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**UNITED STATES BANKRUPTCY COURT
 NORTHERN DISTRICT OF CALIFORNIA
 SANTA ROSA DIVISION**

In re:

LEFEVER MATTSON, a California
 corporation, *et al.*,¹

Debtors.

Lead Case No. 24-10545 (CN)

(Jointly Administered)

Chapter 11

**NOTICE OF REVISED
 SOLICITATION MATERIALS**

In re

KS MATTSON PARTNERS, LP,

Debtor.

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 9562. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims :

1 **TO THE UNITED STATES BANKRUPTCY COURT, THE OFFICE OF THE UNITED**
2 **STATES TRUSTEE, AND OTHER PARTIES IN INTEREST:**

3 **PLEASE TAKE NOTICE** that on October 15, 2025, the above-captioned debtors and
4 debtors in possession (collectively, the “Debtors”) and the Official Committee of Unsecured
5 Creditors (the “Committee” and together with the Debtors, the “Plan Proponents”) filed the *First*
6 *Amended Joint Chapter 11 Plan of Liquidation* [Docket No. 2561] (the “First Amended Plan”) and
7 the *Amended Disclosure Statement in Support of First Amended Joint Chapter 11 Plan of*
8 *Liquidation* [Docket No. 2567] (the “First Amended Disclosure Statement”).

9 **PLEASE TAKE FURTHER NOTICE** that on October 15, 2025, the Plan Proponents
10 filed the *Amended Joint Motion of Debtors and Official Committee of Unsecured Creditors for an*
11 *Order (I) Approving the Plan Summary and Amended Disclosure Statement; (II) Scheduling*
12 *Hearing on Confirmation of Plan and Approving the Form and Manner of Service of the Hearing*
13 *Notice; (III) Establishing Procedures for the Solicitation and Tabulation of Votes on Plan; (IV)*
14 *Establishing Procedures for the Estimation of Investor Claims Solely for Voting Purposes; and*
15 *(V) Approving Related Matters* [Docket No. 2569] (the “Solicitation Procedures Motion”). The
16 Solicitation Procedures Motion included eleven exhibits, attached thereto as Exhibits A through G
17 (the “Solicitation Exhibits”).

18 **PLEASE TAKE FURTHER NOTICE** that on December 1, 2025, the Plan Proponents
19 filed the *Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. 2944] (the “Second
20 Amended Plan”) and the *Second Amended Disclosure Statement in Support of Second Amended*
21 *Joint Chapter 11 Plan of Liquidation* [Docket No. 2945] (the “Second Amended Disclosure
22 Statement”).

23 **PLEASE TAKE FURTHER NOTICE** that attached hereto as **Exhibit 1** is a comparison
24 of the First Amended Plan to the Second Amended Plan (changed pages only and exhibits omitted).

25 **PLEASE TAKE FURTHER NOTICE** that attached hereto as **Exhibit 2** is a comparison
26 of the First Amended Disclosure Statement to the Second Amended Disclosure Statement
27 (changed pages only and certain exhibits omitted).

28 **PLEASE TAKE FURTHER NOTICE** that attached hereto as **Exhibit 3** is a comparison
of the Liquidation and Recovery Analysis as filed in the First Amended Disclosure Statement to
the Liquidation and Recovery Analysis as filed in the Second Amended Disclosure Statement.

PLEASE TAKE FURTHER NOTICE that attached hereto as **Exhibit 4** are the revised
Solicitation Exhibits. A comparison of the revised Solicitation Exhibits to the Solicitation Exhibits
as filed with the Solicitations Procedures Motion is attached hereto as **Exhibit 5**.

PLEASE TAKE FURTHER NOTICE that copies of all plan-related documents
can be obtained at no cost by visiting <https://www.veritaglobal.net/LM>.

[Remainder of page intentionally left blank]

1 Dated: December 1, 2025

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EXHIBIT 1

**Comparison of First Amended Plan to Second Amended Plan
(Changed Pages Only)**

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re
LEFEVER MATTSON,
a California corporation, *et al.*,

Debtors.

Case No. 24-10545 CN (Lead Case)

(Jointly Administered)

Chapter 11

In re
KS MATTSON PARTNERS, LP,

Debtor.

