

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

COUDERT BROTHERS LLP,

Debtor.

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: Chapter 11
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: Case No. 06-12226 (RDD)
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**FINDINGS OF FACT AND CONCLUSIONS OF LAW RELATING TO, AND
ORDER CONFIRMING, FIRST AMENDED PLAN OF LIQUIDATION OF COUDERT
BROTHERS LLP DATED MAY 9, 2008 (AS MODIFIED), UNDER CHAPTER 11 OF
THE BANKRUPTCY CODE AND GRANTING RELATED RELIEF**

RECITALS

WHEREAS, on June 17, 2008, this Court entered an order [Docket No. 694] (the “Disclosure Statement Order”) approving the Disclosure Statement of the above-captioned debtor and debtor-in-possession (the “Debtor”) with respect to the First Amended Plan of Liquidation Dated May 9, 2008 (as Modified) of Coudert Brothers LLP. (as it may be further amended or supplemented, the “Plan”) [Docket number 693]¹, which Disclosure Statement Order approved (i) the Disclosure Statement, (ii) Participating Partner Protocol, (iii) form of and manner of notice and form of ballots and Participating Settlement Agreement, and (iv) solicitation materials and solicitation procedures, and fixed the date for the hearing to consider confirmation of the Plan as August 19, 2008; and

WHEREAS, the Debtor filed an affidavit of service of Angela M. Nguyen of Kurtzman Carson Consultants LLC [Docket No 701] (the “Plan Mailing Affidavit”), which was supplemented on July 7, 2008 [Docket Nos. 711 and 712], on July 22, 2008 [Docket Nos. 728 and 729], on August 8, 2008 [Docket No. 761], and on August 11, 2008 [Docket No. 792], showing that, in accordance with the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Local Bankruptcy Rules for the Southern District of New York (the “Local Bankruptcy Rules”), and the Disclosure Statement Order proper distribution was made to (i) all known holders of claims in Classes 2 and 4 of (a) the Disclosure Statement, (b) the First Amended Plan, (c) the Ballots, (d) the Confirmation Hearing Notice, (e) the Disclosure Statement Order, and (f) a pre-addressed return envelope; (ii) to all known holders of Priority Tax Claims and Administrative Expense Claims of (a) the Disclosure Statement, (b) the First Amended Plan, and (c) the Confirmation Hearing Notice; and (iii) to all other known holders of claims, including holders of claims in Classes 1, 3, 5, 6 and 7 of the Confirmation Hearing Notice by first-class, postage prepaid United States mail on or before June 20, 2008, as set forth in the exhibits to the Plan Mailing Affidavit;

WHEREAS, on July 2, 2008, the Debtor filed the affidavit of Erin Ostenson of The Wall Street Journal, sworn to on June 24, 2008 (the “Publication Affidavit”), setting forth the time and manner of the publication of the notices approved by this Court in the Disclosure Statement Order for publication in The Wall Street Journal (Global) and showing the such notices were published in accordance with the Disclosure Statement Order [Docket No. 709];

WHEREAS, the Plan was conditioned upon, among other things, the Debtor having at least \$5,000,000 in aggregate value available to the Estate through Participating Partner Settlement Proceeds or other available Cash [See Plan, Art. 8.1(b)];

WHEREAS, the Participating Settlement Period expired on August 1, 2008;

WHEREAS, as of August 1, 2008, the Participating Partner Settlement Proceeds totaled \$6,213,199, exceeding the minimum threshold and satisfying a condition precedent to confirmation of the Plan under Art. 8.1(b) of the Plan;

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan or in the First Amended Disclosure Statement Relating to First Amended Plan of Liquidation (as Modified) of Coudert Brothers LLP, dated May 19, 2006 (the “Disclosure Statement”), as appropriate.

WHEREAS, as of August 19, 2008, an additional \$2,116,348.66 in additional Participating Partner Settlement Proceeds and funds was received by the Debtor during the period from August 2 through August 19, 2008 (the “Extended Pay Period”);

WHEREAS, on August 12, 2008, the Debtor filed the Affidavit of Angela M. Nguyen Regarding Votes Accepting or Rejecting the First Amended Plan of Liquidation Under Chapter 11 of the Bankruptcy Code (the “Voting Results Affidavit”) [Docket No. 795], certifying that 100% of Class 2 votes accepted the Plan, and 97.39% in number and 99.77% in amount of Class 4 (general unsecured creditors) votes accepted the Plan;

WHEREAS, objections to confirmation of the Plan (collectively, the “Plan Confirmation Objections”) were filed by (a) La Compagnie Fonciere Parisienne [Docket Nos. 788, 789] (“CFP Objection”), (b) Hans-Peter Hansen [Docket No. 786] (the “Hansen Objection”), (c) Axel Hofmann [Docket No. 787] (the “Hofmann Objection”), (d) The Retired Partners of Coudert Brothers LLP Trust [Docket No 755] (“Retiree Trust Objection”), (e) Bernd Christian Haager [Docket no. 803] (“Haager Objection”), (f) Xavier Nyssen and Philip Dunham [Docket No. 779] (which was withdrawn on August 13, 2008 [Docket No. 847]), (g) Alain Decombe, Yann de Kergos and Eduardo Silva Romero [Docket No. 782] (which was withdrawn on August 18, 2008 [Docket No. 846]), (h) Angela Mariana Freyre [Docket No. 736] (“Freyre Objection”), and (i) Owen Nee [Docket No. 805](which was withdrawn on August 13, 2008 [Docket No. 806]) (collectively, the “Objecting Parties”);

WHEREAS, the United States Trustee has not objected to confirmation of the Plan; and

WHEREAS, pursuant to section 1128(a) of the Bankruptcy Code, this Court held a hearing on August 19, 2008 (the “Confirmation Hearing”) to consider confirmation of the Plan; and

NOW, THEREFORE, based upon this Court’s review of the affidavits, reports, and various certificates of service previously filed with this Court, including the Plan Mailing Affidavits, the Publication Affidavit, the Voting Results Affidavit, the Declaration of Pat Kane in Support of Confirmation of First Amended Plan of Liquidation of Coudert Brothers LLP Dated May 9, 2008 (As Modified) [Docket no. 823] (the “Kane Declaration”), and the Debtor’s Memorandum of Law in Support of Confirmation of the First Amended Plan of Liquidation, dated May 9, 2008 (as Modified) of Coudert Brothers LLP [Docket no. 827]; and upon all of the evidence proffered or adduced at, memoranda and objections filed in connection with, and arguments of counsel made at the Confirmation Hearing; and after due deliberation; and upon the entire record of this Chapter 11 Case, and for the reasons stated in the Court’s amended confirmation ruling, a copy of which is attached as **Exhibit D** hereto and supercedes the Court’s bench ruling set forth in the transcript of the Confirmation Hearing:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

IT IS HEREBY FOUND AND DETERMINED by this Court that:²

A. Core Proceeding (28 U.S.C. § 157(b)(2)). This is a core proceeding under 28 U.S.C. § 157(b)(2)(L).

B. Transmittal and Mailing of Materials; Notice. The (a) Disclosure Statement Order, which gave notice of the (1) approval of the Disclosure Statement, (2) hearing on confirmation of the Plan, (3) deadline and procedures for filing objections to confirmation of the Plan, (4) deadline and procedures for temporary allowance of claims for voting purposes, (5) treatment of certain unliquidated contingent or disputed Claims for notice, voting, and distribution purposes, (6) Voting Record Date, (7) approval of the Notice of Confirmation Hearing, (8) approval of the Solicitation Packages, (9) approval of the Ballots, (10) Voting Deadline, (11) approval of procedures for tabulation of votes, and (12) approval of the Participating Partner Protocol; (b) Disclosure Statement; (c) Plan; (d) the Participating Partner Settlement Agreement (as applicable); and, (e) as applicable, Ballots were transmitted and served in compliance with the Bankruptcy Rules, the Local Bankruptcy Rules, and the Disclosure Statement Order, and such transmittal and service were adequate and sufficient. Adequate and sufficient notice of the Confirmation Hearing and other bar dates and hearings described in the Disclosure Statement Approval Order was given in compliance with the Bankruptcy Rules, the Local Bankruptcy Rules, and the Disclosure Statement Order, and no further notice is required. The solicitation of votes was made in good faith and in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and all other rules, laws, and regulations.

C. Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). Article 3 of the Plan adequately and properly identifies and classifies all Claims and Interests. The Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code and, as required by Bankruptcy Rule 3016(a), is dated and specifically identifies the Debtor as the proponent of the Plan.

(a) Proper Classification (11 U.S.C. §§ 1122 and 1123(a)(1)). Article 3 of the Plan adequately and properly identifies and classifies all Claims and Interests. The Plan designates six (6) Classes of Claims and one (1) Class of Interests. The Claims or Interests placed in each Class are substantially similar to other Claims against or Interests in the Debtor, as the case may be, in each such Class, and such classification therefore satisfies section 1122 of the Bankruptcy Code. Valid business and legal reasons exist for the various Classes of Claims and Interests created under the Plan, and such Classes do not unfairly discriminate between holders of Claims or Interests. Thus, the Plan satisfies section 1123(a)(1) of the Bankruptcy Code.

² Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact where appropriate.

(b) Specified Treatment of Unimpaired Class (11 U.S.C. § 1123(a)(2)). The Plan specifies in Articles 3 and 4 that Classes 1 and 3 are not impaired under the Plan, thereby satisfying section 1123(a)(2) of the Bankruptcy Code.

(c) Specified Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)). The Plan specifies the Classes of Claims and Interests that are impaired and the treatment of the impaired Classes (Classes 2, 4, 5, 6 and 7) in Articles 3 and 4 of the Plan, thereby satisfying section 1123(a)(3) of the Bankruptcy Code.

(d) No Discrimination (11 U.S.C. § 1123(a)(4)). Article 4 of the Plan provides for the same treatment for each Claim against or Interest in the Debtor in each respective Class unless the holder of a particular Class or Interest has agreed to a less favorable treatment of such Claim or Equity Interest, thereby satisfying section 1123(a)(4) of the Bankruptcy Code.

(e) Implementation of the Plan (11 U.S.C. § 1123(a)(5)). Article 5 of the Plan provides adequate and proper means for implementation of the Plan, thereby satisfying section 1123(a)(5) of the Bankruptcy Code. In addition, the confirmation of the Plan is conditioned upon, among other things, the Debtor's Estate possessing Cash on hand or in escrow of at least \$5,000,000. [See Article 8.1(b) of the Plan]. In connection with the Court's approval of the Disclosure Statement, the Debtor sought and obtained approval of a Participating Partner Protocol. The Participating Partner Protocol establishes certain procedures and deadlines for solicitation and collection of Participating Settlement Amounts from Participating Partners during the Participating Settlement Period. The Participating Settlement Period expired on August 1, 2008. As of the deadline, the Debtor had available in excess of \$5 million in Cash on hand and Participating Partner Settlement Proceeds, thus satisfying this contingency for confirmation of the Plan. Further, the Debtor, after consultation and with the consent of the Creditors' Committee and conditioned upon approval of the Court for modification of the Participating Partner Protocol, expressed to former partners its willingness to modify the Plan and the Participating Partner Protocol in order to create a second opportunity to contribute as a Participating Partner during the Extended Pay Period in exchange for payment of the proposed Participating Settlement Amount, plus the 10% Collection, Settlement and Cost Discount previously available during the Participating Settlement Period. An additional amount of \$1,875,565 was collected by the Debtor into escrow during the Extended Pay Period. The Kane Declaration conclusively establishes that the issuance of the Participating Partner Release and Participating Partner Injunction is an integral part of the Plan and Participating Partner Protocol, and that Participating Partners likely would not have participated in the Plan without the issuance of such protections.

(f) Nonvoting Equity Securities (11 U.S.C. § 1123(a)(6)). Because the Plan provides for the liquidation of the Debtor entity, this provision is not applicable to the Plan.

(g) Selection of Officers, Directors, and Initial Liquidating Trustee (11 U.S.C. § 1123(a)(7)). Upon the Effective Date of the Plan, all current officers of the Debtor shall be relieved of all their positions and corresponding duties and obligations. On the Effective Date, Development Specialists, Inc. ("DSI") will become the Plan Administrator. The Plan Administrator was selected by the Creditors' Committee, in consultation with the Debtor. Upon

the Effective Date, the Plan Administrator shall be the exclusive estate representative appointed pursuant to section 1123 of the Bankruptcy Code, and the Plan Administrator shall have all of the powers, authority and responsibilities specified in the Plan and the Plan Administrator Agreement. The appointment of the Plan Administrator is consistent with the interests of creditors and with public policy and, thus, satisfies section 1123(a)(7) of the Bankruptcy Code.

D. Debtor Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(2)). The Debtor has complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code:

(a) The Debtor is properly a debtor under section 109 of the Bankruptcy Code.

(b) On September 22, 2006, the Debtor filed a voluntary chapter 11 petition pursuant to section 301 of the Bankruptcy Code.

(c) This Court has jurisdiction over the Debtor's Chapter 11 Case pursuant to 28 U.S.C. § 1334.

(d) Venue of this Chapter 11 Case is proper in this district pursuant to 28 U.S.C. § 1408.

(e) The Debtor is a proper proponent of the Plan pursuant to section 1121(a) of the Bankruptcy Code.

(f) The Debtor, as the proponent of the Plan, complied with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Disclosure Statement Approval Order in transmitting the Solicitation Packages and notices and in soliciting and tabulating votes on the Plan.

E. Plan Proposed in Good Faith (11 U.S.C. § 1129 (a)(3)). The Debtor has proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code.

F. Payments for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). Any payment made or to be made by the Debtor, or by a person issuing securities or acquiring property under the Plan, for services or for costs and expenses in or in connection with the Chapter 11 Case, or in connection with the Plan and incident to the Chapter 11 Case, has been approved by, or is subject to the approval of, this Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

G. Directors, Officers, and Trustees (11 U.S.C. § 1129(a)(5)). Because the Plan provides for the liquidation of the Debtor, section 1129(a)(5) is not applicable to the Plan. However, pursuant to Article 5 of the Plan, upon the Effective Date, the Plan Administrator shall carry out the provisions of the Plan with oversight by the Plan Oversight Committee. The initial Plan Administrator shall be DSI. The initial members of the Plan Oversight Committee shall comprise three members, one selected by the Debtor and two selected by the Committee. As such, the Debtor has disclosed the identity and affiliations of the entity proposed to serve, after

confirmation of the Plan, as the Plan Administrator, and its appointment to such office is consistent with the interests of creditors and with public policy.

H. No Rate Changes (11 U.S.C. § 1129(a)(6)). The Debtor did not operate in an industry subject to regulation, and, accordingly, section 1129(a)(6) is not applicable to the Plan.

I. Best Interests of Creditors Test (11 U.S.C. § 1129(a)(7)). The Plan satisfies section 1129(a)(7) of the Bankruptcy Code as set forth below.

(a) The statements regarding potential liquidation of the Debtor under chapter 7 of the Bankruptcy Code contained in the Disclosure Statement and in other evidence presented at the Confirmation Hearing have not been controverted by other evidence.

(b) Each holder of a Claim or Interest in each impaired Class either has accepted the Plan or will likely receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date, that is not less than the amount that such holder would receive or retain if the Debtor were liquidated under chapter 7 of the Bankruptcy Code on such date. No Class has made an election under section 1111(b)(2) of the Bankruptcy Code.

J. Nonacceptance by Certain Classes (11 U.S.C. § 1129(a)(8)). Based upon the tabulation of the votes, Classes 2 and 4, which were impaired, voted in favor of the Plan. See Voting Declaration. However, Classes 5, 6 and 7 will receive no distribution under the Plan and are therefore deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code. Because not all impaired Classes of Claims or Interests have accepted the Plan, the requirements of section 1129(a)(8) of the Bankruptcy Code have not been met, thus requiring compliance with section 1129(b) of the Bankruptcy Code.

K. Treatment of Administrative and Tax Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Expense Claims and Priority Non-Tax Claims under Sections 2.2 and 4.2 of the Plan, respectively, satisfies the requirements of sections 1129(a)(9)(A) and (B) of the Bankruptcy Code, and the treatment of Priority Tax Claims under Section 2.4 of the Plan satisfies the requirements of section 1129(a)(9)(C) of the Bankruptcy Code.

L. Acceptance by Impaired Classes (11 U.S.C. § 1129 (a)(10)). At least one Class of Claims that is impaired under the Plan has accepted the Plan, as determined without including any acceptance of the Plan by any insider of the Debtor holding a Claim in such Class, thereby satisfying section 1129(a)(10) of the Bankruptcy Code.

M. Feasibility (11 U.S.C. § 1129(a)(11)). Based on the reliable and credible evidence presented at the Confirmation Hearing, the Plan Administrator will be able to make, or cause to be made, the distributions required under the Plan, and will be able to perform its obligations under the Plan following the the Effective Date, thereby satisfying section 1129(a)(11) of the Bankruptcy Code with regard to this liquidating plan.

