of claims or interest.

Why is Confirmation of a Plan of Reorganization Important? Confirmation of the Plan is necessary because if the Plan is confirmed, the Debtors and all of their creditors and interest holders are bound by the terms of the Plan. If the Plan is not confirmed, the Debtors may not pay creditors and interest holders as proposed in the Plan while the Debtors remain in bankruptcy.

What is Necessary to Confirm a Plan of Reorganization? Confirmation of the Plan requires, among other things, the vote in favor of the Plan of two-thirds in total dollar amount and a majority in number of interest actually voting in each voting class. If the vote is insufficient, the Court can still confirm the Plan, but only if certain additional elements are shown including that the Plan does not discriminate unfairly, and is fair and equitable, with respect to each class of claims or interests that is impaired under, and has not accepted, the Plan.

Am I Entitled to Vote on the Plan? Any creditor of the Debtors whose claim is IMPAIRED and not deemed to reject under the Plan is entitled to vote, if either (i) the creditor's claim has been scheduled by the Debtors and such claim is not scheduled as disputed, contingent, or unliquidated, or (ii) the creditor has filed a proof of claim on or before the last date set by the Court for such filings. Any claim to which an objection has been filed (and such objection is still pending) is not entitled to vote, unless the Court temporarily allows the creditor to vote upon the

creditor's motion. Such motion must be heard and determined by the Court prior to the date established by the Court to confirm the Plan.

How Do I Determine Whether I am in an Impaired Class? Article IV of the Plan identifies the classes of creditors or interest holders whose claims are impaired. If your claim or interest is impaired and not deemed to reject, your vote will be considered by the Court.

When Is the Deadline by Which I Need to Return My Ballot? The Plan is being distributed to all claim and interest holders for their review, consideration and approval. The deadline by which ballots must be returned is December 15, 2023. Ballots should be mailed to the following address:

**WayForth
1518 Willow Lawn Drive
Suite 300
Richmond, VA 23230**

How do I Determine when and How Much I Will be Paid? In the Introduction, the Debtors have provided both written and financial summaries of what they anticipate each class of creditors will receive under the Plan.

Respectfully submitted, as of the date first set forth above,

Dated: Richmond, Virginia
November 15, 2023

WAYFORTH, INC. AND WAYFORTH,
LLC,
Debtors and Debtors-in-Possession

By: /s/ **Craig Shealy**
Craig Shealy
Chief Executive Officer

KUTAK ROCK LLP

By: /s/ **Peter J. Barrett**
Peter J. Barrett
Counsel

EXHIBIT A to Plan

Form of Certificate of Incorporation of Reorganized WayForth, Inc.

[To be filed in Plan Supplement]

EXHIBIT B to Plan

Form of Bylaws of Reorganized WayForth, Inc.

[To be filed in Plan Supplement]

EXHIBIT C to Plan

Form of Certificate of Incorporation of Reorganized WayForth, LLC

[To be filed in Plan Supplement]

EXHIBIT D to Plan

Form of Bylaws of Reorganized WayForth, LLC

[To be filed in Plan Supplement]

EXHIBIT E to Plan

Feasibility Analysis

[To be filed in Plan Supplement]

EXHIBIT F to Plan

Liquidation Analysis

[To be filed in Plan Supplement]