**~~FIRST~~SECOND AMENDED JOINT
CHAPTER 11 PLAN OF LIQUIDATION**

Date: ~~October 15~~ December 1, 2025

JOINT PLAN PROPONENTS

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INTRODUCTION¹

The LFM Debtors,² KSMP, and the Committee jointly hereby propose the Plan, which provides for the resolution of the outstanding Claims asserted against and Equity Interests asserted in the Debtors. Provided herewith as a separate enclosure is a brief summary of the Plan (the “Plan Summary”), which all Investors are encouraged to read in its entirety in conjunction with the Plan and other documents referenced herein.³

This Plan, together with the Investor Settlement Amount Procedures Order, represents a global settlement (the “Global Settlement”) of the complex issues in these Chapter 11 Cases, including (a) substantive consolidation of the Debtors and the KSMP Investment Entities, (b) the Ponzi determination, and (c) the allowance and treatment of all claims of Investors and other third parties. The Global Settlement, which was negotiated by the LFM Debtors, KSMP, and the Committee, provides for a “single pot,” such that all assets and liabilities of all Debtors and the KSMP Investment Entities are pooled and consolidated for distribution purposes, through substantive consolidation under this Plan. Pursuant to applicable law, all Investors and other holders of Investor Claims are treated the same, as holders of tort claims, regardless of the type of documentation or instrument held. Pursuant to the Global Settlement, each Investor will receive a claim for money (or value of property) it invested in the Debtors and the KSMP Investment Entities over time less any distributions the Investor received over the seven years prior to the Petition Date. This claim will receive a *pro rata* distribution of available assets and, only after such claim is paid in full, will there be any recovery on claims for profits, pursuant to the principles of “netting” in Ponzi scheme cases. However, as part of the Global Settlement, rather than netting from the suspected Ponzi scheme start date, the proposed Investor Settlement Amount Procedures Order will provide that only payments made to Investors seven years prior to September 12, 2024, will be offset/netted in calculating the Investor Claims.⁴

The Plan further provides that Trade Claims are separately classified in Class ~~64~~. If Class ~~64~~ (Trade Claims) votes to accept the Plan, holders of Trade Claims will receive their *pro rata* share of the Trade Claims Settlement Fund (up to 100% of the amount of their Allowed Trade Claim). If Class ~~64~~ votes to reject the Plan, the Trade Claims Settlement Fund will not be established and holders of Trade Claims will receive their *pro rata* beneficial interest in the Plan Recovery Trust, which will be treated *pari passu* with Investor Tranche 1 Claims.

Further reference is made to the Disclosure Statement for (i) a discussion of the Debtors’ history, businesses, assets, results of operations, and other financial information; (ii) a summary and analysis of the Plan; and (iii) certain related matters, including risk factors relating to the consummation of the Plan and Distributions to be made under the Plan.

¹ A capitalized term used but not defined in this Introduction shall have the meaning ascribed to it in Article I and Exhibit A.

~~² Debtor Live Oak Investments, LP is not a Plan Proponent; however, the Plan provides for the substantive consolidation of Debtor Live Oak Investments, LP with the other Debtors and its creditors and investors will be entitled to vote on the Plan.~~

³ In the event of any inconsistencies between the terms of the Plan and the information and descriptions in the ~~above-referenced~~ Plan sSummary, the terms of the Plan shall control.

⁴ Investors will also receive *pro rata* distributions from the Investor Forfeiture Fund in the event that there is any Forfeiture Property obtained by the DOJ, the SEC, or another Governmental Unit.

CLASS	DESCRIPTION	IMPAIRED STATUS	VOTING STATUS
Class 1	Priority Claims	Unimpaired	Not Entitled to Vote (deemed to accept)
Class 2	Other Secured Claims	Unimpaired	Not Entitled to Vote (deemed to accept)
Class 3	Sold Property Secured Lender Claims ⁵	Impaired	Entitled to Vote
Class 4	Retained Property Secured Lender Claims ⁶	Impaired	Entitled to Vote
Class 5	Settled Secured Lender Claims ⁷	Impaired	Entitled to Vote
Class 6 ⁴	Trade Claims	Impaired	Entitled to Vote
Class 7 ⁵	Investor Claims	Impaired	Entitled to Vote
Class 8 ⁶	Intercompany Claims	Impaired	Not Entitled to Vote (deemed to reject)
Class 9 ⁷	Equitably Subordinated Claims	Impaired	Not Entitled to Vote (deemed to reject)
Class 10 ⁸	Equitably Subordinated Interests	Impaired	Not Entitled to Vote (deemed to reject)

The classifications set forth on the Ballots: (i) are set forth solely for purposes of voting to accept or reject the Plan; (ii) do not necessarily represent, and in no event shall be deemed to modify or otherwise affect, the actual classification of such Claims under the Plan for distribution purposes; (iii) may not be relied upon by any Holder of a Claim as representing the actual classification of such Claim under the Plan for distribution purposes; and (iv) shall not be binding on the Debtors, the Estates, the Plan Recovery Trust or the Plan Recovery Trustee except for Plan voting purposes.