N. Payment of Fees (11 U.S.C. § 1129(a)(12)). All fees payable under 28 U.S.C. § 1930 have been paid or will be paid on or before the Effective Date pursuant to Section 13.6 of the Plan, thereby satisfying section 1129(a)(12) of the Bankruptcy Code.

O. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). Because the Debtor no longer maintains a plan providing retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, section 1129(a)(13) is not applicable to the Plan.

P. Payment of Domestic Support Obligations (11 U.S.C. § 1129(a)(14)). Section 1129(a)(14) of the Bankruptcy Code is inapplicable because the Debtor is not required to pay any domestic support obligations pursuant either to order or statute.

Q. Payment of Disposable Income (11 U.S.C. § 1129(a)(15)). As the Debtor is not an individual, section 1129(a)(15) of the Bankruptcy Code is inapplicable in this case.

R. Transfer of Property By Nonprofit Entities (11 U.S.C. § 1129(a)(16)). Section 1129(a)(16) of the Bankruptcy Code provides the applicable non-bankruptcy law will govern all transfers of property under a plan to be made by, “a corporation or trust that is not a moneyed, business, or commercial corporation or trust.” Although the Debtor – not a nonprofit entity – does not believe that any transfer of property under the Plan will be made by a nonprofit corporation or trust, to the extent that any such transfers are contemplated by the Plan, such transfers will be made in accordance with applicable non-bankruptcy law. Accordingly, the Plan satisfies the requirements of section 1129(a)(16).

S. Fair and Equitable; No Unfair Discrimination (11 U.S.C. § 1129(b)).

(a) Class 5 is an impaired Class of Partner Non-Profit Claims that is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Pursuant to section 1129(b) of the Bankruptcy Code, this Court finds that the Plan does not discriminate unfairly, and is fair and equitable, with respect to Class 5. Specifically, with respect to Class 5, (a) the holder of any Claim or Interest that is junior to the Claims in Class 5 will not receive or retain any property under the Plan on account of such junior Claim or Interest, and (b) the Plan provides that no holder of a Claim in Class 5 shall be entitled to a distribution on account of such Claim. Thus, the Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code as to Class 5.

(b) Class 6 is an impaired Class of Partner Profit Claims that is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Pursuant to section 1129(b) of the Bankruptcy Code, this Court finds that the Plan does not discriminate unfairly, and is fair and equitable, with respect to Class 6. Specifically, with respect to Class 6, (a) the holder of any Claim or Interest that is junior to the Claims in Class 6 will not receive or retain any property under the Plan on account of such junior Claim or Interest, and (b) the Plan provides that no holder of a Claim in Class 6 shall be entitled to a distribution on account of such Claim. Thus, the Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code as to Class 6.

(c) Class 7 is an impaired Class of Interests that is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Pursuant to section 1129(b) of the Bankruptcy Code, this Court finds that the Plan does not discriminate unfairly, and is fair and equitable, with respect to Class 7. Specifically, with respect to Class 7, (a) since there is no Class junior to Class 7, no holder of any Claim or Interest that is junior to the Interests in Class 7

will receive or retain any property under the Plan on account of such junior Claim or Interest, and (b) the Interests in Class 7 have no value. Thus, the Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code as to Class 7.

T. Principal Purpose of Plan (11 U.S.C. § 1129(d)). The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933, as amended (15 U.S.C. § 77e), and no governmental unit has requested that this Court not confirm the Plan for such reason. Therefore, the Plan satisfies the requirements of section 1129(d) of the Bankruptcy Code.

U. Objections. All objections to the confirmation of the Plan filed with this Court have been withdrawn, settled or overruled, except with respect to the Retiree Trust Objection, the Hofmann Objection and the Hansen Objection insofar as they relate solely to classification of their respective claims against the Debtor in accordance with the Classes set forth under the Plan, as opposed to any arguments by such Objecting Parties in opposition to confirmation of the Plan on account of the classification of Claims set forth under the Plan or otherwise (the “Individual Claims Classification Issues”).

V. Non-Material Modification. The modification of the Plan and Participating Partner Protocol (the “Modifications”) described in Paragraph 7(c) hereof, and as further described at the Confirmation Hearing, does not constitute a material modification of the Plan, will not alter the economic effect of any of the distributions provided for in the Plan, and, accordingly, does not require a resolicitation of votes with respect to the Plan, and is hereby approved in its entirety.

W. Good Faith Solicitation (11 U.S.C. § 1125(e)). The Debtor and its agents, accountants, business consultants, representatives, attorneys, and advisors, through their participation in the negotiation and preparation of the Plan and the Disclosure Statement and their efforts to confirm the Plan, have solicited acceptances and rejections of the Plan in good faith and participated in this Chapter 11 Case in compliance with the applicable provisions of the Bankruptcy Code.

X. Rejection Determinations. The Debtor’s rejection of the executory contracts and unexpired leases pursuant to Sections 6.1 and 6.2 of the Plan is authorized pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code as a reasonable exercise of sound business judgment and in each case is in the best interests of the Estate and the Debtor’s creditors.

Y. Release, Indemnification, Injunction, and Exculpation. Each of the release, indemnification, injunction and exculpation provisions contained in Articles 7 and 9 of the Plan:

(a) falls within the jurisdiction of this Court under 28 U.S.C. §§ 1334(a), (b), and (d);

(b) is integral to implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code;

(c) is necessary to the overall objectives of the Plan to finally resolve, except to the extent otherwise provided in the Plan, all claims among or against the Participating Partners, the Debtor, and other parties in interest presented in this unique Chapter 11 Case, and is not overbroad; and

(d) is consistent with sections 105, 1123, 1129, and other applicable provisions of the Bankruptcy Code.

The failure to effect the release, injunction, indemnification, and exculpation provisions of the Plan would preclude the Debtor from confirming the Plan, because the Debtor would be required to return amounts paid by Participating Partners, leaving the Debtor with insufficient funds to confirm this or any other plan under chapter 11 of the Bankruptcy Code.

Z. Participating Partner Protocol; Participating Partner Release; Participating Partner Injunction.

(a) The Debtor has met all of its obligations under the Participating Partner Protocol, which was approved by the Disclosure Statement Order and is incorporated in Article 7 of the Plan.

(b) The Plan's provisions releasing non-debtors from current liability and enjoining future actions against non-debtors are permitted as part of a debtor's bankruptcy plan when such provisions are rendered important and/or necessary to the success of the plan because of unusual circumstances such as indemnity agreements resulting in the Debtor being liable for the debt of the non-debtor, a unique transaction often resulting in substantial contribution on the part of the non-debtor occurs, or the plan is properly disclosed and consented to by the creditors. See In re Metromedia Fiber Network, Inc., 416 F.3d 136, 143 (2d Cir. 2005); In re Adelphia Comm. Corp., 2007 Bankr. LEXIS 890, *365-66 (Bankr. S.D.N.Y. Jan. 3, 2007). The Court finds that the Participating Partners have made significant and unique contributions in connection with the consummation of the Plan, which contributions are expected to be the single largest asset of this Estate. Without the protection of the Plan release and injunction, the Participating Partners would not have voluntarily contributed to the Plan and the settlement outlined in Partner Contribution Report. Under the Participating Partner Protocol, a Participating Partner has also agreed to (i) waive all rights to object to confirmation of the Plan or otherwise contest liability for Participating Settlement Amount; (ii) waive all rights asserted or held by him or her against the Debtor (except as otherwise provided in an individual Participating Settlement Agreement); and (iii) assign to the Plan Administrator (solely for the benefit of the estate of the Debtor and not for the benefit of the Participating Partner) his or her claims against Partners, Employees and Creditors (other than Permitted Contribution Claims), based upon, arising from or relating to any of the matters set forth in Article 7 of the Plan. Without the significant contributions obtained from Participating Partners, the Plan could not be confirmed and the Chapter 11 Case would be converted to chapter 7, resulting in a significantly lower distribution to Creditors.

(c) The Participating Partner Release and Participating Partner Injunction in favor of Participating Partners under the Plan are proper and consistent with protections provided to settling parties in similar cases under similar circumstances.

(d) Each Participating Partner Settlement Agreement represents a fair compromise and settlement of the issues raised in the Partner Contribution Report, is in the best interest of the Estate, and will serve to reduce and avoid protracted and expensive litigation by and between the Debtor and its former Partners. Further, the modification of the Participating Partner Protocol and the Plan as necessary to provide for the Extended Pay Period through August 19, 2008 on the condition that any Partner choosing to so participate within the Extended Pay Period would have to pay both the Participating Settlement Amount plus the respective 10% “Collection, Settlement and Cost Discount” amount previously offered to Participating Partners, represents a fair compromise and settlement by and between the Debtor and the Participating Partners.

(e) The Participating Partners have made significant and unique contributions in connection with the consummation of the Plan, which contributions are expected to be the single largest asset of this Estate.

(f) The Participating Partner Release and Participating Partner Injunction is an important, necessary and indispensable component of the Plan, without which the Debtor’s former partners would not have voluntarily paid amounts owed to the Debtor, thus avoiding costly litigation and enforcement actions, both domestic and international. Moreover, the payments aggregating over \$2.8 million contributed by Participating Partners in order to settle Avoidance Claims and to adequately fund the Recourse Fund established under the Plan provides further justification for the issuance by this Court of the Participating Partner Release and Participating Partner Injunction to ensure and protect the valuable settlement of estate causes of action for the benefit of affected creditors.

(g) The international composition of the Debtor’s partnership, including, *inter alia*, former offices and Partners located and/or resident in Great Britain, France, Singapore, Russia, Kazakhstan, Australia, and China, constitutes a unique set of circumstances that warrants and justifies the Participating Partner Release and the issuance by this Court of the Participating Partner Injunction.

AA. Conditions To Confirmation. Upon entry of this Order, each of the conditions precedent to confirmation set forth in Section 8.1 of the Plan will be satisfied.

BB. Jurisdiction. This Court may properly retain jurisdiction over the matters set forth in Section 12.1 of the Plan.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT,

1. Confirmation. The Plan, in the form attached hereto as **Exhibit A**, subject to the modifications described herein, is hereby confirmed, and all acceptances and rejections previously cast for or against the Plan are hereby deemed to constitute acceptances or rejections of the Plan as modified by this Order.

2. Objections. Each objection to confirmation of the Plan that has not been withdrawn, waived, or settled is overruled. Specifically, the Retiree Trust Objection, the CFP Objection, the Haager Objection and the Freyre Objection are overruled for the reasons stated in Exhibit D hereto. To the extent that pleadings filed by individuals or entities constitute

objections to confirmation of the Plan and have not been withdrawn, waived, or settled, they are denied. Notwithstanding the foregoing, the Debtor and/or the Plan Administrator shall seek to resolve the Individual Claims Classification Issues through one or more objections to the underlying claims or their classification in accordance with the applicable provisions of the Plan.

3. Executory Contracts and Unexpired Leases. This Order constitutes approval of this Court that under section 365 of the Bankruptcy Code and Section 6.1 of the Plan on the Confirmation Date, all executory contracts and unexpired leases that exist between the Debtor and any Person shall be deemed rejected as of the Confirmation Date except for (a) any executory contract or unexpired lease that has been assumed or rejected pursuant to an order of the Court entered prior to the Confirmation Date and (b) any executory contract or unexpired lease as to which a motion for approval of the assumption of such contract or lease has been filed and served prior to the Confirmation Date. The Debtor's decisions regarding the assumption or rejection of executory contracts and unexpired leases, as authorized by section 1123(b)(2) of the Bankruptcy Code and as provided for in Article VI of the Plan, are reasonable exercises of sound business judgment and are in the best interests of the Debtor and the Estate. The executory contracts or leases which are the subject of the Debtor's pending (a) Motion to Assume Leases or Executory Contracts with U.S. Bancorp Oliver-Allen Technology Leasing [Docket No. 820], and/or (b) Motion to Assume Leases or Executory Contracts with Konica Minolta Business Solutions U.S.A., Inc. [Docket No. 818] are expressly excluded from the scope of Sections 6.1 and 6.2 of the Plan to the extent such motions are granted (whether before or after the Effective Date).

4. Cancellation of Interests and Instruments of Indebtedness. As set forth in Section 5.17 of the Plan, on the Effective Date, all Interests in the Debtor and any other note, bond, indenture or other instrument or document evidencing or creating any indebtedness or obligation of any of the Debtor shall be deemed canceled.

5. Releases.

(a) Releases, Injunction and Exculpation. All, releases, injunctions, and exculpations provided in or under the Plan, including those described in Section 7.4, 7.5, 9.1 and 9.4 of the Plan, as modified by Paragraph 7(c) below, are supported by ample consideration, are fair, equitable, reasonable, and in the best interests of the Debtor, the Estate, and holders of Claims, and are hereby approved as an essential part of the Plan and incorporated by reference herein. Except as otherwise expressly provided in the Plan, as modified by Paragraph 7(c) below, or in this Order, subject to the occurrence of the Effective Date, such releases, injunctions, and exculpations shall be, and they hereby are, effective and binding.

(b) Applications by Professionals. Notwithstanding anything to the contrary contained in the Plan, none of the releases provided therein or in this Order shall prejudice or otherwise affect the right of any party in interest to object to (i) any applications for compensation filed by Professionals or (ii) any request seeking compensation under section 503 of the Bankruptcy Code.

(c) Preservation of Causes of Action; Defenses. Except as otherwise provided in the Plan, in accordance with section 1123(b) of the Bankruptcy Code, the Plan Administrator

shall retain and may enforce any Avoidance Action and other Cause of Action (whether or not such actions were commenced on or prior to the date hereof), or rights to payment of claims, that belong to or could have been raised by or on behalf of the Debtor or the Estate; and the Plan Administrator shall retain and may assert and enforce any and all defenses and counterclaims to all Claims asserted against the Debtor or the Estate, including, but not limited to, rights to set off, recoupment or rights under section 502(d) of the Bankruptcy Code. This clause 6(c) shall not, however, override the releases and injunction in favor of Participating Partners set forth in Article 7 of the Plan or the releases, exculpations and injunction in favor of any party set forth in Article 9 of the Plan.

(d) Satisfaction of Claims and Interests. The treatment accorded to Claims and Interests pursuant to the Plan shall be in full satisfaction, settlement, release of and in exchange for such Claims and Interests.

6. Participating Partner Protocol.

(a) Participating Partner Release and Participating Partner Injunction. The Participating Partner Release and Participating Partner Injunction in favor of Participating Partners under the Plan are approved.

(b) Participating Partner Protocol. The Debtor has met all of its obligations under the Disclosure Statement Order to solicit participation and contribution by the Participating Partners pursuant to the Participating Partner Protocol.

(c) Modification of Plan and Participating Partner Protocol. Pursuant to Section 1127(a) of the Bankruptcy Code, the Plan and Participating Partner Protocol are hereby modified so as to incorporate the terms of the Extended Pay Period. The Court finds the Extended Pay Period is fair and reasonable, and in the best interest of the Estate, and approves the modification of the Participating Partner Protocol to incorporate the terms of the Extended Pay Period, without need for resolicitation of any class.

(d) Approval of Settlements with Participating Partners. A listing of qualifying Participating Partners, is annexed hereto as **Exhibit B**. Pursuant to section 9019 of the Bankruptcy Code, the settlements under the Plan with the Participating Partners are fair and reasonable and in the best interest of the Estate, and are hereby approved by the Court. The Participating Partners identified on Exhibit B shall be entitled to the protections of the Participating Partner Release and Participating Partner Injunction upon the occurrence of the Effective Date of the Plan.

7. Appointment of Plan Administrator; Transfers. The appointment of DSI as the Plan Administrator under the Plan is hereby approved. The terms and conditions of the Plan Administrator's employment are to be set forth in an agreement consented to by the Plan Administrator, the Debtor and the Creditors' Committee, and shall be subject to the terms of the Plan and this Order in all respects.

8. Appointment of Oversight Committee. The appointment of each of (i) Larry Levin, (ii) Richard S. E. Johns, Esq., and (iii) Pat Kane as the initial members of the Plan Oversight Committee is hereby approved.

9. Disputed Claims Reserve. On the Effective Date, after making all distributions required to be made on such date under the Plan, the Plan Administrator shall establish the Disputed Claims Reserve, which shall be administered by the Plan Administrator. Pursuant to Section 10.10 of the Plan, except to the extent the Court determines that a lesser amount is adequate, the Plan Administrator shall, on each Distribution Date, deposit into a separate interest bearing Disputed Claims Reserve account(s) established by the Plan Administrator, Cash equal to the Distributions that would have been made to holders of Disputed Claims if such Claims were Allowed Claims in their full amounts.

10. Resolution of Disputed Claims. Unless otherwise ordered by this Court after notice and a hearing, the Debtor and/or the Creditors Committee, and following the Effective Date, the Plan Administrator, with respect to all Claims, shall have the right to the exclusion of all others to make and file objections to all Claims (including, for the avoidance of doubt, any Claim listed in the Schedules as not disputed, not contingent or liquidated and administrative expense claims), and shall serve a copy of each objection upon the holder of the Claim to which the objection is made as soon as practicable. Objections to Claims shall be filed with the Court and served upon each affected creditor within Two Hundred Seventy (270) days of the Effective Date (“Claims Objection Bar Date”); provided, however, that such deadline may be extended by the Court for cause upon motion of the Plan Administrator. All Claims shall be subject to section 502(d) of the Bankruptcy Code notwithstanding the expiration of the Claims Objection Bar Date. Subject to Section 502(c) of the Bankruptcy Code, all objections shall be litigated to a Final Order except to the extent the Plan Administrator elects to withdraw any such objection or the Plan Administrator and the claimant elect to compromise, settle or otherwise resolve any such objection, in which event they may settle, compromise or otherwise resolve any Disputed Claim without approval of this Court.