NOTWITHSTANDING ANY OTHER TERM OR PROVISION OF THE PLAN, NO DISTRIBUTIONS WILL BE MADE ON ACCOUNT OF ANY CLAIM THAT IS NOT AN ALLOWED CLAIM, AND NO RIGHTS WILL BE RETAINED ON ACCOUNT OF ANY CLAIM THAT IS A DISALLOWED CLAIM. IN ADDITION, THE PROPOSED CLASSIFICATION AND TREATMENT OF ANY CLAIMS AND EQUITY INTERESTS SET FORTH HEREIN, INCLUDING, WITHOUT LIMITATION, THE DESIGNATION OF ANY

⁵ For voting purposes and to comply with section 1122(a) of the Bankruptcy Code, each Allowed ~~Sold Property~~ Secured Lender Claim shall be deemed to be in its own subclass. A Schedule of Secured Lender Claims, listing the subclasses and voting amounts of the Secured Lenders, is provided in Exhibit E of the Disclosure Statement.

~~⁶ For voting purposes and to comply with section 1122(a) of the Bankruptcy Code, each Allowed Retained Property Secured Lender Claim shall be deemed to be in its own subclass.~~

~~⁷ For voting purposes and to comply with section 1122(a) of the Bankruptcy Code, each Allowed Settled Secured Lender Claim shall be deemed to be in its own subclass.~~

1 CLASS AS IMPAIRED OR UNIMPAIRED, SHALL NOT BE DEEMED A WAIVER OR
2 RELEASE OF ANY CAUSE OF ACTION OR AVOIDANCE ACTION AGAINST ANY
3 HOLDER OF A CLAIM OR ANY OTHER PARTY, INCLUDING, WITHOUT LIMITATION,
4 THE DEBTORS' OR THE PLAN RECOVERY TRUSTEE'S RIGHT TO SEEK
5 SUBORDINATION OF ANY CLAIM AND RECLASSIFY SUCH CLAIM INTO CLASS 97,
6 AND ALL SUCH CAUSES OF ACTION AND AVOIDANCE ACTIONS ARE HEREBY
7 PRESERVED UNDER THE PLAN.

8 **ARTICLE III.**
9 **TREATMENT OF CLAIMS AND EQUITY INTERESTS**

10 **3.1 Comprehensive Settlement of Claims and Controversies.**

11 Pursuant to sections 1123(a)(5), 1123(b)(3), and 1123(b)(6) of the Bankruptcy Code, as
12 well as Bankruptcy Rule 9019, and in consideration for the Distributions and other benefits
13 provided under the Plan, the provisions of the Plan will constitute a good-faith compromise and
14 settlement of all claims and controversies relating to the rights that a Holder of a Claim or an
15 Equity Interest may have against any Debtor with respect to any Claim, any Equity Interest, or any
16 Distribution on account thereof, as well as of all potential Intercompany Claims, Intercompany
17 Liens, and Causes of Action against any Debtor. The entry of the Confirmation Order will
18 constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise and
19 settlement of all such claims or controversies and the Bankruptcy Court's finding that all such
20 compromises and settlements are (i) in the best interest of the Debtors, the Estates, the KSMP
21 Investment Entities, and their respective stakeholders; and (ii) fair, equitable, and reasonable. This
22 comprehensive compromise and settlement is a critical component of the Plan and is designed to
23 provide a resolution of myriad disputed Claims, Liens, and Causes of Action that otherwise could
24 take years to resolve, which would both delay and reduce the Distributions ultimately available for
25 Creditors.

26 As discussed above, the Global Settlement embodied in this Plan resolves the complex
27 issues in these Chapter 11 Cases, including (a) substantive consolidation of the Debtors and the
28 KSMP Investment Entities, (b) the Ponzi determination, and (c) the allowance and treatment of
the Investor Claims. The Global Settlement, which was negotiated by the LFM Debtors, KSMP,
and the Committee, provides for a "single pot," such that all assets and liabilities of all Debtors
and the KSMP Investment Entities are pooled and consolidated for distribution purposes, through
substantive consolidation under this Plan. Pursuant to applicable law, all Investors are treated the
same, as holders of tort claims, regardless of the type of documentation or instrument held.
Pursuant to the Global Settlement, each Investor will receive a claim for money (or value of
property) it invested in the Debtors and the KSMP Investment Entities over time less any
distributions the Investor received over the seven years prior to the Petition Date. This claim will
receive a *pro rata* distribution of available assets and, only after such claim is paid in full, will
there be any recovery on claims for expected profits, pursuant to the principles of "netting" in
Ponzi scheme cases. However, as part of the Global Settlement, rather than netting from the
suspected Ponzi scheme start date, the proposed Investor Settlement Amount Procedures Order
will provide that only payments made to Investors seven years prior to September 12, 2024, will
be offset/netted in calculating Investor Claims. Further reference is made to the Disclosure
Statement for (i) a discussion of the Debtors' history, businesses, assets, results of operations, and
other financial information; (ii) a summary and analysis of the Plan; and (iii) certain related
matters, including risk factors relating to the consummation of the Plan and Distributions to be
made under the Plan.

3.2 **Special Provisions Relating to Investor-Specific Claims.**

Nothing in the Plan will impair the right of an Investor to independently pursue claims
against third parties for which it has independent legal standing that are unique to such Investor

(b) such other less favorable treatment from the Plan Recovery Trust to which such Holder and the Plan Recovery Trust shall have agreed upon in writing.

Impairment and Voting. Class 1 is Unimpaired. Holders of Class 1 Claims (Priority Claims) are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

3.5 Class 2: Other Secured Claims

Classification. Class 2 consists of all Other Secured Claims. For voting purposes, and to comply with section 1122(a) of the Bankruptcy Code, each Allowed Other Secured Claim shall be deemed to be in its own subclass.

Treatment. In full and final satisfaction, settlement, release, and discharge of any Allowed Class 2 Claim, except to the extent that the Plan Recovery Trustee and a holder of an Allowed Class 2 Claim agree to a less favorable treatment of such Claim, each holder of an Allowed Class 2 Claim shall, at the option of the Plan Recovery Trustee, (i) retain its Class 2 Claim and the Collateral securing such Claim; (ii) receive Cash in an amount equal to such Allowed Class 2 Claim, including the payment of any interest due and payable under section 506(b) of the Bankruptcy Code, on the Effective Date or as soon as reasonably practicable thereafter, but in no event later than thirty (30) days after the later to occur of (A) the Effective Date and (B) the date such Claim becomes an Allowed Claim; or (iii) receive treatment of such Allowed Class 2 Claim in any other manner that is necessary to satisfy the requirements of section 1124 of the Bankruptcy Code. In the event a Class 2 Claim is treated under clause (ii) of this Section 3.5, the Liens securing such Class 2 Claim shall be deemed released immediately upon payment.

Impairment and Voting. Class 2 is Unimpaired. Holders of Class 2 Claims (Other Secured Claims) are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

3.6 Class 3: ~~Sold Property~~ Secured Lender Claims

Classification. Class 3 consists of all ~~Sold Property~~ Secured Lender Claims. For voting purposes, and to comply with section 1122(a) of the Bankruptcy Code, each Allowed Secured Lender Claims shall be deemed to be in its own subclass (Class 3A, 3B, etc.).

Treatment. In full and final satisfaction, settlement, release, and discharge of any Allowed Class 3 Claim, except to the extent that the Plan Recovery Trustee and a holder of an Allowed Class 3 Claim agree to a less favorable treatment of such Claim, each ~~h~~Holder of an Allowed Class 3 Claim shall receive one of the following treatments, as applicable:

(i) Escrowed Sale Proceeds: If the Real Property securing the applicable Class 3 Claim has been sold pursuant to an order of the Bankruptcy Court prior to the Effective Date, the Holder of a Class 3 Claim shall receive Cash in an amount equal to such Allowed Class 3 Claim on the Effective Date or as soon as reasonably practicable thereafter. The purpose of this subsection is to address any sale proceeds of sold Real Property that have been escrowed prior to the Effective Date.

(ii) Retained Real Properties: If the Real Property securing the applicable Class 3 Claim is Retained Real Property, the Holder of the Class 3 Claim shall receive Cash in an amount equal to such Allowed Secured Lender Claim from the proceeds of the sale of the applicable Retained Real Property as soon as reasonably practicable, but no later than thirty (30) days after the later to occur of (A) the closing of the sale of the Retained Real Property and (B) the date such Claim becomes an Allowed Secured Lender Claim; provided that pending and prior to such sale, the Holder will retain its lien in the applicable

1 Retained Real Property after the Effective Date, but after the sale, the Holder will have a
2 lien in only the net sale proceeds with the same validity and priority as it had in the Retained
3 Real Property as of the Petition Date.

4 (iii) Settling Secured Lenders: If the Holder of a Class 3 Claim has entered into
5 a Secured Lender Settlement Agreement prior to the Effective Date, the Holder of the Class
6 53 Claim shall receive, subject to the terms of this Plan and the applicable Secured Lender
7 Settlement Agreement, the treatment expressly provided for the Settling Secured Lender
8 in the -Secured Lender Settlement Agreement. To the extent of any inconsistency or
9 conflict between the terms of this Plan and the applicable Secured Lender Settlement
10 Agreement, the Secured Lender Settlement Agreement shall control.

11 Impairment and Voting. Class 3 is Impaired and entitled to vote to accept or reject the
12 Plan, and the votes of such Holders will be solicited with respect to such Allowed Class 3 Claims;
13 provided that the Plan Proponents reserve the right to assert that the treatment provided to the
14 Holders of Class 3 Claims pursuant to this Plan renders such Claims unimpaired, and provided
15 further, if a Holder's Class 3 Claim is paid in full between the Voting Record Date and the
16 Confirmation Date, the Holder's Class 3 vote on the Plan will not be counted. A Secured Lender
17 whose asserted Secured Lender Claim was paid in full in the asserted amount at closing of the sale
18 of the Real Property does not hold a Class 3 Claim and is not entitled to vote on the Plan.