11. General Authorizations. The Debtor (prior to the Effective Date) and the Plan Administrator (on and after the Effective Date) are hereby authorized and empowered pursuant to section 1142(b) of the Bankruptcy Code to issue, execute, deliver, file and record any documents, Court papers and pleadings, and to take any and all actions that are necessary or desirable to implement, effectuate or consummate any and all of the transactions contemplated by the Plan, whether or not specifically referred to in the Plan or related documents, and without further application to this Court.

12. Exemption From Transfer Taxes. Pursuant to section 1146(a) of the Bankruptcy Code, the assignment or surrender of any lease or sublease, or the delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including any deeds, bills of sale or assignments executed in connection with any disposition of assets contemplated by the Plan (including transfers of assets held by the Plan Administrator), shall not be subject to any stamp, real estate transfer, mortgage recording, sales, use or other similar tax.

13. Conflicts. To the extent this Order is and/or the Plan is inconsistent with the Disclosure Statement, any other agreement entered into between the Debtor and any third party, (i) the Plan shall control the Disclosure Statement and any such agreements, and (ii) the Confirmation Order shall control the Plan.

14. Plan and Confirmation Order Binding. Pursuant to section 1141 of the Bankruptcy Code, effective as of the Confirmation Date, but subject to the occurrence of the Effective Date, and except as expressly provided in the Plan or this Order, the provisions of the Plan and this Order shall be binding upon (a) the Debtor, (b) the Plan Administrator, (c) all holders of Claims against or Interests in the Debtor, whether or not impaired under the Plan and whether or not, if impaired, such holders have accepted the Plan, (d) each Person or entity acquiring property under the Plan, (e) any other party in interest, (f) any Person or entity making an appearance in this Chapter 11 Case, and (g) each of the respective heirs, successors, assigns, trustees, executors, administrators, affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, or guardians of any of the foregoing.

15. Supremacy of Confirmation Order. This Order shall supersede any orders of the Court issued in the Chapter 11 Case prior to the Confirmation Date to the extent that those prior orders may be inconsistent with the Confirmation Order.

16. Plan Provisions to Be Given Effect. The terms and provisions of the Plan are incorporated by reference into and are an integral part of this Order. Each term and provision of the Plan is valid, binding and enforceable as though fully set forth herein. The provisions of the Plan and this Order, including the findings of fact and conclusions of law set forth herein, are non-several and mutually dependent. The failure specifically to include or reference any particular provision of the Plan in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Plan be confirmed in its entirety.

17. Plan Classification Controlling. The classification of Claims for purposes of the distributions to be made under the Plan is governed solely by the terms of the Plan. The classifications set forth on the ballots tendered to or returned by the holders of Claims in connection with voting on the Plan (a) were set forth thereon solely for purposes of voting on the acceptance or rejection of the Plan, (b) do not necessarily represent and in no event shall be deemed to modify or otherwise affect the actual classification of such Claims under the terms of the Plan for distribution purposes, and (c) may not be relied upon by any creditor as actually representing the actual classification of such Claims under the terms of the Plan for distribution purposes.

18. Compromise of Controversies. Pursuant to Bankruptcy Rule 9019, and in consideration for the classification, distribution and other benefits provided under the Plan, the provisions of this Plan shall constitute a good faith compromise and settlement of all Claims and controversies resolved pursuant to the Plan, including, without limitation, the claims settled and resolved by and between Participating Partners and the Debtor. The entry of this Order shall constitute the Court's approval of each of the foregoing compromises or settlements and all other compromises and settlements provided for in the Plan, and the Court's findings shall constitute its determination that such compromises and settlements are in the best interests of the Debtor, the Plan Administrator, the Estate, creditors, and other parties in interest, and are fair, equitable, and within the range of reasonableness.

19. The Record. The record of the Confirmation Hearing is closed. The findings of fact and conclusions of law of this Court set forth herein and at the Confirmation Hearing shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, and the

findings of fact and conclusions of the Court at the Confirmation Hearing are incorporated herein by reference.

20. Pre-Confirmation Date Professional Fees and Expenses. Except as otherwise provided by the Court, pursuant to Section 5.10 of the Plan, each professional person or firm retained with approval by order of the Court or requesting compensation in the Bankruptcy Case pursuant to sections 330 or 503(b) of the Bankruptcy Code, other than professionals that the Debtor is authorized to pay in the ordinary course of business, shall be required to file an application for an allowance of final Professional Fee Claims in the Bankruptcy Case incurred through the Effective Date on the Fee Application Deadline. Objections to any such application shall be filed on or before the date that is five (5) days before the hearing date set by the Court to consider applications for allowance of final compensation and reimbursement of expenses.

21. Administrative Bar Date. Unless otherwise ordered by this Court, requests for payment of Administrative Expense Claims (other than (i) the Administrative Expense Claims of professional Persons employed by the Debtor and the Creditors' Committee and (ii) any liability incurred by the Debtor and not past due) for the period from September 22, 2006 through and including the Effective Date must be filed and served on counsel for the Debtor and the Plan Administrator as provided in Exhibit C hereto **no later than October 15, 2008**. Any person that is required to file and serve a request for payment of an Administrative Expense Claim and fails to timely file and serve such request, shall be forever barred, estopped and enjoined from asserting such Administrative Expense Claim or participating in distributions under the Plan on account thereof.

22. Retention of Jurisdiction. This Court shall retain jurisdiction in accordance with the terms of Section 12.1 of the Plan, the other provisions of this Order, and section 1142 of the Bankruptcy Code. Until the Chapter 11 Case is closed, any party in interest may commence a proceeding in this Court in respect of any matter as to which jurisdiction has been retained.

23. Notice of Confirmation Order. In accordance with Bankruptcy Rules 2002 and 3020(c), the Debtor, no later than August 27, 2008, shall give notice of the entry of this Order, and the Administrative Bar Date, in substantially the form of the proposed notice attached as **Exhibit C** hereto (the "Notice of Confirmation"), which is hereby approved, by United States first class mail postage prepaid, by hand or by overnight courier service to all the entities, subject to the provisions in Paragraph 25 below, that were sent the Solicitation Packages as set forth in Paragraph B of this Order. Mailing of the Notice of Confirmation in the time and manner set forth in this paragraph is adequate and satisfies the requirements of Bankruptcy Rules 2002 and 3020(c), and no further notice is necessary.

24. Additional Plan Modifications. After the entry of the Confirmation Order, the Plan Administrator may, upon order of the Court sought on notice to all parties affected by the proposed modification or amendment, amend or modify the Plan in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan. A holder of an Allowed Claim that is deemed to have accepted the Plan shall be deemed to have accepted the Plan as modified if the proposed modification does not materially and adversely change the treatment of the Claim of such holder.

25. Returned Mail. Notwithstanding anything to the contrary herein, no notice or service of any kind will be required to be mailed or made upon any person to whom the Debtor mailed a Solicitation Package, but received such mailing returned by the United States Postal Service marked “undeliverable as addressed,” “moved – left no forwarding address” or “forwarding order expired,” or similar reason, unless the Debtor or the Plan Administrator, as the case may be, has been informed in writing by such person of that person’s new address.

26. Discharge of Examiner. As of the Effective Date, the Examiner and his professionals shall be discharged from their duties, obligations and responsibilities as set forth in the Examiner Order and the Modified Examiner Order. The Examiner and/or his professionals may, in the Examiner’s discretion, destroy and dispose of any records and/or documents accumulated in this case at any time after six months following the entry of the Confirmation Order.

Dated: New York, New York
August 27, 2008

/s/ Robert D. Drain
UNITED STATES BANKRUPTCY JUDGE

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: :
 : Chapter 11
 :
COUDERT BROTHERS LLP, :
 : Case No. 06-12226 (RDD)
 :
 :
Debtor. :
 :

**FIRST AMENDED PLAN OF LIQUIDATION OF COUDERT BROTHERS LLP
DATED MAY 9, 2008 (AS MODIFIED)**

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INTRODUCTION

Coudert Brothers LLP proposes the following plan of liquidation pursuant to section 1121 of the Bankruptcy Code. The Debtor is the proponent of the Plan within the meaning of 11 U.S.C. § 1129. A detailed discussion of the Debtor's history, business, historical financial information and other pertinent information, as well as a summary and analysis of the Plan, are set forth in the disclosure statement filed contemporaneously with the Plan. A Plan Supplement including other agreements and documents will be filed with the United States Bankruptcy Court for the Southern District of New York, which are referenced in the Plan or Disclosure Statement and will be available for review.

ARTICLE 1

DEFINITIONS AND RULES OF INTERPRETATION

A. Definitions

The following terms, when used in this Plan, the Plan Supplement or any subsequent amendments or modifications thereof, and in addition to those terms defined in the text of the Plan, shall have the respective meanings hereinafter set forth.

1.1 “Administrative Claim” means a Claim for costs and expenses of administration allowed under sections 503(b) and 507(a)(1) including, without limitation, (a) any actual, necessary costs and expenses of preserving the Estate and winding down the Debtor's business during the Bankruptcy Case, (b) any indebtedness or obligations incurred or assumed by the Debtor in the ordinary course of business in connection with the conduct of its business during the Bankruptcy Case, (c) any Professional Fee Claims, whether fixed before or after the Effective Date, and (d) any fees or charges assessed against the Debtor's Estate under section 1930, chapter 123, title 28, United States Code.

1.2 “Administrative Claims Bar Date” means the date by which a request for payment of an Administrative Claim must be or must have been filed, as established by a Final Order, including the Confirmation Order.

1.3 “Administrative Reserve” means a reserve in the initial amount of \$650,000 established by the Debtor as provided in Section 5.3 hereof, and thereafter funded at the discretion of the Plan Administrator, to fund post-confirmation costs and expenses of the Plan Administrator.

1.4 “Affiliated Companies” means the non-debtor entities that are affiliated with the Debtor and through certain of which the Debtor conducted business, including, without limitation Coudert Brothers (Central Asia) LLC (Delaware), Coudert Brothers Limited (Thailand), P.T. CB Indonesia (Indonesia), Coudert Brothers (United Kingdom), Coudert Frères (New York), Coudert Brothers Australia (New South Wales), Coudert Brothers Australia Services Pty Limited (New South Wales), CB Montreal LLC (Delaware) and Coudert Brothers Gaikokuho Jimu Bengoshi Jimusho (New York).

1.5 “Allowed” means, with respect to any Claim (including any Administrative Claim), (a) a Claim against the Debtor, proof of which was filed within the applicable period of limitation fixed by the Bankruptcy Court in accordance with Rule 3003(c)(3) of the Bankruptcy Rules (i) as to which, no objection to the allowance thereof has been interposed within the applicable period of limitation fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules, or a Final Order, (ii) as to which no timely objection has been interposed based upon 11 U.S.C. § 502(d), and (iii) as to which an objection had been interposed, to the extent such Claim has been allowed (whether in whole or in part) by a Final Order, (b) if no proof of such Claim was filed timely or was withdrawn, any Claim against the Debtor which is listed by the Debtor in the Schedules, as such Schedules may be amended from time to time in accordance with Rule 1009 of the Bankruptcy Rules, as liquidated in amount and not disputed or contingent, (c) any Claim arising from the recovery of property under sections 550 or 553 of the Bankruptcy Code and allowed in accordance with section 502(b) of the Bankruptcy Code, (d) any Claim allowed under or pursuant to the terms of this Plan, or (e) any Claim that has been allowed by a Final Order.

1.6 “Assets” means any and all property of the Debtor’s Estate, including without limitation all property and other interests identified in section 541(a) of the Bankruptcy Code. Without limiting the foregoing, Assets shall include all of the Debtor’s real, personal, tangible and intangible property, wherever located and whether acquired prior to or after the Petition Date including Cash, Receivables, furniture, fixtures, equipment, artwork, intellectual property, Causes of Action, the Malpractice Policies, the Participating Settlement Agreements, together with the proceeds and products, replacements and accessions thereof.

1.7 “Available Cash” as of any Distribution Date means all Cash held by the Debtor other than Restricted Cash.

1.8 “Bankruptcy Case” means the case commenced by the Debtor on September 22, 2006, under chapter 11 of the Bankruptcy Code, administered under case number 06-12226 (RDD).

1.9 “Bankruptcy Code” means title 11 of the United States Code, as amended, in effect and applicable to the Bankruptcy Case concerning the Debtor.

1.10 “Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure, as promulgated by the Supreme Court of the United States, as amended, in effect and applicable to Debtor’s Bankruptcy Case.

1.11 “Bar Date” means January 31, 2007, the date fixed by the Bankruptcy Court as the last date by which all Creditors may file proofs of claim, unless the Court has set a different date by which a specific Creditor must file a proof of claim, in which case it means, for the specific Creditor, such different date set by the Court.

1.12 “Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks in New York City are required or authorized by law to be closed.

1.13 “Cash” means legal tender of the United States, including amounts on deposit at financial institutions in checking accounts, money market accounts and the like.

1.14 “Causes of Action” means any and all Claims, rights, actions, chose in action, suits, causes of action, liens, judgments and damages belonging to the Debtor or its Estate and any and all liabilities, obligations, covenants, undertakings and debts owing to the Estate, whether arising prior to or after the Petition Date and in each case whether known or unknown, in law, equity or otherwise, including without limitation Receivables, Recourse Claims, actions to collect Reconciliation Amounts and those Claims and actions to avoid or recover pre-petition or post-petition transfers of money or property pursuant to applicable bankruptcy and non-bankruptcy law (including rights and remedies arising under Chapter 5 of the Bankruptcy Code).

1.15 “Causes of Action Recoveries” means any and all recoveries, including without limitation money or property which is realized from any Causes of Action.

1.16 “Claim” means: (a) right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

1.17 “Claimant” means the holder of a Claim against the Debtor.

1.18 “Claims Objection Bar Date” means, unless otherwise extended by Order of the Court for cause, 270 days after the Effective Date.

1.19 “Class” means a category of Claims or Interests described in Article 3 hereof.

1.20 “Confirmation Date” means the date on which the Clerk of the Bankruptcy Court enters the Confirmation Order on the docket corresponding to the Bankruptcy Case.

1.21 “Confirmation Order” means the order of the Bankruptcy Court confirming this Plan, or any amendment thereto, pursuant to section 1129 of the Bankruptcy Code, and any findings of fact and conclusions of law contained in the Confirmation Order or a separate document entered substantially contemporaneously therewith.

1.22 “Contract Partner” means a Contract Partner, as that term is defined in Article 3 of the Partnership Agreement.

1.23 “Court” means the United States Bankruptcy Court for the Southern District of New York.

1.24 “Coverage Finding Order” shall have the meaning set forth in Section 7.4(b)(v) of the Plan.

1.25 “Creditor” means any Person who either (i) holds a Claim against the Debtor that arose prior to the Petition Date, (ii) holds a Claim against the Debtor which arose after the Petition Date, other than an Administrative Claim of the type specified in Bankruptcy Code section 503(b), or (iii) holds a Claim against the Debtor of the kind specified in Bankruptcy Code sections 502(g), 502(h) or 502(i).

1.26 “Creditor Full Payment Date” means the date on which (a) all Allowed Claims in Classes 1, 2, and 3 have been satisfied; (b) Allowed Claims in Classes 4, with prejudgment interest at the so-called Federal Judgment Rate set forth in 28 U.S.C. section 1961, have been paid in full; and (c) the Plan Administrator has either paid or reserved for the payment of all Estate Expenses, Administrative Claims, Professional Fee Claims, Priority Tax Claims and Priority Non-Tax Claims.

1.27 “Creditors’ Committee” means the official committee of unsecured creditors appointed by the U.S. Trustee to represent the interests of unsecured creditors in the Bankruptcy Case.

1.28 “Debtor” means Coudert Brothers LLP, the debtor and debtor in possession in the Bankruptcy Case.

1.29 “Deficiency Claim” means that portion of any Allowed Claim held by a Secured Creditor which exceeds the value of the assets securing such Allowed Claim.

1.30 “Disallowed” means, when referring to a Claim or Interest, a Claim (including a Scheduled Claim) or Interest, or any portion of a Claim or Interest which has been disallowed or expunged by a Final Order.

1.31 “Disclosure Statement” means the disclosure statement, and all exhibits, annexed thereto, filed in connection with Debtor’s Bankruptcy Case pursuant to section 1125 of the Bankruptcy Code, and approved by the Bankruptcy Court as containing adequate information as that term is defined in section 1125(a)(1) of the Bankruptcy Code, as may be amended or modified from time to time by any duly authorized amendment or modification.