19 **3.7 Class 4: Retained Property Secured Lender Claims**

20 Classification. Class 4 consists of all Retained Property Secured Lender Claims.

21 Treatment. On the Effective Date, or as soon as practicable thereafter, each Holder of an
22 Allowed Class 4 Claim shall receive, subject to the terms of this Plan, in full satisfaction,
23 settlement, release, and discharge of, and in exchange for, such Claim, a Replacement Secured
24 Note with a present value equal to the Allowed amount of such Holder's Allowed Class 4 Claim.

25 Impairment and Voting. Class 4 is Impaired under the Plan and entitled to vote to accept
26 or reject the Plan, and the votes of such Holders will be solicited with respect to such Allowed
27 Class 4 Claims; provided that the Plan Proponents reserve the right to assert that the treatment
28 provided to the Holders of Class 4 Claims pursuant to this Plan renders such Claims unimpaired.

29 **3.8 Class 5: Settled Secured Lender Claims**

30 Classification. Class 5 consists of all Settled Secured Lender Claims. Each Settled Secured
31 Lender Claim will be in its own subclass.

32 Treatment. On the Effective Date, or as soon as practicable thereafter, each Holder of an
33 Allowed Class 5 Claim shall receive, subject to the terms of this Plan and the applicable Secured
34 Lender Settlement Agreement, in full satisfaction, settlement, release, and discharge of, and in
35 exchange for, such Claim, the treatment expressly provided for the Settling Secured Lender in the
36 Secured Lender Settlement Agreement.

37 Impairment and Voting. Class 5 is Impaired under the Plan and entitled to vote to accept
38 or reject the Plan, and the votes of such Holders will be solicited with respect to such Allowed
39 Class 5 Claims.

40 **3.9 Class 64: Trade Claims**

41 Classification. Class 64 consists of all Trade Claims.

1 Treatment. On the Effective Date, or as soon as practicable thereafter, each Holder of an
2 Allowed Class 64 Claim will receive:

3 (i) *If Class 64 votes to accept the Plan*, each Holder of an Allowed Trade
4 Claim shall receive its Pro Rata share of the Trade Claims Settlement Fund, in full and final
5 satisfaction, settlement, and release of and in exchange for such Allowed Trade Claims; or

6 (ii) *If Class 64 votes to reject the Plan*, each Holder of an Allowed Trade Claim
7 shall receive from the Plan Recovery Trust on account of its Allowed Class 64 Claim, its Pro Rata
8 distribution of the Class A Plan Recovery Trust Units. The issuance of the Class A Plan Recovery
9 Trust Units is in full and complete satisfaction of Allowed Class 64 Claims in the event Class 64
10 rejects the Plan.

11 Impairment and Voting. Class 64 is Impaired under the Plan and entitled to vote to accept
12 or reject the Plan, and the votes of such Holders will be solicited with respect to such Allowed
13 Class 64 Claims.

14 3.8 ~~3.10~~ Class 75: Investor Claims

15 Classification. Class 75 consists of all Investor Claims.

16 Treatment.

17 (i) Plan Recovery Trust Units. On the Effective Date, or as soon as practicable
18 thereafter, in full satisfaction, settlement, and release of and in exchange for such Investor Claims,
19 each Holder of an Allowed Class 75 Claim will receive its (i) Pro Rata distribution of Class A Plan
20 Recovery Trust Units on account of its Allowed Investor Tranche 1 Claim (Pro Rata with Holders
21 of Allowed Trade Claims if Class 64 votes to reject the Plan) and (ii) Pro Rata distribution of Class
22 B Plan Recovery Trust Units on account of its Allowed Investor Tranche 2 Claim, if any; and

23 (ii) Investor Forfeiture Fund. The Plan Recovery Trustee shall distribute the
24 Cash proceeds in the Investor Forfeiture Fund to (a) the Holders of Allowed Investor Tranche 1
25 Claims on account of such Claims on a Pro Rata basis, and (b) after all Allowed Investor Tranche
26 1 Claims have been paid in full, the Holders of Allowed Investor Tranche 2 Claims on account of
27 such Claims on a Pro Rata basis.

28 Contributed Claim Election. Each Holder of an Investor Claim that **accepts the Plan and
does not opt-out of the Contributed Claim Election** shall (i) be deemed to contribute its
Contributed Claims to the Plan Recovery Trust and (ii) on the Effective Date, or as soon as
practicable thereafter, receive a Pro Rata Distribution of Class C Plan Recovery Trust Units. The
Pro Rata Distribution of Class C Plan Recovery Trust Units shall be the ratio of (a) such Holder's
Allowed Investor Claim to (b) the total Allowed Investor Claims of all Holders that make the
Contributed Claim Election. By accepting the Plan, the Holder of an Investor Claim agrees that,
subject to the occurrence of the Effective Date and the formation of the Plan Recovery Trust, it
will be deemed, without further action, (i) to have irrevocably contributed its Contributed Claims
to the Plan Recovery Trust and (ii) to have agreed to execute any documents reasonably requested
to memorialize such contribution. All Causes of Action identified on the Schedule of Disclaimed
Contributed Claims will not be Contributed Claims for purposes of the Plan.