1.32 “Disclosure Statement Order” means the Order approving the Disclosure Statement and the Participating Partner Protocol.

1.33 “Disputed Claim” means a Claim, including Malpractice Claims: (a) if such Claim is not an Allowed Claim as of a particular point in time; (b) if no proof of claim has been filed by the applicable Bar Date or has otherwise been deemed timely filed under applicable law, (i) that is listed on the Debtor’s Schedules as disputed, contingent or unliquidated or (ii) that is not listed on the Debtor’s Schedules; or (c) if a proof of Claim has been filed by the applicable Bar Date or has otherwise been deemed timely filed under applicable law, for which an objection, complaint or request for estimation has been filed by the Debtor, the Creditors’ Committee, or any other party in interest by the Claims Objection Bar Date, and such objection has not been withdrawn or denied in its entirety by Final Order.

1.34 “Disputed Claims Reserve” means the segregated interest bearing accounts established by the Plan Administrator consistent with Article 10 of this Plan, which account or accounts shall comply with the investment requirements set forth in section 345 of the Bankruptcy Code or any orders entered by the Court respecting the investment of estate funds.

1.35 “Distribution” means any distribution made pursuant to the terms of this Plan.

1.36 “Distribution Date” means any date on which a Distribution is made to holders of Allowed Claims under this Plan. The first Distribution shall occur as soon as practicable, on or after the Effective Date. To the extent subsequent Distributions are necessary, such subsequent Distributions shall occur as soon after the first Distribution Date as the Plan Administrator shall determine, in his sole discretion, is feasible.

1.37 “Effective Date” means the date which shall occur no earlier than the first Business Day after (a) the Confirmation Order (together with other orders entered in aid of Confirmation of this Plan, and signed contemporaneously with the Confirmation Order) has been entered pursuant to Bankruptcy Rules 5003 and 9021; and (b) all conditions precedent have been satisfied or waived as provided in Section 8.2 hereof.

1.38 “Employee” means an employee, associate, of counsel or Salaried Partner of the Debtor, but not an Equity Partner or Contract Partner.

1.39 “Encumbrances” means collectively, any and all security interests, liens, pledges, Claims, levies, charges, escrows, encumbrances, options, rights of first refusal, transfer restrictions, conditional sale contracts, title retention contracts, mortgages, hypothecations, indentures, security agreements or other agreements, arrangements, contracts, commitments, understandings or obligations of any kind whatsoever, whether written or oral.

1.40 “Equity Partner” means an Equity Partner, as that term is defined in Article 3 of the Partnership Agreement.

1.41 “Estate” means the Debtor’s estate created pursuant to section 541 of the Bankruptcy Code upon the Petition Date.

1.42 “Estate Expenses” means the administrative expenses accrued following the Effective Date, including without limitation, all fees and expenses of the Plan Administrator, any Professionals retained by the Plan Administrator.

1.43 “Estate Surplus” means the amount, if any, of Available Cash remaining in the Unsecured Creditor Fund after all amounts required to be paid to holders of Allowed Administrative Claims, Professional Fee Claims, Priority Tax Claims and Claims in Classes 1 through 6 have been paid in accordance with this Plan and all Estate Expenses have been paid or reserved for in full by the Plan Administrator.

1.44 “Examiner” means Harrison J. Goldin, the examiner appointed pursuant to the order signed by the Bankruptcy Court on February 2, 2007, requiring the U.S. Trustee to appoint an examiner, pursuant to section 1104(c)(2) of the Bankruptcy Code.

1.45 “Excluded Individual Partner Claim” means such claims identified on pages 46 to 48 in the Partner Contribution Report as additional potential Causes of Action against Partners of the Debtor, including Michael Calabrese, Jingzhou Tao, Lance Miller, Oliver Wright, Dan Marjanovic, Michael Magotsch, Martin Heinsius, Rainer Jacob and/or William A. Sullivan.

1.46 “Excluded Malpractice Claim” means a Claim or Cause of Action asserted against a Partner alleging any negligent or wrongful act or misconduct committed by him or her

or by any individual under his or her direct supervision and control while rendering professional services on behalf of the Debtor or any Affiliated Company.

1.47 “Fee Application Deadline” shall have the meaning set forth in Section 5.10.

1.48 “File Disposition Procedures” means those certain procedures approved by order of the Bankruptcy Court dated January 22, 2007, concerning disposition of certain client files by the Debtor.

1.49 “Final Distribution Date” means the Distribution Date immediately following the date on which all Assets and all Causes of Action have been reduced to Cash or abandoned and all Disputed Claims have been resolved.

1.50 “Final Order” means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for reargument or rehearing shall then be pending; provided, however, if an appeal, or writ of certiorari, reargument or rehearing thereof has been filed or sought, such order of the Bankruptcy Court or other court of competent jurisdiction shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied or reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, further, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not cause such order not to be a Final Order.

1.51 “General Unsecured Claim” means any Unsecured Claim against the Debtor that is not an Administrative Claim, Priority Tax Claim, Priority Non-Tax Claim, Partner Non-Profit Claim, or Partner Profit Claim.

1.52 “Insurance Policies” means any policy of insurance and any agreements relating thereto that may be available to provide coverage for Claims against the Debtor, its Employees, Partners or any other Person other than Malpractice Policies.

1.53 “Insured Malpractice Claim” means the Insured Portion of any Malpractice Claim subject to a Malpractice Policy or Policies.

1.54 “Insured Portion” means, with respect to a given Malpractice Policy, the insurance coverage available for Insured Malpractice Claims subject to such Malpractice Policy.

1.55 “Interest” means the rights and interests of a Partner or other Person in the Debtor pursuant to the Partnership Agreement or any applicable law concerning the Debtor, excluding any Partner Non-Profit Claims or Partner Profit Claims.

1.56 “Liability Amount” means the amount due to the Debtor or its Estate by a Person on account of a Cause of Action.

1.57 “Malpractice Claim” means any unsecured, non-priority Claim against the Debtor or any Partner or Employee arising out of alleged acts, errors or omissions in connection with the Debtor or a Partner or an Employee rendering or failing to render professional legal services or other potential or actual liability or costs arising in connection therewith, whether or not covered by a Malpractice Policy.

1.58 “Malpractice Costs and Expenses” means, as to any Malpractice Policy, (i) the aggregate fees, costs and expenses (including attorneys’ fees) arising from or relating to the investigation, adjustment, defense and appeal of the Malpractice Claims applicable to such policy, and (ii) such other costs and expense of the Debtor or the Plan Administrator, as the case may be, allocable to Malpractice Claims.

1.59 “Malpractice Policies” means the policies of professional liability insurance issued to the Debtor, as such policies have been or are amended, modified, renewed or supplemented from time to time.

1.60 “Management Personnel” means Patricia Kane, Charles Keefe, and Brian Rees.

1.61 “Net SIR” means, as it relates to a particular Malpractice Policy, the Self Insured Retention Amount less the Malpractice Costs and Expenses associated with such policy; provided however, that if the Net SIR equals an amount less than zero, the Net SIR shall instead be deemed to equal zero.

1.62 “Non-Management Personnel” means Jeanette DeFries.

1.63 “Non-Participating Partner” means any Partner other than a Participating Partner.

1.64 “Part A Report” means, collectively with the findings set forth therein, the report prepared by the Examiner, as filed and served upon the Debtor and the Creditors’ Committee on or about May 14, 2007, and any amendments thereto.

1.65 “Participating Partner” shall mean a Partner who executes a Participating Settlement Agreement with the Plan Administrator and fulfils all obligations to the Estate in connection with such Participating Settlement Agreement.

1.66 “Participating Partner Injunction” shall have the meaning set forth in Section 7.5 of this Plan.

1.67 “Participating Partner Protocol” means the protocol for solicitation and collection of Participating Settlement Amounts from Participating Partners during the Participating Settlement Period as authorized and approved by the Bankruptcy Court.

1.68 “Participating Partner Release” means the release as set forth in Section 7.4 of this Plan and the applicable provisions of the Participating Settlement Agreement.

1.69 “Participating Partner Settlement Proceeds” means all Cash paid to the Plan Administrator by a Participating Partner under or in connection with a Participating Settlement Agreement.

1.70 “Participating Settlement Agreement” means an agreement between the Plan Administrator and a Participating Partner, which, among other things, resolves all Causes of Action against the Participating Partner and all claims of such Participating Partner against the Debtor or its Estate and which provides such Participating Partner with the full benefit of the Participating Partner Release and Participating Partner Injunction, as such agreement may subsequently be amended, modified or supplemented in accordance with its terms.

1.71 “Participating Settlement Amount” means the amount payable by each Participating Partner on account of such Participating Partner’s Reconciliation Amount, Recourse Claims, Liability Amount and/or other amounts, pursuant to a Participating Settlement Agreement.

1.72 “Participating Settlement Period” means the period commencing upon the entry of an order approving the Disclosure Statement and the Participating Partner Protocol and expiring at 11:59 p.m., prevailing Eastern time, on August 1, 2008.

1.73 “Partner” means an individual who was an Equity Partner and/or Contract Partner at any point in time.

1.74 “Partner Contribution Report” means, collectively with the findings set forth therein, the report prepared by the Examiner, as filed and served upon the Debtor and the Creditors’ Committee on or about March 27, 2008, and any amendments thereto, including the Examiner’s Addendum to Proposed Contribution Plan, dated May 30, 2008.

1.75 “Partner Non-Profit Claim” means a Claim of a Partner other than a Partner Profit Claim, including a claim of a Partner for reimbursement, indemnification or contribution and a Special Contingency Fee Matters Claim.

1.76 “Partner Profit Claim” means a Claim of a Partner for payment of compensation, benefits or the return of capital contributions, and the right to obtain payment in respect of any distribution surplus or profit share in accordance with the provisions of the Partnership Agreement, including, without limitation, a Retirement Income Claim.

1.77 “Partnership Agreement” means the “Partnership Agreement of Coudert Brothers LLP” as amended and restated as of December 30, 2004, and as subsequently amended.

1.78 “Pension Plan” means the Coudert Brothers Employees’ Pension Plan, amended and restated as of January 1, 2001.

1.79 “Permitted Contribution Claims” means any claim for contribution that may be asserted against any Partner by a Participating Partner under the Partnership Agreement or otherwise in respect of any liability, loss, damages or expense (collectively, “Loss”) incurred by the Participating Partner by reason of a Recourse Claim other than a claim asserted under Section 7.4(b)(iv) of the Plan (or claim for contribution or indemnification relating to a Recourse Claim)

asserted against the Participating Partner in the event and to the extent that the Participating Partner Release and Participating Partner Injunction prove to be ineffective, and as to which Loss there are insufficient amounts available in the Recourse Fund to fully indemnify the Participating Partner.

1.80 “Person” means any individual, corporation, partnership, association, joint venture, limited liability company, limited liability partnership, estate, trust, unincorporated organization or governmental unit or subdivision thereof or other entity.

1.81 “Petition Date” means September 22, 2006, the date upon which the Debtor filed its voluntary petition for relief under chapter 11 of the Bankruptcy Code.

1.82 “Plan” means this plan of liquidation and any exhibits annexed hereto and any documents delivered in connection herewith, as the same may be amended or modified from time to time by any duly authorized amendment or modification.

1.83 “Plan Administrator Agreement” means the agreement between the Debtor and the Plan Administrator to be drafted by the Debtor in conjunction with Creditors’ Committee and filed as part of the Plan Supplement.

1.84 “Plan Administrator” means Development Specialists Inc. or such other person or entity designated or appointed as such pursuant to the Confirmation Order or the Plan Administrator Agreement.

1.85 “Plan Oversight Committee” shall have the meaning set forth in Section 5.1 of the Plan.

1.86 “Plan Supplement” means the forms of documents effectuating the transactions contemplated by this Plan, including the Plan Administrator Agreement, which documents shall be filed with the Court no later than ten (10) days prior to the Confirmation Hearing. Upon its filing with the Court, the Plan Supplement may be inspected at the Office of the Clerk of the Bankruptcy Court during normal court hours. Holders of Claims and Interests may obtain a copy of the Plan Supplement upon written request to counsel for the Debtor.

1.87 “Priority Non-Tax Claim” means a Claim which is entitled to priority treatment under section 507(a) of the Bankruptcy Code, excluding Claims entitled to priority under Bankruptcy Code subsections 507(a)(1) and 507(a)(8).

1.88 “Priority Tax Claim” means a Claim or a portion of a Claim which is entitled to priority under section 507(a)(8) of the Bankruptcy Code.

1.89 “Professional Fee Claims” means any Claim of a professional, retained in the Bankruptcy Case, pursuant to sections 327 or 1103 of the Bankruptcy Code or otherwise, for compensation or reimbursement of costs and expenses relating to services incurred prior to and including the Effective Date, when and to the extent any such Claim is Allowed by the Bankruptcy Court pursuant to sections 329, 330, 331, 503(b), or 1103 of the Bankruptcy Code.

1.90 “Professionals” means those professional persons duly retained by the Debtor, the Creditors’ Committee, the Examiner or the Plan Administrator during the Bankruptcy Case pursuant to an order of the Court authorizing same.

1.91 “Pro Rata” means, in connection with a particular Allowed Claim and in connection with any Distribution, the ratio between the amount of such Allowed Claim and the aggregate amount of all Allowed Claims in such Class or Classes entitled to such Distribution.

1.92 “Receivables” means, collectively and individually, as applicable, all unpaid invoices for legal services rendered or expenses incurred by Coudert Brothers LLP on behalf of clients.

1.93 “Reconciliation Amount” means the amount determined to be owing by a Person to the Debtor on account of loans, advances, or distributions made in excess of contractual entitlements under the Partnership Agreement during the period prior to the Petition Date.

1.94 “Recourse Claim” means any Claim or Cause of Action against a Partner that may be asserted by the Debtor or any other Person (i) resulting from any negligent or wrongful act or omission committed by any Partner, Employee or agent of the Debtor or by any Person under the direct supervision or control of any Partner, Employee or agent of the Debtor while rendering professional services on behalf of the Debtor or any predecessor or affiliate of the Debtor or otherwise participating in the conduct of the business or activities of the Debtor or any of its predecessors or affiliates, whether arising in tort, contract or otherwise, other than an Excluded Malpractice Claim; (ii) by reason of the non-recognition, under the laws of any jurisdiction to which the Debtor or any of its predecessors is deemed to be subject, of the limited liability of partners of a registered limited liability partnership under the Partnership Law of the State of New York; or (iii) by reason of the incurrence by the Debtor or any predecessor of an obligation or liability prior to its registration as a limited liability partnership under the Partnership Law of the State of New York; or (iv) by reason of a Claim against any Affiliated Company through which the claimant could have recourse against the Partner if the Claim is not satisfied out of the assets of the Affiliated Company.

1.95 “Recourse Claim Period” means the period of twenty four (24) months following the Effective Date of the Plan.

1.96 “Recourse Fund” means the funds which are derived from the Participating Partner Settlement Proceeds and reserved for defense against and/or satisfaction of the Claims identified in Section 7.8.

1.97 “Recourse Fund Account” means the segregated, interest bearing account, in which the Plan Administrator shall hold the Recourse Fund, subject to the terms of this Plan and the Plan Administrator Agreement.

1.98 “Released Claims” shall have the meaning set forth in Section 7.4.

1.99 “Releasing Parties” means: (i) the Debtor; (ii) the Estate; (iii) the Plan Administrator; (iv) each Participating Partner; and (v) each Creditor (who is not a Participating

Partner) that has (a) either voted to accept this Plan or who is deemed to have accepted the Plan, or (b) with respect to any Creditor that has neither voted to accept this Plan nor been deemed to have accepted the Plan, accepts any Distribution hereunder.

1.100 “Restricted Cash” means the Cash set aside or segregated, from time to time, by the Plan Administrator in (a) the Administrative Reserve, in accordance with the Plan Administrator Agreement, for the payment of the Estate Expenses, including the Plan Administrator’s fees and out-of-pocket expenses, fees and out-of-pocket expenses of any agent or Professionals retained by the Plan Administrator, and such other expenses as may be necessary to implement this Plan, and/or (b) the Disputed Claims Reserve.

1.101 “Retirement Income Claim” means a Claim by a Partner for Retirement Income as that term is defined by Schedule 5 to the Partnership Agreement.

1.102 “Salaried Partner” means a Salaried Partner, as that term is defined in Article 3 of the Partnership Agreement.

1.103 “Scheduled Claim” means a Claim that is listed by the Debtor in the Schedules.

1.104 “Schedules” means the schedules of assets and liabilities, schedules of executory contracts and unexpired leases, statements of financial affairs and other schedules and statements filed by the Debtor pursuant to Federal Rule of Bankruptcy Procedure 1007, and any amendments thereto.

1.105 “Second Fee Application Order” means the Order entered by the Bankruptcy Court on September 14, 2007 (ECF Doc. #524) addressing interim Professional Fee Claims arising during the period from February 1, 2007 through June 30, 2007.