Impairment and Voting. Class 75 is Impaired under the Plan and entitled to vote to accept
or reject the Plan.

3.9 ~~3.11~~ Class 86: Intercompany Claims

Classification. Class 86 consists of all Intercompany Claims.

1 Treatment. As of the Effective Date, all Intercompany Claims shall be deemed void,
2 cancelled, and of no further force and effect. On and after the Effective Date, the Holders of Class
3 8 Claims shall not be entitled to, and shall not receive or retain, any property or interest in property
4 under the Plan on account of such Allowed Class 8 Claims.

5 Impairment and Voting. Class ~~86~~ is Impaired under the Plan, deemed to reject the Plan,
6 and not entitled to vote to accept or reject the Plan.

7 **3.10 ~~3.12~~Class ~~97~~: Equitably Subordinated Claims.**

8 Classification. Class ~~97~~ consists of all Equitably Subordinated Claims.

9 Treatment. The Holders of Allowed Class ~~97~~ Claims will retain a residual right to receive
10 Available Cash that remains in the Plan Recovery Trust after the final administration of all Plan
11 Recovery Trust Assets and the complete satisfaction of all senior payment rights within the Plan
12 Recovery Trust Waterfall, including satisfaction of all Investor Claims. Any such recovery will be
13 shared Pro Rata with Holders of Allowed Equitably Subordinated Interests.

14 Impairment and Voting. Class ~~97~~ is Impaired under the Plan, estimated to receive zero
15 recovery under the Plan and therefore deemed to reject the Plan, and not entitled to vote to accept
16 or reject the Plan.

17 **3.11 ~~3.13~~Class ~~108~~: Equitably Subordinated Interests**

18 Classification. Class ~~108~~ consists of all Equitably Subordinated Interests in the Debtors.

19 Treatment. The Holders of Allowed Class ~~108~~ Interests will retain a residual right to
20 receive Available Cash that remains in the Plan Recovery Trust after the final administration of all
21 Plan Recovery Trust Assets and the complete satisfaction of all senior payment rights within the
22 Plan Recovery Trust Waterfall, including satisfaction of all Investor Claims. Any such recovery
23 will be shared Pro Rata with Holders of Allowed Equitably Subordinated Claims.

24 Impairment and Voting. Class ~~108~~ is Impaired under the Plan, estimated to receive zero
25 recovery under the Plan and therefore deemed to reject the Plan, and not entitled to vote to accept
26 or reject the Plan.

27 **ARTICLE IV.**
28 **ACCEPTANCE OR REJECTION OF THE PLAN**

4.1 Impaired Classes Entitled to Vote.

Only the votes of Holders of Allowed Claims in Class 3, Class 4, ~~Class 5, Class 6,~~ and
Class ~~75~~ shall be solicited with respect to the Plan.

4.2 Acceptance by an Impaired Class of Claims.

In accordance with section 1126(c) of the Bankruptcy Code, and except as provided in
section 1126(e) of the Bankruptcy Code, the Holders of Claims in any Class of Claims (including
any subclass) entitled to vote on the Plan shall have accepted the Plan if the Plan is accepted by
the Holders of at least two-thirds ($\frac{2}{3}$) in dollar amount and more than one-half ($\frac{1}{2}$) in number of
the Allowed Claims in such Class (or subclass) that have timely and properly voted to accept or
reject the Plan.

4.3 Presumed Acceptances by Unimpaired Classes.

Class 1 and Class 2 are Unimpaired under the Plan. Under section 1126(f) of the Bankruptcy Code, the Holders of Claims in such Unimpaired Classes are conclusively presumed to have accepted the Plan, and, therefore, the votes of such Holders shall not be solicited.

4.4 Impaired Classes Deemed to Reject Plan.

Holders of Claims in Class ~~8~~6 (Intercompany Claims) are not entitled to receive or retain any property or interests in property under the Plan. Under section 1126(g) of the Bankruptcy Code, such Holders are deemed to have rejected the Plan, and, therefore, the votes of such Holders shall not be solicited.

Holders of Claims in Class ~~9~~7 and Equitably Subordinated Interests in Class ~~10~~8 are estimated to receive zero recovery under the Plan, deemed to have rejected the Plan, and the votes of such Holders shall not be solicited.

4.5 Modifications of Votes.

Following the Voting Deadline, no Holders of Claims entitled to vote on the Plan will be able to change their votes cast on the Plan or any attendant elections or preferences without the written consent of the Plan Proponents, which consent may be given or withheld in the Plan Proponents' reasonable discretion.

4.6 Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code.

Because at least one Impaired Class is deemed to have rejected the Plan, the Plan Proponents will and hereby do request confirmation of the Plan under section 1129(b) of the Bankruptcy Code. The Plan Proponents reserve the right to alter, amend, modify, revoke, or withdraw the Plan, the Plan Supplement, or any schedule or exhibit, including to amend or modify it to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

4.7 Elimination of Vacant Classes.

Any Class of Claims that does not contain, as of the date of the commencement of the Confirmation Hearing, a Holder of an Allowed Claim, or a Holder of a Claim temporarily allowed under Bankruptcy Rule 3018, shall be deemed deleted from the Plan for purposes of determining acceptance of the Plan by such Class under section 1129(a)(8) of the Bankruptcy Code.

4.8 Severability of Joint Plan.

The Plan represents a joint plan composed of individual plans for each of the Debtors. As further discussed in Section 12.5 of the Plan, the Plan Proponents may alter, amend, or modify the Plan at or before the Confirmation Hearing, including to remove one or more Debtors from the Plan, in the Plan Proponents' reasonable discretion.

ARTICLE V. IMPLEMENTATION OF THE PLAN

5.1 Implementation of the Plan.

The Plan will be implemented by various acts and transactions as set forth in the Plan, including, among other things, the establishment of the Plan Recovery Trust, the Oversight Committee, and the Plan Recovery Trustee, and the making of Distributions by the Plan Recovery Trustee in accordance with the Plan.

5.2 Streamlining of the Debtors' Corporate Affairs.

1 and thereupon the successor Plan Recovery Trustee shall become fully vested with all of the rights,
2 powers, duties and obligations of its predecessor.

3 On and after the Effective Date, the initial Oversight Committee shall begin to serve
4 without further action, consistent with the Plan and the Plan Recovery Trust Agreement, and shall
5 oversee the Plan Recovery Trustee's performance of its duties and otherwise serve the functions
6 described in the Plan and the Plan Recovery Trust Agreement. The Oversight Committee members
shall serve on a voluntary basis without compensation, but they shall be reimbursed from the Plan
Recovery Trust for any reasonable expenses in accordance with the Plan Recovery Trust
Agreement.

7 **5.3.2 Creation and Governance of the Plan Recovery Trust.**

8 On the Effective Date, the Plan Recovery Trustee shall execute the Plan Recovery Trust
9 Agreement and shall take any other action necessary to establish the Plan Recovery Trust in
10 accordance with the Plan and the beneficial interests therein. For federal income tax purposes, the
11 transfer of the assets to the Plan Recovery Trust will be treated as a sale or other disposition of
12 assets (except for the assets transferred to the Disputed Ownership Fund as provided in Section 7.7
13 of the Plan) to the Plan Recovery Trust Beneficiaries in exchange for their claims and interests in
14 the Chapter 11 Cases. Any income or loss from the transfer of assets to the Plan Recovery Trust
15 shall flow through to the ultimate taxpaying member of each Debtor who will be responsible to
16 pay the tax liability, if any. For federal income tax purposes, the Plan Recovery Trust Beneficiaries
17 shall be treated as the grantors of the Plan Recovery Trust and deemed to be the owners of the
18 assets of the Plan Recovery Trust. The transfer of the Plan Recovery Trust Assets to the Plan
19 Recovery Trust shall be deemed a transfer to the Plan Recovery Trust Beneficiaries by the Debtors,
20 followed by a deemed transfer by such Plan Recovery Trust Beneficiaries to the Plan Recovery
Trust. The Debtors, the Plan Recovery Trust Beneficiaries, and the Plan Recovery Trust will
consistently report the valuation of the assets transferred to the Plan Recovery Trust. Such
consistent valuations and revised reporting will be used for all federal income tax purposes. Income
deductions, gain, or loss from the Plan Recovery Trust shall be reported to the Plan Recovery Trust
Beneficiaries in conjunction with the filing of the Plan Recovery Trust's income tax returns. Each
Plan Recovery Trust Beneficiary shall report income, deductions, gain, or loss on such Plan
Recovery Trust Beneficiary's income tax returns. The Plan Recovery Trust shall be governed by
the Plan Recovery Trust Agreement and administered by the Plan Recovery Trustee. The powers,
rights, and responsibilities of the Plan Recovery Trustee shall be specified in the Plan Recovery
Trust Agreement. After an objection to a Disputed Claim is resolved or a Contingent Claim or
Unliquidated Claim has been determined in whole or in part by a Final Order or by agreement, the
Plan Recovery Trust Units or Cash held in the Disputed Ownership Fund shall be transferred as
described in the Plan Recovery Trust Agreement.