1.106 “Secured Claim” means a Claim secured by a lien, as that term is defined in section 101(37) of the Bankruptcy Code, including, but not limited to, a judicial lien as that term is defined at section 101(36) of the Bankruptcy Code, against any property of the Estate, but only to the extent of the value, as determined by the Bankruptcy Court pursuant to section 506(a) of the Bankruptcy Code and Bankruptcy Rule 3012 or as otherwise agreed to, of such Claimant’s interest in the Debtor’s interest in such property.

1.107 “Secured Creditor” means the holder of a Secured Claim.

1.108 “Self Insured Retention Amount” means the self-insured retention or deductible amount stated in the declaration of the applicable Malpractice Policy.

1.109 “Special Contingency Fee Matters Claims” means the Claims asserted by Steven H. Becker and Paul A. Horowitz to the proceeds of certain legal matters in which the Debtor’s Estate maintains a contingency fee interest.

1.110 “SSC” means the committee established to oversee the day-to-day wind-down activities of the Debtor, which committee currently consists of (i) Pat Kane, (ii) Charles B. Keefe, Esq., and (iii) Eddy W. Friedfeld, Esq.

1.111 “Third Professional Fee Period” means the period of July 1, 2007 through and including June 30, 2008, during which Professional Fee Claims have accrued.

1.112 “U.S. Trustee” means any and all representatives and employees of the Office of the United States Trustee for the Southern District of New York.

1.113 “Unclaimed Distribution” means any Distribution together with interest earned or payable thereon, if any, after the applicable Distribution Date, unclaimed one hundred and eighty (180) days following any Distribution Date. Unclaimed Distributions shall include, without limitation: (i) checks (and the funds represented thereby) which have been returned as undeliverable without a proper forwarding address; (ii) funds representing checks which have not been paid; and (iii) checks (and the funds represented thereby) which were not mailed or delivered because of the absence of a correct address.

1.114 “Uncovered Malpractice Claim” means any Malpractice Claim for which no insurance coverage is available.

1.115 “Uninsured Malpractice Claim” means any Malpractice Claim to the extent of the Uninsured Portion of the applicable Malpractice Policy or Malpractice Policies.

1.116 “Uninsured Portion” means, with respect to a given Malpractice Claim, the Debtor’s out-of-pocket liability on such Malpractice Claim, if any, as determined by the Net SIR of the applicable Malpractice Policy.

1.117 “Unsecured Claim” means any Claim which is not secured by a “lien,” as that term is defined in section 101(37) of the Bankruptcy Code, including, but not limited to, a “judicial lien” as that term is defined at section 101(36) of the Bankruptcy Code, against any property of the Estate, but only to the extent of the “value,” as determined by the Bankruptcy Court pursuant to section 506(a) of the Bankruptcy Code and Bankruptcy Rule 3012 or as otherwise agreed to, of such Claimant’s interest in the Debtor’s interest in such property.

1.118 “Unsecured Creditor Fund” means the Cash derived from Participating Partner Settlement Proceeds, liquidation of Assets, Causes of Action Recoveries, and any Recourse Funds remaining at the expiration of the Recourse Claim Period, less any Distributions or reserves on account of Secured Claims, Administrative Claims, Priority Tax Claims, Priority Non-Tax Claims, and/or Estate Expenses.

B. Rules of Interpretation

For purposes of this Plan: (a) where appropriate in the relevant context, each term, whether stated in the singular or the plural, will include both the singular and the plural; (b) unless otherwise provided in the Plan, any references in the Plan to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions; (c) unless otherwise provided in the Plan, any reference in the Plan to an existing document or appendix filed or to be filed means such document or appendix, as it may have been or may be amended, modified or supplemented pursuant to the Plan; (d) unless otherwise specified herein, any reference to an Person as a holder of a Claim or interest includes that Person's successors, assigns and affiliates; (e) unless otherwise specified, all references in the Plan to Sections and Articles are references to Sections and Articles of or to the Plan; (f) the words "herein", "hereto" and "hereof" refer to the Plan in its entirety rather than to a particular portion of the Plan; and (g) the rules of construction set forth in section 102 of the Bankruptcy Code will apply. To the extent that the Plan is inconsistent with the Disclosure Statement or provisions of the documents comprising the Plan Supplement, unless such document specifically states otherwise, the provisions of the Plan shall be controlling.

ARTICLE 2

PAYMENT OF CLAIMS NOT REQUIRED TO BE CLASSIFIED

2.1 Claims Not Classified. No classes are designated for Administrative Claims, including Professional Fee Claims, and Priority Tax Claims.

2.2 Administrative Claims. All Administrative Claims, other than Professional Fee Claims, shall be paid by the Debtor in full, in Cash, in such amounts as are incurred in the ordinary course of the liquidation of the Debtor, or in such amounts as may be Allowed by the Bankruptcy Court (a) as soon as practicable following the later of the Effective Date or the date upon which the Court enters a Final Order Allowing any such Administrative Claim, or (b) upon such other terms as may exist in accordance with the ordinary course of the Debtor's liquidation or (c) as may be agreed upon between the holder of any such Administrative Claim and the Debtor, or the Plan Administrator, as the case may be. In the event there exists any Disputed Administrative Claims on the Effective Date, the Plan Administrator shall at all times hold and maintain Cash in an amount equal to that portion of the Disputed Claims Reserve attributable to all Disputed Administrative Claims.

2.3 Professional Fee Claims. The Debtor shall pay all Professional Fee Claims as soon as practicable after a Final Order pursuant to Bankruptcy Rules 5003 and 9021 has awarded such compensation and reimbursement of expenses in accordance with Section 5.10 hereof. The Plan Administrator shall at all times hold and maintain Cash in an amount equal to the estimated Professional Fee Claims incurred or to be incurred prior to the Confirmation Date. In the event

any Disputed Professional Fee Claims exist on the Effective Date, the Plan Administrator shall at all times hold and maintain Cash in an amount equal to that portion of the Disputed Claims Reserve attributable to all Disputed Professional Fee Claims.

2.4 Priority Tax Claims. Unless otherwise agreed to by the parties, each holder of an Allowed Priority Tax Claim will receive deferred cash payments over a period not exceeding six years from the date of assessment of such Allowed Priority Tax Claim. Payments will be made in annual installments, with the first payment due as soon as practicable following the later of (a) the first anniversary of the Effective Date, and (b) the date on which such Priority Tax Claim becomes an Allowed Claim, with subsequent payments to be made on each anniversary of the first payment date, together with interest accrued from the next preceding payment date on the unpaid portion of the Allowed Claim in accordance with section 511 of the Bankruptcy Code; provided, however, that any installments remaining unpaid on the date which is five years after the Petition Date will be paid on the first Business Day following such date, together with any accrued or unpaid interest to that date; provided, further, that the Debtor or the Plan Administrator, as applicable, reserve the right to pay any such Priority Tax Claim in full at any time on or after the Effective Date, at its option, without premium or penalty. If there is any dispute over the rate of interest to be paid to the holder of a Priority Tax Claim under this section, such dispute shall be resolved by the Bankruptcy Court on or prior to the Confirmation Date, or such other date as may be agreed to by such holder and the Debtor. No holder of an Allowed Priority Tax Claim shall receive any Distribution from the Unsecured Creditor Fund on account of such Claim. In the event there exists any Disputed Priority Tax Claims on the Effective Date, the Plan Administrator shall at all times hold and maintain Cash in an amount equal to that portion of the Disputed Claims Reserve attributable to all Disputed Priority Tax Claims.

2.5 Administrative Claims Bar Date; Procedures for Unclassified Claims Not Allowed as of the Effective Date. With the exception of Claims for Professional Fee Claims, Claimants must file requests for payment of Administrative Claims by the Administrative Claims Bar Date. No payments or distributions will be made on account of Administrative Claims or Priority Tax Claims until such Claim becomes an Allowed Claim.

ARTICLE 3

CLASSIFICATION OF CLAIMS AND INTERESTS

3.1 Criterion of Class. A Claim is in a particular Class only to the extent that the Claim qualifies within the description of that Class and is in a different Class to the extent that the remainder of the Claim qualifies within the description of the different Class.

3.2 Class Categories. The following classes of Claims and Interests are designated pursuant to and in accordance with section 1123(a)(1) of the Bankruptcy Code, which classes shall be mutually exclusive:

CLASS	CLASS NAME	STATUS
Class 1	Secured Claims	Unimpaired/Deemed to Accept
Class 2	Priority Non-Tax Claims	Impaired/Entitled to Vote
Class 3	Insured Malpractice Claims	Unimpaired/Deemed to Accept
Class 4	General Unsecured Claims	Impaired/Entitled to Vote
Class 5	Partner Non-Profit Claims	Impaired/Deemed to Reject
Class 6	Partner Profit Claims	Impaired/Deemed to Reject
Class 7	Interests	Impaired/Deemed to Reject

ARTICLE 4

TREATMENT OF CLASSES OF CLAIMS AND INTERESTS

The following treatment of and consideration to be received by holders of Allowed Claims and Allowed Interests pursuant to this Plan shall be in full settlement, release and discharge of such Allowed Claims and Allowed Interests.

4.1 Class 1 (Secured Claims). On the Effective Date, or as soon thereafter as is reasonably practical, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Class 1 Secured Claims, each holder of an Allowed Secured Claim, if any, shall receive, at the option of the Plan Administrator (a) Cash in the amount of such Allowed Secured Claim, (b) a non-recourse conveyance of the Estate's right, title and interest in and to the collateral securing such Allowed Secured Claim, or (c) such other, less favorable treatment as may be agreed to by the holder of such Allowed Secured Claim and the Plan Administrator in writing. Any Deficiency Claim resulting from the aforesaid treatment shall be included in and treated as a Class 4 General Unsecured Claim. In the event there exists any Disputed Secured Claims on the Effective Date, the Plan Administrator shall (a) at all times hold and maintain Cash in an amount equal to that portion of the Disputed Claims Reserve attributable to all Disputed Secured Claims or (b) maintain and preserve the collateral securing such Secured Claims.

4.2 Class 2 (Priority Non-Tax Claims). On the Effective Date, or as soon thereafter as is reasonably practical, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Class 2 Priority Non-Tax Claim, each holder of an Allowed Priority Non-Tax Claim against the Debtor shall receive (a) an amount in Cash equal to the

Allowed amount of such Priority Non-Tax Claim, or (b) such other treatment as to which the Plan Administrator and such holder shall have agreed upon in writing. In the event there exists any Disputed Priority Non-Tax Claims on the Effective Date, the Plan Administrator shall at all times hold and maintain Cash in an amount equal to that portion of the Disputed Claims Reserve attributable to all Disputed Priority Claims.

4.3 Class 3 (Insured Malpractice Claims). On the Effective Date, or as soon thereafter as is reasonably practical, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Class 3 Insured Malpractice Claim, each Class 3 Insured Malpractice Claim shall be paid solely from the proceeds of any applicable Malpractice Policy with respect to the Insured Portion of the Claim. Any Claim, or portion of a Claim, that is an Uninsured Malpractice Claim or any Uncovered Malpractice Claim, including the Net SIR, shall be treated as a Class 4 General Unsecured Claim. The outstanding claims against each of the Debtor's Malpractice Policies, and the remaining estimated Self-Insured Retention Amount under each such policy are identified in the Disclosure Statement.

4.4 Class 4 (General Unsecured Claims). On the Effective Date, or as soon thereafter as is reasonably practical, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Class 4 General Unsecured Claim, each holder of an Allowed Class 4 General Unsecured Claim shall receive one or more Distributions equal to its Pro Rata share (together with other holders of Allowed Class 4 Claims) of the Unsecured Creditor Fund. In the event there exists any Disputed General Unsecured Claims on the Effective Date, the Plan Administrator shall at all times hold and maintain Cash in an amount equal to that portion of the Disputed Claims Reserve attributable to all Disputed General Unsecured Claims.

4.5 Class 5 (Partner Non-Profit Claims). Except as otherwise provided in Section 5.4, no holder of a Class 5 Claim shall be entitled to any Distribution under the Plan.

4.6 Class 6 (Partner Profit Claims). Except as otherwise provided in Section 5.4, no holder of a Class 6 Claim shall be entitled to any Distribution under the Plan.

4.7 Class 7 (Interests). No holder of an Interest shall be entitled to any Distribution under the Plan.

ARTICLE 5

MEANS OF IMPLEMENTATION OF THE PLAN

5.1 Appointment of Plan Administrator and Plan Oversight Committee. On the Effective Date, the Plan Administrator Agreement shall be executed by the Debtor and the Plan Administrator. On the Effective Date, an oversight committee (the "Plan Oversight Committee") shall be appointed and shall consist of three members. The Debtor shall select one member of the Plan Oversight Committee and the Committee shall select two members. The Plan Oversight Committee shall oversee the removal or succession of the Plan Administrator and shall consult with the Plan Administrator with respect to certain determinations as set forth herein and in the Plan Administrator Agreement.

5.2 General Powers, Rights and Responsibilities of Plan Administrator . The Plan Administrator shall become the exclusive representative of the Estate under section 1123(b)(3)(B) of the Bankruptcy Code. The powers, rights, and responsibilities of the Plan Administrator, all of which shall arise upon the occurrence of the Effective Date, shall be specified in the Plan Administrator Agreement and shall include, but not be limited to:

(a) After the Effective Date, all of the dissolution and wind-down activities of the Debtor and its Estate will be administered by the Plan Administrator.

(b) Following the Effective Date, the Plan Administrator shall have the power and authority to (i) collect and liquidate the Assets under jurisdiction of the Court, (ii) assert, prosecute, pursue, compromise and settle in accordance with the Plan Administrator's reasonable business judgment, all Claims, Causes of Action and actions to collect Receivables, including against Non-Participating Partners, and assert and enforce all legal or equitable remedies and defenses belonging to the Debtor or its Estate, including without limitation, setoff, recoupment and any rights under Bankruptcy Code section 502(d), (iii) collect all sums due from Participating Partners and enforce all rights under and in connection with any Participating Settlement Agreement, (iv) object to Disputed Claims, in accordance with the Plan Administrator's reasonable business judgment, and (v) take all other actions required under the Plan to complete the dissolution and wind-down of the Debtor under the applicable non-bankruptcy law and in accordance with the Plan.

(c) The Plan Administrator shall be authorized to negotiate, resolve and enter into settlements on all matters affecting the Estate, including, without limitation, Receivables, Reconciliation Amounts, Recourse Claims, Disputed Claims, and/or other Causes of Action.

(d) The Plan Administrator shall be authorized to take such actions as he or she deems appropriate in the Plan Administrator's reasonable business judgment against any Person with respect to a Cause of Action (including Receivables, Recourse Claims and Reconciliation Amounts).

(e) The Plan Administrator shall be entitled to proceed with and employ all discovery devices permitted under applicable law, including Federal Rule of Bankruptcy Procedure 2004, in order to investigate any Causes of Action.

(f) The Plan Administrator shall be authorized to enter into a settlement with any Party upon terms and conditions which he or she deems appropriate in the Plan Administrator's reasonable business judgment.

(g) The Plan Administrator shall be authorized to take or cause to be taken all actions pursuant to the provisions of the Plan Administrator Agreement and Participating Settlement Agreements as necessary to secure the effective implementation of this Plan and the continued effectiveness of the Participating Partner Injunction. Without limiting the generality of the foregoing and subject to section 7.8(b), upon the request of a Participating Partner who is named as a defendant in any action in any forum in violation of the Participating Partner Injunction, the Plan Administrator may (but shall not be obligated to) intervene in such action

and seek the dismissal of such action against such Participating Partner and such other further relief as deemed appropriate by the Plan Administrator under the circumstances.

(h) The Plan Administrator may employ, without further order of the Bankruptcy Court, Professionals to assist it in carrying out its duties hereunder, including former counsel to the Debtor and/or the Creditors' Committee, and may compensate and reimburse the expenses of those Professionals without further order of the Bankruptcy Court; provided, however, that any such compensation and reimbursement may be made only out of the Administrative Reserve.

(i) The Plan Administrator may collect the proceeds of the Receivables and may retain one or more collection agents, who will continue to pursue collections after the Effective Date.

(j) The Plan Administrator shall be authorized, without further order of the Bankruptcy Court, to abandon property of the Estate where he or she deems appropriate in the Plan Administrator's reasonable business judgment; including completing the disposition of client files and records of the Debtor and its Estate in accordance with the File Disposition Procedures.

(k) The Plan Administrator shall be authorized to commence any process or proceeding in the Bankruptcy Court or in accordance with the applicable laws of any foreign jurisdiction, to substantively consolidate one or more of the Affiliated Companies with the Debtor.

The terms of the Plan Administrator Agreement, which shall be satisfactory in form and substance to the Debtor and the Creditors' Committee, shall control to the extent of any conflict or inconsistency with this provision of the Plan.

5.3 Establishment of Reserves and Funds.

(a) On the Effective Date or as soon thereafter as is practicable, the Administrative Reserve shall be established. If the Plan Administrator determines that additional funding of the Administrative Reserve is required, from time to time, following the Effective Date, such funding shall be made from first, Available Cash, if any, and then, the Unsecured Creditor Fund. The Administrative Reserve shall be used to pay the Estate Expenses, including, without limitation, costs and expenses of counsel or other advisors retained by the Plan Administrator. Any amounts remaining in the Administrative Reserve after all Estate Expenses are paid shall be deposited by the Debtor into the Unsecured Creditor Fund and shall become available for distribution to holders of Allowed Class 4 Claims.

(b) As soon as practicable following the Effective Date, the Unsecured Creditor Fund shall be established by the Plan Administrator and held in a segregated, interest bearing account, which account shall be subject to the terms of this Plan and the Plan Administrator Agreement.

(c) As soon as practicable following the Effective Date, the Recourse Fund shall be established by the Plan Administrator. The Recourse Fund shall be held in the Recourse Fund Account. From each Participating Partner contributing to the Plan, the amount identified and allocated by the Examiner to be paid by such Participating Partner on account of the Recourse Fund in the Partner Contribution Report shall be segregated by the Plan Administrator and deposited into the Recourse Fund Account.

5.4 Plan Distributions. Following the Effective Date, as set forth in greater detail in Article 10, herein, Distributions shall be made by the Plan Administrator as follows:

(a) After the Effective Date, the Plan Administrator shall, to the extent required under this Plan, make Distributions from Available Cash to all holders of Allowed unclassified Claims, Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Professional Fee Claims (except as provided with respect to certain Professional Fee Claims), and Allowed Class 2 Claims on the first Distribution Date (or otherwise pursuant to the terms of this Plan or by agreement between the holder thereof and the Plan Administrator);

(b) Distributions to holders of Allowed Class 1 Claims shall be paid in accordance with the provisions of Section 4.1, above;

(c) Distributions to holders of Allowed Class 3 Claims shall be paid by the applicable issuer of the Debtor's Malpractice Policies; and

(d) On each Distribution Date, the Plan Administrator shall, to the extent required under this Plan, make Distributions to holders of Allowed Class 4, 5 and 6 Claims from the Unsecured Creditor Fund in the following order of priority:

(i) First,

all Allowed Claims in Class 4 shall be paid in Cash from the Unsecured Creditor Fund; and

(ii) Second, if the Creditor Full Payment Date has occurred, each holder of an Allowed Class 5 Partner Non-Profit Claim and/or an Allowed Class 6 Partner Profit Claim, who is a Participating Partner, shall be paid from the Unsecured Creditor Fund in accordance with the priority established under Article 6(j) of the Partnership Agreement

5.5 Preservation of Causes of Action. Except as provided in, and unless expressly waived, relinquished, exculpated, released, compromised or settled in the Plan, the Confirmation Order or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan: (a) the Plan Administrator shall exclusively retain and may prosecute and enforce, and the Debtor expressly reserves and preserves for these purposes, in accordance with sections 1123(a)(5)(B) and 1123(b)(3) of the Bankruptcy Code, any Claims, demands, rights and Causes of Action that the Debtor or its Estate may hold against any Person, including, without limitation, the Recourse Claims; and (b) accordingly, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise), claim splitting or laches shall apply to such Claims and Causes of Action by virtue of or in connection with the Confirmation, consummation or effectiveness of the Plan.

5.6 Preservation of Records. The Debtor shall preserve for the benefit of the Estate, all documents and files necessary to the prosecution of the Causes of Action.

5.7 General Disposition of Assets. Pursuant to section 1123(a)(5) of the Bankruptcy Code and subject to the terms of the Plan Administrator Agreement and this Plan, the Plan Administrator shall sell or otherwise dispose of, and liquidate to or otherwise convert to Cash, any non-Cash Assets as expeditiously and in such manner as is in the best interests of the Estate.

5.8 Debtor's Pre-Confirmation Period Operations. During the period prior to the Effective Date, the Debtor shall continue to wind-down its business, including, but not limited to, paying normal operating expenses, preparing and filing tax returns and statements, collecting accounts receivable and filing U.S. Trustee reports, as a debtor in possession with the authority granted under sections 1107 and 1108 of the Bankruptcy Code and subject only to those restrictions imposed upon the Debtor pursuant to the Bankruptcy Code, the Bankruptcy Rules, orders of the Court and this Plan.

5.9 Administrative Claims Bar Date. Any Claimant failing to file and serve an Administrative Claim on or before the Administrative Claims Bar Date as required by Section 2.5 of this Plan shall be forever barred from asserting any such right to payment as against the Debtor and/or the Estate.

5.10 Deadline for Filing Professional Fee Applications. All parties seeking payment of Professional Fee Claims arising prior to the Effective Date must file with the Bankruptcy Court and serve upon the Plan Administrator, a final fee application and/or an application for payment of reasonable fees and expenses filed under section 503(b) of the Bankruptcy Code, as applicable, on or before the first Business Day which is the thirtieth (30th) day after the Plan Administrator files notice of the Effective Date (the "Fee Application Deadline"). On or prior to one (1) Business Day before the commencement of the hearing on Confirmation, Professionals who will seek reimbursement of Professional Fee Claims shall submit an estimate of such fees and expenses through the Confirmation Date to the Debtor and the Creditors' Committee. Any Professional failing to file and serve such fee application or 503(b) motion on or before the deadline for the filing of applications for payment of Professional Fee Claims shall be forever barred from asserting any such right to payment. Notice of the Effective Date and the Administrative Claims Bar Date shall be filed and mailed (if address is known) by the Plan Administrator not later than 10 calendar days after the occurrence of the Effective Date.

5.11 Execution of Documents to Effectuate Plan. Prior to the Effective Date, the Debtor shall execute any instruments or documents that are necessary to effectuate the provisions of the Plan. Secured Creditors and all other necessary parties shall execute or deliver, or join in the execution and delivery, of any instrument required to effect a transfer of property under the Plan, and shall perform any other act, including the satisfaction, release or assignment of any lien that is necessary for the consummation of the Plan. From and after the Effective Date, the Plan Administrator shall have the exclusive power and authority to execute any instrument or document to effectuate the provisions of the Plan.

5.12 Authorization of Debtor's Action. Entry of the Confirmation Order shall authorize the Debtor and the Plan Administrator, as the case may be, to take, or cause to be taken, all actions necessary or appropriate to consummate and implement the provisions of the Plan. All such actions shall be deemed to have occurred and shall be in effect pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without any requirement of further action.

5.13 Objections to Claims. Objections to Claims shall be brought by the Debtor or the Creditors Committee during the period prior to the Effective Date and by the Plan Administrator on behalf of the Estate after the Effective Date, but prior to the expiration of the Claims Objection Bar Date. All Claims shall be subject to section 502(d) of the Bankruptcy Code notwithstanding the expiration of the Claims Objection Bar Date.

5.14 Disallowance of Claims without Further Order of the Court. As of the Confirmation Date, any Scheduled Claim designated as disputed, contingent or unliquidated in amount, and for which a proof of Claim has not been filed by the Claimant, shall be deemed expunged, without further act or deed. All Scheduled Claims that correspond to a proof of Claim filed by a particular Claimant shall be deemed to have been superseded by such later filed proof of Claim and such Scheduled Claims, regardless of priority, shall be expunged from the claims register; provided however, that such proofs of Claim shall be subject to objection in accordance with Section 5.13 hereof.

5.15 Continued Existence of Debtor Until Closing of the Case. Following the Confirmation Date, the Debtor shall continue in existence for the purposes of, among other things, completing the liquidation of its assets, winding up its affairs and filing appropriate tax returns, and shall thereafter be dissolved at the discretion of the Plan Administrator. No later than upon the entry of an order closing this Bankruptcy Case, the Debtor shall be deemed dissolved for all purposes and shall file a certificate of dissolution with the appropriate state agencies. No other actions or payments shall be required of the Debtor in furtherance of such dissolution.

5.16 Post-Confirmation Reports and Fees. Following the Confirmation Date, the Plan Administrator shall be responsible for the filing of all post-Confirmation reports required during such periods with the U.S. Trustee and payment from the Debtor's Estate of all post-Confirmation fees charged or assessed against the Estate under 28 U.S.C. §1930 during such periods.

5.17 Cancellation of Interests. On the Effective Date, all existing Interests, shall, without any further action, be cancelled, annulled, and extinguished, and any certificates representing such canceled, annulled, and extinguished Interests shall be null and void.

5.18 Creditors' Committee. On the Effective Date, the Creditors' Committee will dissolve and the members of the Creditors' Committee will be released and discharged from all duties and obligations arising from or related to the Bankruptcy Case.

5.19 Insurance Preservation. Nothing in this Plan shall diminish or impair the enforceability of any Insurance Policies that may cover Claims against the Debtor, its Employees, its Partners or any other Person.

5.20 Substantial Consummation. Substantial consummation of the Plan under Bankruptcy Code section 1101(2) shall be deemed to have occurred on the Effective Date.

5.21 Termination of 401(k) Plan. The Plan Administrator will perform such acts as the Plan Administrator, with the advice of legal counsel, deems to be necessary or appropriate with respect to the Debtor's employee benefit plan known as the "Coudert Brothers LLP Savings Plan."

5.22 Wind-Down Employees.

(a) To the extent deemed necessary by the Plan Administrator, in the Plan Administrator's reasonable business judgment, the Plan Administrator may retain the Debtor's Employees that were employed as of the Petition Date and that remain employed or engaged by the Debtor as of the day before the Confirmation Date.

(b) Notwithstanding anything to the contrary contained herein, any unpaid payment obligations to the Non-Management Personnel of the Debtor upon termination of any such Non-Management Personnel by the Debtor are hereby Allowed as Administrative Claims of the Estate in the amounts established under the terms of agreements between such Non-Management Personnel and the Debtor as in effect on the Petition Date.

(c) Notwithstanding anything to the contrary contained herein and except as otherwise agreed between such parties and the Estate prior to Confirmation, the severance or other payment obligations to the Management Personnel of the Debtor upon termination of the employment agreement for any such Management Personnel that was in effect on the Petition Date are hereby Allowed as General Unsecured Claims of the Estate in the amounts established under the terms of such agreement, provided that \$10,000 of the unpaid severance payable to J. Brian Rees under his employment agreement is hereby Allowed as a Priority Non-Tax Claim. Any unpaid obligations to any Management Personnel upon the termination of such person's working relationship with the Debtor or the Estate that relate to the period of at will employment following the termination of his employment agreement shall be Allowed as Administrative Claims of the Estate.

ARTICLE 6

TREATMENT OF EXECUTORY CONTRACTS & UNEXPIRED LEASES

6.1 General Provisions. All executory contracts and unexpired leases of the Debtor will be deemed rejected as of the Confirmation Date, unless a particular executory contract or unexpired lease (i) has previously been assumed or rejected pursuant to order of the Bankruptcy Court or applicable provisions of the Bankruptcy Code, or (ii) has expired or otherwise terminated pursuant to its terms.

6.2 Notice of Deemed Rejection/Rejection Bar Date. Any party to an executory contract or unexpired lease that is rejected in accordance with Section 6.1 shall file a proof of Claim for damages from such rejection not later than thirty-five (35) days after the Debtor files and mails (if it knows the non-Debtor party's address) notice of the occurrence of the Confirmation Date. The failure to timely file a proof of such Claim shall be deemed a waiver of any claim in connection with the rejection of such contract or lease.

ARTICLE 7

PARTICIPATING PARTNER PROTOCOL, RELEASE AND INJUNCTION

7.1 Participating Partner Protocol. As further set forth in the Participating Settlement Agreement, the Debtor, through its counsel Klestadt & Winters, LLP, is authorized to collect and hold in escrow, pending Confirmation of the Plan, Participating Partner Settlement Proceeds and original Participating Settlement Agreements provided by Participating Partners. The Participating Settlement Amount and any accrued interest thereon, together with all other Participating Partner Settlement Proceeds held in escrow, shall be released to the Plan Administrator, within five (5) business days after the Effective Date, to be utilized in accordance with the provisions of the Plan if all of the conditions precedent set forth in the Participating Settlement Agreement have been fulfilled. If the conditions precedent have not been satisfied by September 15, 2008, then the Participating Settlement Agreement will be deemed void and the Participating Settlement Amount will be returned within five (5) business days and no Partners will be deemed to be Participating Partners. The conversion of the Debtor's case to chapter 7 shall not alter the rights of Partners to the return of the Participating Settlement Amount set forth herein.

7.2 Participating Partner Settlement Agreements Generally. Each Person who delivers an executed Participating Settlement Agreement to the Debtor, pays the Participating Settlement Amount (in Cash, certified funds, or other manner agreed to by the Debtor) and satisfies all other terms and conditions of the Participating Settlement Agreement, thereby becomes a Participating Partner. A Participating Partner who breaches the Participating Settlement Agreement shall automatically and immediately lose any and all benefit of the Participating Partner Release and Participating Partner Injunction.

7.3 Expiration of Participating Settlement Period. Upon expiration of the Participating Settlement Period, the Plan Administrator will not be bound by the Partner Contribution Report or the Part A Report and may commence any and all litigation related to a Cause of Action against a Partner who is not a Participating Partner.

7.4 Participating Partner Release.

(a) *Each Participating Partner shall be discharged and released by the Releasing Parties from any and all Claims and Causes of Action which have been or may be asserted by the Debtor, its Estate, the Plan Administrator, or other Releasing Party (the "Released Claims"), including without limitation Claims or Causes of Action arising from or relating to:*

(i) *any or all indebtedness, obligation, or liability of or relating to the Debtor or any Affiliated Company or arising from the business or operations of the Debtor or any Affiliated Company or other Claims or rights against the Debtor or any Affiliated Company, whether asserted or not (including claims or rights of contribution or indemnification by other Partners) other than the Permitted Contribution Claims;*

(ii) *such Participating Partner's status as a Partner or Employee of the Debtor or any Affiliated Company;*

(iii) *any liability to any holder of a Claim arising from or related to the Debtor or its affairs or any Affiliated Company or its affairs;*

(iv) *any Recourse Claims; and*

(v) *the conduct of the affairs of the Debtor or any Affiliated Company, whether before or after the commencement of the Bankruptcy Case.*

This Participating Partner Release is given for good and valuable consideration, including without limitation, the contributions of the Participating Partners under the Participating Settlement Agreements.

(b) *Notwithstanding anything to the contrary contained herein, such Participating Partner Release shall not be deemed to release any:*

(i) *Excluded Individual Partner Claim;*

(ii) *Excluded Malpractice Claim;*

(iii) *Claim against Persons other than Participating Partners;*

(iv) *any Claims owned by the Estate and asserted by the Plan Administrator which arise from or under the "unfinished business doctrine" analyzed in Jewel v. Boxer, 203 Cal. Rptr 13 (Cal. Ct. App. 1984); provided however, that the Plan Administrator shall not name any Participating Partner as a defendant in any suit or proceeding commenced to assert such Claims but may do so only if and after the court hearing such suit or proceeding determines in response to a motion (by a party other than the Plan Administrator) notwithstanding the Participating Settlement Agreement and pursuant to Fed. R. Civ. P. 19(b) (or the comparable state rule if not in federal court) that such suit or proceeding cannot continue absent the joinder of such Participating Partner. If pursuant to the foregoing a Participating Partner is named as a defendant in the context of any such Claim, the Plan Administrator agrees that the Estate shall not pursue and hereby waives its rights to collection of any damages, or other amounts, or otherwise enforce any remedies against such Participating Partners. No Participating Partner shall be required to contribute or pay any amount to the Plan Administrator, the Estate, or any other Person in connection with such suit or proceeding; or*

(v) *Any Claims owned by the Estate which may be asserted by the Plan Administrator against any Participating Partner resulting from any alleged acts, statements and/or omissions in their capacity as the managing partner of any of the Debtor's offices, or in*

their capacity as a member of any of the committees or managing boards of the Debtor, including without limitation, those Participating Partners who were members of the Executive Board, the Special Situation Committee, the Pension Committee and/or the Wind Down Committee; and any Claims owned by the Estate which may be asserted by the Plan Administrator against such committees or managing boards themselves, including without limitation, the Executive Board, the Special Situation Committee, the Pension Committee and/or the Wind Down Committee.

Provided however, that in the event such a Participating Partner, committee or board is named as a defendant, or any relief is otherwise sought from such a Participating Partner, committee or board, in connection with any such preserved Claim under this subsection 7.4(b)(v):

(1) subject in all respects to sections (2) through (5) below, the Plan Administrator and/or the Estate shall not pursue, and shall waive any rights to collect or to execute any damages, judgments, settlements or other amounts for any such Claims from any such Participating Partner, committee or board other than any amounts that are paid, or shall be paid, by any insurers on behalf of such Participating Partner, committee or board pursuant to any Insurance Policies, including without limitation, the XL Specialty Insurance Company Law Firm Management Liability Company Reimbursement Insurance Policy No. ELU093673-06 sold to the Debtor and/or the insureds thereunder for the August 1, 2006 through December 31, 2008 policy period. This provision is not, and shall not be deemed to be, an express or implied assignment of any rights or proceeds under any insurance policies, and/or an adjudication or assertion of any: (a) Claims against any such Participating Partner, committee or board; and/or (b) an entitlement to any coverage by such any Participating Partner, committee, board, or any other Person allegedly insured under any Insurance Policies. This provision likewise does not alter, impair or modify any rights of the Debtor, or any of the Participating Partners, committees, boards, insurers, insureds or any other Person under any insurance policy. This provision merely limits the quantum of the recoverable amount of any Claim preserved and that may be asserted in accordance with this subsection (v).

(2) In connection with such Claims preserved for the benefit of the Estate under this subsection (v), no such Participating Partner, committee or board shall be required to contribute or pay any amount to the Plan Administrator, the Estate, or any other Person that is in excess of their respective Participating Partner's Participating Settlement Amount, other than any amounts paid, or to be paid, on behalf of any such Participating Partner, committee or board by an insurer pursuant to an Insurance Policy.

(3) Upon the Plan Administrator's filing of any Claims preserved for the benefit of the Estate under this subsection (v), such Claims shall be stayed by order of this Court pending resolution of any dispute that may exist with an insurer of any applicable Insurance Policy regarding coverage for such Claim. Other than such filing, the Plan Administrator shall not be permitted to otherwise proceed with any such Claim preserved for the benefit of the Estate under this subsection (v) until after: (a) an insurer first acknowledges in a writing that such Claim is covered under an Insurance Policy, which writing shall be submitted to this Court; or (b) such Claim is first determined by Final Order to be a Claim which is covered by an Insurance Policy ("Coverage Finding Order"). The Plan Administrator may file any such

Claim that it deems necessary within its discretion, and shall promptly seek any Coverage Finding Order for any such Claim (if necessary), at the sole expense of the Plan Administrator.

(4) Upon receipt of such written acknowledgement of coverage from such insurer, or such Coverage Finding Order, the Plan Administrator may proceed in its discretion with such Claim preserved for the benefit of the Estate under this subsection (v).

(5) If a Coverage Finding Order finds that there is no coverage available for such Claim preserved for the benefit of the Estate under this subsection (v), then the Plan Administrator shall dismiss such Claim without prejudice to the Plan Administrator's right to re-file and serve any such Claim preserved for the benefit of the Estate under this subsection (v), and otherwise seek alternative coverage for same, in accordance with the procedures set forth in subsection 7.4 (b)(v) in the event other potential insurance coverage for such Claim is identified or discovered.

(c) The Plan Administrator's rights in respect of clauses (b)(iv) and (b)(v) above shall not be assignable or transferable.

7.5 Participating Partner Injunction.

(a) The Confirmation Order shall contain an injunction (the "Participating Partner Injunction"), which shall, by its terms permanently stay, restrain and enjoin all Persons from taking any action for the purpose of, directly or indirectly (including any derivative standing), enforcing, collecting or receiving payments on or with respect to any Released Claims and all other claims by one or more Persons other than Releasing Parties that would qualify as Released Claims if any such Person were a Releasing Party, including without limitation:

(i) The commencement or continuation in any manner, directly or indirectly, of any suit, action or other proceeding (including without limitation, any or all proceedings in a judicial, arbitral, administrative or other forum) against or affecting any Participating Partner;

(ii) The enforcement, levy or attachment (including, without limitation, any prejudgment attachment), collection or other recovery by any means in any manner, whether directly or indirectly on any judgment, award, decree or other order against any Participating Partner;

(iii) The creation, perfection or other enforcement in any manner directly or indirectly, of any Encumbrance against any Participating Partner;

(iv) The set-off or assertion in any manner of a right to seek reimbursement, indemnification, contribution from or subrogation against or otherwise recoup in any manner, directly or indirectly, any amount against any Participating Partner; and

(v) Any act to obtain possession of property or exercise control over the property of any Participating Partner.

(b) *Notwithstanding anything to the contrary contained herein, the Participating Partner Injunction shall not stay, restrain or enjoin:*

(i) *the Plan Administrator from asserting an Excluded Individual Partner Claim;*

(ii) *any Person, including the Plan Administrator, from asserting an Excluded Malpractice Claim;*

(iii) *any Person, including the Plan Administrator, from asserting a Claim against Persons other than Participating Partners;*

(iv) *any Claims owned by the Estate and asserted by the Plan Administrator which arise from or under the “unfinished business doctrine” analyzed in Jewel v. Boxer, 203 Cal. Rptr 13 (Cal. Ct. App. 1984); provided however, that the Plan Administrator shall not name any Participating Partner as a defendant in any suit or proceeding commenced to assert such Claims but may do so only if and after the court hearing such suit or proceeding determines in response to a motion (by a party other than the Plan Administrator) notwithstanding the Participating Settlement Agreement and pursuant to Fed. R. Civ. P. 19(b) (or the comparable state rule if not in federal court) that such suit or proceeding cannot continue absent the joinder of such Participating Partner. If pursuant to the foregoing a Participating Partner is named as a defendant in the context of any such Claim, the Plan Administrator agrees that the Estate shall not pursue and hereby waives its rights to collection of any damages or otherwise enforce any remedies against such Participating Partners. No Participating Partner shall be required to contribute or pay any amount to the Plan Administrator, the Estate, or any other Person in connection with such suit or proceeding; or*

(v) *Any Claims owned by the Estate which may be asserted by the Plan Administrator against any Participating Partner resulting from any alleged acts, statements and/or omissions in their capacity as the managing partner of any of the Debtor’s offices, or in their capacity as a member of any of the committees or managing boards of the Debtor, including without limitation, those Participating Partners who were members of the Executive Board, the Special Situation Committee, the Pension Committee and/or the Wind Down Committee; and any Claims owned by the Estate which may be asserted by the Plan Administrator against such committees or managing boards themselves, including without limitation, the Executive Board, the Special Situation Committee, the Pension Committee and/or the Wind Down Committee.*

Provided however, that in the event such a Participating Partner, committee or board is named as a defendant, or any relief is otherwise sought from such a Participating Partner, committee or board, in connection with any such preserved Claim under this subsection 7.4(b)(v):

(1) *subject in all respects to sections (2) through (5) below, the Plan Administrator and/or the Estate shall not pursue, and shall waive any rights to collect or to execute any damages, judgments, settlements or other amounts for any such Claims from any such Participating Partner, committee or board other than any amounts that are paid, or shall be paid, by any insurers on behalf of such Participating Partner, committee or board pursuant to*

any Insurance Policies, including without limitation, the XL Specialty Insurance Company Law Firm Management Liability Company Reimbursement Insurance Policy No. ELU093673-06 sold to the Debtor and/or the insureds thereunder for the August 1, 2006 through December 31, 2008 policy period. This provision is not, and shall not be deemed to be, an express or implied assignment of any rights or proceeds under any insurance policies, and/or an adjudication or assertion of any: (a) Claims against any such Participating Partner, committee or board; and/or (b) an entitlement to any coverage by such any Participating Partner, committee, board, or any other Person allegedly insured under any Insurance Policies. This provision likewise does not alter, impair or modify any rights of the Debtor, or any of the Participating Partners, committees, boards, insurers, insureds or any other Person under any insurance policy. This provision merely limits the quantum of the recoverable amount of any Claim preserved and that may be asserted in accordance with this subsection (v).

(2) In connection with such Claims preserved for the benefit of the Estate under this subsection (v), no such Participating Partner, committee or board shall be required to contribute or pay any amount to the Plan Administrator, the Estate, or any other Person that is in excess of their respective Participating Partner's Participating Settlement Amount, other than any amounts paid, or to be paid, on behalf of any such Participating Partner, committee or board by an insurer pursuant to an Insurance Policy.

(3) Upon the Plan Administrator's filing of any Claims preserved for the benefit of the Estate under this subsection (v), such Claims shall be stayed by order of this Court pending resolution of any dispute that may exist with an insurer of any applicable Insurance Policy regarding coverage for such Claim. Other than such filing, the Plan Administrator shall not be permitted to otherwise proceed with any such Claim preserved for the benefit of the Estate under this subsection (v) until after: (a) an insurer first acknowledges in a writing that such Claim is covered under an Insurance Policy, which writing shall be submitted to this Court; or (b) a Coverage Finding Order is obtained. The Plan Administrator may file any such Claim that it deems necessary within its discretion, and shall promptly seek any Coverage Finding Order for any such Claim (if necessary), at the sole expense of the Plan Administrator.

(4) Upon receipt of such written acknowledgement of coverage from such insurer, or such Coverage Finding Order, the Plan Administrator may proceed in its discretion with such Claim preserved for the benefit of the Estate under this subsection (v).

(5) If a Coverage Finding Order finds that there is no coverage available for such Claim preserved for the benefit of the Estate under this subsection (v), then the Plan Administrator shall dismiss such Claim without prejudice to the Plan Administrator's right to re-file and serve any such Claim preserved for the benefit of the Estate under this subsection (v), and otherwise seek alternative coverage for same, in accordance with the procedures set forth in subsection 7.4 (b)(v) in the event other potential insurance coverage for such Claim is identified or discovered.

(c) The Plan Administrator's rights in respect of clauses (b)(iv) and (b)(v) above shall not be assignable or transferable.

7.6 **Issuance and Effectiveness of Participating Partner Release and Participating Partner Injunction.** The Participating Partner Release and Participating Partner Injunction shall become effective as of the Effective Date and deemed to have been issued only if, on behalf of a particular Participating Partner, such Partner has executed and delivered to the Debtor his or her Participating Settlement Agreement and paid any Participating Settlement Amount that may be required thereunder.

7.7 **Intervention By Plan Administrator and Availability of Recourse Fund.** Subject to the obligations contained in section 7.8(b), the Plan Administrator may (but shall not be obligated to) intervene in any action commenced in violation of the Participating Partner Injunction and seek the dismissal of such action against such Participating Partner and such other further relief as deemed appropriate by the Plan Administrator under the circumstances.

7.8 **Recourse Fund.**

(a) **General.** The Recourse Fund shall be utilized by the Plan Administrator for the defense against and/or satisfaction of (i) Recourse Claims against Participating Partners, (ii) Claims against Affiliated Companies (or against the Debtor if reasonably likely to be asserted by Creditors against Affiliated Companies and not barred by the Plan) which are bona fide liabilities which if not satisfied could result in the assertion of personal claims against Participating Partners, (iii) Estate Expenses incurred solely for the purpose of resolving Recourse Claims; and (iv) expenses associated with a request for defense or assistance from a Participating Partner as to an actual or potential Recourse Claim.

(b) **Eligibility – Partners.** Following receipt of a written request by the Plan Administrator during the Recourse Claim Period from a Participating Partner, against whom any Recourse Claim is asserted, or against whom it is reasonably likely that a Recourse Claim will be asserted in view of a pending or threatened claim against the Debtor or an Affiliated Company, in violation of the Participating Partner Injunction, the Plan Administrator shall use best efforts to defend the Participating Partner against and/or otherwise resolve the Recourse Claim which is asserted, subject to the limitations of the Recourse Fund in accordance with this Plan.

(c) **Undistributed Balance.** After reserving for any pending disputes, any undistributed funds remaining in the Recourse Fund following expiration of the Recourse Claim Period shall be transferred to the Unsecured Creditor Fund by the Plan Administrator.

7.9 **Contribution Percentage for Permitted Contribution Claims.** In accordance with the terms of each Participating Partner Settlement Agreement, each Participating Partner will irrevocably confirm and agree, for the express benefit of each other Participating Partner and notwithstanding anything to the contrary in Article 3.h.(3) of the Partnership Agreement, that for purposes of such Article 3.h.(3), (a) his or her Contribution Percentage in respect of any Specified Liability (as such terms are used in the Partnership Agreement) that underlies a Permitted Contribution Claim and the Contribution Percentage in respect of such Specified Liability of each other Participating Partner shall be equal to the Participating Partner's Contribution Percentage, if any, as of January 1, 2005, and (b) that the

“default” (as such term is used in Article 3.h.(3) of the Partnership Agreement) of the Debtor or relevant Affiliated Company in respect of any such Specified Liability shall be deemed to have occurred on January 1, 2005.

7.10 **Assignment of Contribution Claims By Participating Partners.** Other than the Permitted Contribution Claims, Participating Partners shall assign all contribution claims to the Plan Administrator in accordance with the Participating Settlement Agreement.

7.11 **Assignment of Creditor Claims.** Nothing herein prevents a Creditor from assigning to the Plan Administrator (or its designee) any Claims of the type specified in Section 7.4(b)(iii) for prosecution by the Plan Administrator for the benefit of the Estate.

ARTICLE 8

CONDITIONS PRECEDENT; CONFIRMATION & EFFECTIVE DATE

8.1 **Conditions Precedent to Confirmation of the Plan.**

The following conditions must be satisfied, or otherwise waived in accordance with Section 8.3, on or before the Confirmation Date:

(a) The Disclosure Statement Order shall have been entered and shall have become a Final Order;

(b) The Debtor shall have at least \$5,000,000 in the aggregate available to the Estate through Participating Partner Settlement Amounts or other available Cash;

(c) All Professionals shall have filed Fee Applications covering the Third Professional Fee Period by August 1, 2008 and all Professionals who intend to seek reimbursement of Professional Fee Claims after the Third Professional Fee Period shall submit an estimate of such fees and expenses through the Confirmation Date to the Debtor and the Creditors' Committee;

(d) The entry of the Confirmation order shall be in form and substance satisfactory to the Debtor and the Creditors' Committee and shall contain provisions that, among other things: (i) authorize the implementation of the Plan in accordance with its terms; (ii) provide that any transfers effected or mortgages or other security documents entered into or to be effected or entered into under the Plan shall be and are exempt from any state, city, or other municipality transfer taxes, mortgage recording taxes, and any other stamp or similar taxes pursuant to section 1146(a) of the Bankruptcy Code; (iii) approve in all respects the other settlements, transactions, and agreements to be effected pursuant to the Plan; (iv) find that the Plan complies with all applicable provisions of the Bankruptcy Code, including that the Plan was proposed in good faith and that the Confirmation Order was not procured by fraud; (v) provide that all Interests shall be extinguished and canceled effective upon the Effective Date; (vi) approve the Plan Administrator Agreement; (vii) establish the Administrative Claims Bar Date; and (viii) release on the Effective Date any sums to Professionals (net of any holdbacks) owed by the Debtor on account of the Second Fee Application Order; and

- (e) The Confirmation Date shall occur on or before August 25, 2008.

8.2 Conditions Precedent to the Effective Date.

The Effective Date shall not occur and no obligations and rights set forth in the Plan and set to occur as of the Effective Date or thereafter shall come into existence, unless each of the following conditions is met or, alternatively, is waived in accordance with Section 8.3 hereof, on or before the Effective Date:

- (a) The Confirmation Order shall have been entered and no stay of effectiveness of the same shall have been issued within 10 days following the entry of the Confirmation Order;
- (b) The Confirmation Order shall have authorized and approved the appointment of the Plan Administrator;
- (c) The Debtor shall have sufficient Cash on hand to pay all Administrative Claims and fund the Administrative Reserve; and
- (d) The Effective Date shall occur on or before September 8, 2008.

8.3 Waiver of Conditions Precedent. Each of the conditions precedent in Sections 8.1 and 8.2 hereof may be waived or modified without further Court approval, in whole or in part, but only with the consent of each of the Debtor and the Creditors' Committee.

ARTICLE 9

INJUNCTION; RELEASE; EXCULPATION

9.1 General Injunctions. In addition to the Participating Partner Release and Participating Partner Injunction, as set forth in Article 7 herein, the following provisions shall apply and shall be fully set forth in the Confirmation Order.

(a) Injunctions Against Interference with Consummation or Implementation of Plan. All holders of Claims or Interests shall be enjoined from commencing or continuing any judicial or administrative proceeding or employing any process against the Debtor, the Estate, or the Plan Administrator, with the intent or effect of interfering with the consummation and implementation of this Plan and the transfers, payments and Distributions to be made hereunder.

(b) Injunction Against Prosecution of Causes of Action. Except as otherwise specifically provided for by this Plan, as and from the Effective Date, all Persons shall be enjoined from (i) the commencement or continuation of any action, employment of process, or act to collect, offset, or recover any Claim or cause of action (ii) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or order; (iii) the creation, perfection or enforcement of any encumbrance of any kind; and/or (iv) the assertion of any right of setoff, counterclaim, exculpation, subrogation or recoupment of any kind, in each case against the Debtor, its Estate, or the Plan Administrator, to the extent satisfied, or released,

or enjoined under this Plan, to the fullest extent authorized or provided by the Bankruptcy Code; provided however, that this provision shall not limit the rights and powers vested in the Plan Administrator under any other provisions of this Plan.

9.2 **All Distributions Received in Full and Final Satisfaction.** Except as otherwise set forth herein, all payments and all Distributions to be made in accordance with the Plan on account of Claims (including Administrative Claims) shall be received in full and final satisfaction, settlement, release and discharge of such Claims as against the Debtor, its property and the Estate. On and after the Effective Date, the Debtor is released from all Claims and other liabilities in existence one day prior to the Effective Date, subject to the continuing obligations of the Debtor and the Plan Administrator under the Plan.

9.3 **No Modification of Res Judicata Effect.** The provisions of this Article 9 are not intended, and shall not be construed, to modify the res judicata effect of any order entered in the Bankruptcy Case, including without limitation the Confirmation Order and any order finally determining Professional Fee Claims to any Professional.

9.4 **Exculpation.** *The Debtor, the SSC, the Creditors' Committee and the Examiner, and their respective members, employees and professionals (acting in such capacity), shall neither have nor incur any liability to any Person for any act taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, administration, confirmation or consummation of the Plan, the Disclosure Statement, Plan Supplement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, or any act taken or omitted to be taken during the Bankruptcy Case, except for acts or omissions as a result of willful misconduct or gross negligence.*

9.5 **Governmental Carve-Out.**

(a) Nothing in this Plan or the Confirmation Order shall (i) effect a release of any claim of, (ii) enjoin from bringing any claim, suit, action or other proceedings by, or (iii) exculpate any party from any liability to, the United States Government or any of its agencies or any state or local government within the United States, arising under (x) the Internal Revenue Code, (y) the environmental laws or (z) any criminal laws of the United States, in each case against any Participating Partner.

(b) Nothing in this Plan or the Confirmation Order shall be construed or interpreted to release, discharge, enjoin, or otherwise adversely affect any claim or claims that may be asserted by Pension Benefit Guaranty Corporation or the Pension Plan against any Person other than the Debtor arising under 29 U.S.C. §§1104-1109 with respect to the Pension Plan.

ARTICLE 10

PROVISIONS GOVERNING DISTRIBUTIONS

10.1 **Payments in U.S. Dollars.** All Cash payments required under the Plan shall be made in U.S. dollars by checks drawn on a domestic bank selected by the Plan Administrator or by wire transfer from a domestic bank, at the option of the Plan Administrator.

10.2 **Distributions Only on Business Days.** Notwithstanding the foregoing provisions, if any Distribution called for under this Plan is due on a day other than a Business Day, then such Distribution shall instead be due on the next Business Day.

10.3 **Unclaimed Distributions.** Unclaimed Distributions (including Distributions made by checks that fail to be negotiated) shall be retained by the Plan Administrator for a period of one hundred and eighty (180) days after the Distribution Date. Any Distribution remaining unclaimed one hundred and eighty (180) days after the Distribution Date shall be canceled (by a stop payment order or otherwise), the Claim(s) relating to such Distribution(s) shall be deemed forfeited and expunged and the holder of such Claim shall be removed from the Distribution schedules and shall receive no further Distributions under this Plan.

10.4 **Timing of Distributions on Disputed Claims Subsequently Allowed.** In the event that a Disputed Claim is Allowed, in whole or in part, after the Effective Date, a Distribution shall be made on account of such Allowed Claim on the next Distribution Date that is at least fifteen (15) days after such Claim is Allowed. In no event shall the Plan Administrator be required to make Distributions more often than four times per year.

10.5 **Payment or Distribution of Disputed Claim.** Any contrary provision hereof notwithstanding, no payments or other distributions shall be made on account of any Disputed Claim, or any portion thereof, unless and until such Claim or some portion thereof is Allowed by Final Order. Holders of Disputed Claims shall be bound, obligated and governed in all respects by this Plan's provisions.

10.6 **Disputed Distribution.** If any dispute arises as to the identity of a holder of an Allowed Claim who is to receive any Distribution, the Plan Administrator may, in lieu of making such Distribution to such holder, make such Distribution into an escrow account until the disposition shall be determined by Final Order of the Bankruptcy Court or by written agreement among the interested parties to such dispute.

10.7 **Transmittal of Payments and Notices.** All Distributions shall be made to the holder of a Claim by regular first-class mail, postage prepaid, in an envelope addressed to such holder at the address listed on its proof of Claim filed with the Bankruptcy Court or, if no proof of Claim was filed, (i) at the address listed by the Debtor on the Schedules, (ii) as the holder of such Claim or its authorized agent may direct in a request filed, on or before the Effective Date, with the Bankruptcy Court, or (iii) otherwise at such holder's last known address. The Plan Administrator shall take reasonable steps to ascertain the most current address of the holder of any Claim whose distribution check is returned as undeliverable prior to treating such check as an Unclaimed Distribution. The date of payment or delivery shall be the date of

mailing. Payments made in accordance with the aforementioned provisions of this Section will be deemed made to the holder regardless of whether such holder actually receives the payment.

10.8 **Record Date for Distributions.** Except as otherwise provided in a Final Order of the Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the Confirmation Date will be treated as the holders of those Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to the transfer may not have expired by the Record Date. The Debtor and the Plan Administrator shall have no obligation to recognize any transfer of any Claim occurring after the Record Date. In making any Distribution with respect to any Claim, the Plan Administrator shall be entitled instead to recognize and deal for all purposes hereunder only with the Person who is listed on the proof of Claim filed with respect thereto or on the Debtor's Schedules as the holder thereof as of the close of business on the Confirmation Date and upon such other evidence or record of transfer or assignment known by such Persons as of the Confirmation Date.

10.9 **Time Bar to Cash Payments by Check.** Subject to the provisions of Section 10.7 above, checks issued by the Debtor or the Plan Administrator, as applicable, on account of Allowed Claims shall be null and void if not negotiated within 90 days after the date of issuance thereof. Requests for the reissuance of any check that becomes null and void pursuant to this Section 10.9 shall be made directly to the issuer thereof by the holder of the Allowed Claim to whom the check was originally issued. Any claim in respect of such a voided check shall be made in writing on or before the later of the first anniversary of the Effective Date or the first anniversary of the date on which the Claim at issue became an Allowed Claim. After that date, all Claims in respect of void checks shall be discharged and forever barred and the proceeds of those checks shall revert in and become the property of the Debtor.

10.10 **Disputed Claims Reserve.**

(a) Except to the extent the Court determines that a lesser amount is adequate, the Plan Administrator shall, on each Distribution Date, deposit in to a separate interest bearing Disputed Claims Reserve account(s) established by the Plan Administrator, Cash equal to the Distributions that would have been made to holders of Disputed Claims if such Claims were Allowed Claims in their full amounts.

(b) For purposes of effectuating the provisions of this Section 10.10 and the Distributions to holders of Allowed Claims, the Court, on or prior to the Effective Date or thereafter upon the request of the Plan Administrator may seek to fix or liquidate the amount of Disputed Claims (including Disputed Uncovered Malpractice Claims and Uninsured Malpractice Claims) pursuant to section 502(c) of the Bankruptcy Code or otherwise estimate the Claim and the adequacy of the reserve therefor as may be permitted under the Bankruptcy Code, in which event the amounts so fixed or liquidated may be deemed to be the amounts of the Disputed Claims and the adequacy of the reserve therefor for purposes of Distribution under this Plan. In lieu of fixing or liquidating the amount of any Disputed Claim, the Court may determine the amount to be reserved for such Disputed Claim, or such amount may be fixed by agreement in writing by and between the Plan Administrator and the holder of the Disputed Claim.

(c) When a Disputed Claim (other than an Insured Malpractice Claim) becomes an Allowed Claim, there shall be distributed to the holder of such Allowed Claim, as soon as practicable and in accordance with the provisions of this Plan (but in no event later than the next succeeding Distribution Date), Cash in the amount of all Distributions to which such holder would be entitled to if such holder's Claim were Allowed on the Effective Date.

(d) No holder of a Disputed Claim shall have any Claim against the Cash reserved with respect to such Disputed Claim until such Disputed Claim shall become an Allowed Claim. In no event shall any holder of any Disputed Claim be entitled to receive (under this Plan or otherwise) from the Debtor or the Disputed Claims Reserve Account any Cash payment which is greater than the amount reserved for such Disputed Claim pursuant to this Section 10.10. In no event shall the Debtor or the Plan Administrator have any responsibility or liability for any loss to or of any amount reserved under this Plan unless such loss is the result of that party's fraud, willful misconduct, breach of fiduciary duty, or gross negligence.

(e) To the extent that a Disputed Claim ultimately becomes an Allowed Claim and is entitled to a Distribution in an amount less than the amount reserved for such Disputed Claim, then on the next succeeding Distribution Date, the Plan Administrator shall make, in accordance with the terms of this Plan, a Distribution of the excess amount reserved for such Disputed Claim.

10.11 Limitations on Funding of Disputed Claims Reserve. Except as expressly set forth in the Plan, the Plan Administrator shall not have any duty to fund the Disputed Claims Reserve.

10.12 Tax Requirements for Income Generated by Disputed Claims Reserve. The Plan Administrator shall pay, or cause to be paid, out of the funds held in the Disputed Claims Reserve, any tax imposed by any federal, state, or local taxing authority on the income generated by the funds or property held in the Disputed Claims Reserve. The Plan Administrator shall file, or cause to be filed, any tax or information return related to the Disputed Claims Reserve that is required by any federal, state, or local taxing authority.

10.13 No Payments of Fractional Cents. No payment of fractional cents shall be made pursuant to the Plan. Whenever any payment of a fraction of a cent under the Plan would otherwise be required, the actual Distribution made shall reflect a rounding of such fraction to the nearest whole penny (up or down), with halfpennies or less being rounded down and fractions in excess of half of a penny being rounded up.

10.14 Setoff and Recoupment. Except as otherwise provided in the Plan, the Debtor or the Plan Administrator may, but shall not be required to, set off against, or recoup from, any Claim and the Distributions to be made pursuant to the Plan in respect thereof, any Claims, defenses or Causes of Action of any nature whatsoever that the Debtor may have, but neither the failure to do so nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtor and Plan Administrator of any right of setoff or recoupment against the holder of any Claim.

10.15 **Payment of Taxes on Distributions Received Pursuant to the Plan.** All Entities that receive Distributions under the Plan shall be responsible for reporting and paying, as applicable, taxes on account of their Distributions.

10.16 **Compliance With Tax Withholding and Reporting Requirements.** With respect to all instruments issued and distributions made under the Plan, the Debtor and the Plan Administrator will comply with all withholding and reporting requirements of any federal, state, local or foreign taxing authority.

ARTICLE 11

PLAN INTERPRETATION, CONFIRMATION AND VOTING

11.1 **Procedures Regarding Objections to Designation of Classes as Impaired or Unimpaired.** In the event the designation of the treatment of a Class as impaired or unimpaired is objected to, the Bankruptcy Court shall determine the objection and voting shall be permitted or disregarded in accordance with the determination of the Bankruptcy Court.

11.2 **Withdrawal and Modification of Plan.** This Plan may be withdrawn or modified by the Debtor, after consultation with the Creditors' Committee, at any time prior to the Confirmation Date. The Debtor, after consultation with the Creditors' Committee, or the Plan Administrator, as the case may be, may modify the Plan in any manner consistent with section 1127 of the Bankruptcy Code prior to substantial consummation thereof. Upon request by the Plan Administrator, this Plan may be modified after substantial consummation with the approval of the Bankruptcy Court to the extent permitted by the Bankruptcy Code, provided that such modification does not affect the essential economic treatment of any Person that objects in writing to such modification.

11.3 **Governing Law.** Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) with respect to matters of corporate governance, the laws of the State of New York applicable to contracts executed in such State by residents thereof and to be performed entirely within such State will govern the construction and implementation of the Plan and any agreements, documents and instruments executed in connection with this Plan.

11.4 **Voting of Claims.** Each holder of an Allowed Claim as of the Record Date in Classes 2 and 4 shall be entitled to vote to accept or reject the Plan.

11.5 **Acceptance by Impaired Class.** Consistent with section 1126(c) of the Bankruptcy Code, and except as provided for in section 1126(e) of the Bankruptcy Code, a Class of creditors shall have accepted the Plan if it is accepted by at least two-thirds in dollar amount and more than one-half in number of the holders of Allowed Claims of such Class that have timely and properly voted to accept or reject the Plan.

11.6 **Presumed Acceptances of Plan.** Classes 1 and 3 are unimpaired under the Plan and, therefore, are conclusively presumed to have accepted the Plan.

11.7 **Presumed Rejections of Plan.** Classes 5, 6 and 7 are conclusively presumed to have rejected the Plan.

11.8 **Cram Down.** The Debtor requests that, in the event that any impaired Class entitled to vote on the Plan accepts the Plan, the Bankruptcy Court confirm the Plan in accordance with the provisions of section 1129(b) of the Bankruptcy Code to satisfy the requirements for confirmation of the Plan over the presumed rejection of Classes 5, 6 and 7 and/or the possible rejection of the Plan by any impaired Class entitled to vote on the Plan.

ARTICLE 12

RETENTION OF JURISDICTION BY BANKRUPTCY COURT

12.1 From the Confirmation Date until entry of a final decree closing the Debtor's Bankruptcy Case (pursuant to 11 U.S.C. §350 and Bankruptcy Rule 3022), the Bankruptcy Court shall retain such jurisdiction as is legally permissible over the Bankruptcy Case for the following purposes:

(a) to hear and determine any and all objections to the allowance of any Claim or Administrative Claim, or any controversy as to the classification of Claims or any matters which may directly, indirectly or contingently affect the obligations of the Debtor or the Plan Administrator to any creditors, holders of Claims, or other parties in interest;

(b) to hear and determine any and all applications for compensation and reimbursement of expenses by Professionals;

(c) to hear and determine any and all pending motions for the assumption, rejection and disaffirmance of executory contracts and unexpired leases, and to fix any Claims resulting therefrom;

(d) to adjudicate such contested matters and adversary proceedings as may be pending or subsequently initiated in the Court including, but not limited to Causes of Action or Claims captured within Sections 7.5(b)(i), (iv) and (v) of this Plan;

(e) to enforce and interpret the provisions of this Plan, the Confirmation Order and the Plan Administrator Agreement;

(f) to issue any injunction or other relief appropriate to implement the intent of the Plan, and to enter such further orders enforcing any injunctions or other relief issued under the Plan or pursuant to the Confirmation Order;

(g) to modify the Plan pursuant to section 1127 of the Bankruptcy Code and the applicable Bankruptcy Rules;

(h) to correct any defect, cure any omission, or reconcile any inconsistency in this Plan, the Plan Administrator Agreement or in the Confirmation Order as may be necessary to carry out the purpose and the intent of this Plan;

(i) to interpret and determine such other matters as the Confirmation Order may provide for, or as may be authorized under the Bankruptcy Code;

(j) to hear and determine any contested matter in the Bankruptcy Case or adversary proceeding related to the substantive consolidation of one or more of the Affiliated Companies with the Debtor; and

(k) to enter and implement such orders as may be appropriate in the event the Confirmation Order is, for any reason, stayed, reversed, revoked, modified or vacated.

ARTICLE 13

MISCELLANEOUS PROVISIONS

13.1 **Headings.** Headings are utilized in this Plan for the convenience of reference only, and shall not constitute a part of this Plan for any other purpose.

13.2 **No Attorneys' Fees.** The Debtor shall pay no attorneys' fees with respect to any Claim or Interest, except as expressly specified herein or Allowed by a Final Order of the Bankruptcy Court.

13.3 **Reservation of Rights.** If the Confirmation Order is not entered, or if the Plan is confirmed but does not become effective, the rights of all parties in interest in the Bankruptcy Case are and will be reserved in full. In the event that the Plan is not confirmed or does not become effective, the Part A Report, the Participating Partner Protocol and the Partner Contribution Report shall not be binding on any Person, including a trustee appointed under Chapter 7 of the Bankruptcy Code.

13.4 **Notices.** All notices in connection with the Plan shall be in writing and shall be deemed to have been given when received or, if mailed, five (5) days after the date of mailing. All communication shall be deemed sent if sent to the Debtor and the Creditors' Committee at the following address:

If to the Debtor:

KLESTADT & WINTERS, LLP
Attorneys for Coudert Brothers LLP
292 Madison Avenue, 17th Floor
New York, New York 10017
Tracy L. Klestadt
John E. Jureller, Jr.
Sean C. Southard

If to the Creditors' Committee:

MCCARTER & ENGLISH, LLP
Attorneys for the Creditors' Committee
245 Park Avenue
New York, NY 10167
David J. Adler

13.5 **No Discharge.** The Debtor will not receive a discharge under the Plan in accordance with section 1141 of the Bankruptcy Code.

13.6 **Claims In Dollars.** Any Claims asserted in foreign currencies shall be converted to United States Dollars in accordance with the prevailing exchange rates published by the Wall Street Journal on September 22, 2006.

13.7 Binding Effect. The rights, benefits, and obligations of any Person named or referred to in the Plan, or whose actions may be required to effectuate the terms of the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor, or assign of such Person (including, but not limited to, any trustee appointed for the Debtor under Chapter 7 or 11 of the Bankruptcy Code). Subject to Section 8.2, the Confirmation Order shall provide that the terms and provisions of the Plan and the Confirmation Order shall survive and remain effective after entry of any order which may be entered converting any of the Debtor's Bankruptcy Case to a case under Chapter 7 of the Bankruptcy Code, and the terms and provisions of the Plan shall continue to be effective in this or any superseding case under the Bankruptcy Code.

Dated: New York, New York
May 9, 2008

COUDERT BROTHERS LLP
Debtor and Debtor in Possession

By: /s/Pat Kane

KLESTADT & WINTERS, LLP
Attorneys for Coudert Brothers LLP
Debtor and Debtor in Possession

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