21 **5.3.3 Vesting of Plan Recovery Trust Assets.**

22 On the Effective Date, the Plan Recovery Trust shall be automatically vested with all of
23 the Debtors' and the Estates' respective rights, title, and interest in and to all Plan Recovery Trust
24 Assets. Except as specifically provided in the Plan or the Confirmation Order, in accordance with
25 section 1141 of the Bankruptcy Code, the Plan Recovery Trust Assets shall automatically vest in
26 the Plan Recovery Trust free and clear of all Claims, Liens, or interests, subject only to the Plan
27 Recovery Trust Units, ~~and the Plan Recovery Trust Expenses, and the Replacement Secured Notes,~~
28 as provided for in the Plan Recovery Trust Agreement, and such vesting shall be exempt from any
stamp, real estate transfer, other transfer, mortgage reporting, sales, use, or other similar tax. The
Plan Recovery Trustee shall be the exclusive trustee of the Plan Recovery Trust Assets for
purposes of 31 U.S.C. § 3713(b) and 26 U.S.C. § 6012(b)(3), as well as the representative of the
Estates appointed pursuant to section 1123(b)(3) of the Bankruptcy Code regarding all Plan
Recovery Trust Assets. The Plan Recovery Trust shall hold and distribute the Plan Recovery Trust
Assets in accordance with the provisions of the Plan and the Plan Recovery Trust Agreement.

5.3.4 Investor Forfeiture Fund.

In the event that any Forfeiture Property obtained by the DOJ, the SEC, or another Governmental Unit is transferred to the Plan Recovery Trust for administration for the benefit of Investors, such Forfeiture Property shall be deposited in, and become property of, the Investor Forfeiture Fund. The Investor Forfeiture Fund shall be free and clear of any and all claims and liens, and shall not constitute property of the Debtors or the Plan Recovery Trust. All Cash in the Investor Forfeiture Fund shall be distributed solely to Investors on a Pro Rata basis on account of their Allowed Investor Tranche 1 Claims and Investor Tranche 2 Claims, in accordance with the Plan. The Plan Recovery Trustee is authorized to and shall distribute all Cash in the Investor Forfeiture Fund only to Investors who are Holders of Allowed Class A Plan Recovery Trust Units or Class B Plan Recovery Trust Units on account thereof, subject to the Plan and the Plan Recovery Trust Agreement; *provided that* the Plan Recovery Trustee and its agents will be reimbursed from the Investor Forfeiture Fund for reasonable costs and expenses incurred by said parties related to the Plan Recovery Trustee's collection, administration, and distribution of such Cash to the applicable Investors.

5.3.5 Purpose of the Plan Recovery Trust.

The Plan Recovery Trust shall be established for the purpose of pursuing, collecting, or monetizing the Plan Recovery Trust Assets and making Distributions from the proceeds of such assets to the Plan Recovery Trust Beneficiaries in accordance with Treasury Regulation section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business.

5.3.6 Authority.

Subject to the authority and supervision of the Oversight Committee as set forth in the Plan Recovery Trust Agreement, the Plan Recovery Trustee shall have the authority and right on behalf of the Plan Recovery Trust, without the need for Bankruptcy Court approval (in each case, unless otherwise provided in the Plan and the Plan Recovery Trust Agreement), to carry out and implement all applicable provisions of the Plan, including to:

- (a) appear on behalf of the Plan Recovery Trust in the Chapter 11 Cases and any proceedings related thereto;
- (b) review, reconcile, compromise, settle, or object to Claims and Equity Interests and resolve such objections as set forth in the Plan, free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules;
- (c) calculate and make Distributions (including, without limitation, to Holders of Allowed Class 64 Claims of the Trade Claims Settlement Fund if Class 64 votes to accept the Plan, and to Investors from the Investor Forfeiture Fund) and calculate and establish reserves under and in accordance with the Plan;
- (d) retain, compensate, and employ professionals and other Persons to represent the Plan Recovery Trustee with respect to and in connection with its rights and responsibilities;
- (e) establish, maintain, and administer documents and accounts of the Debtors as appropriate, which shall be segregated to the extent appropriate in accordance with the Plan;
- (f) maintain, conserve, collect, settle, and protect the Plan Recovery Trust Assets, including, without limitation, any Retained Real Properties, whether wholly or

thereafter arising), and all Avoidance Actions, all as Plan Recovery Trust Actions, in each case in any court or other tribunal, including in an adversary proceeding Filed in the Chapter 11 Cases, subject to the requirements set forth in the Plan and the Plan Recovery Trust Agreement. The Plan Recovery Trust shall have the exclusive right, power, and interest on behalf of itself, the Debtors, the Estates, the KSMP Investment Entities, and the Contributing Claimants to enforce, sue on, settle, compromise, transfer, or assign (or decline to do any of the foregoing) any or all of the Plan Recovery Trust Actions without notice to or approval from the Bankruptcy Court, subject to the Plan Recovery Trust Agreement. In accordance with the Plan, and pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, from and after the Effective Date, the Plan Recovery Trust may compromise and settle Plan Recovery Trust Actions, subject to the Plan Recovery Trust Agreement.

5.5.2 Preservation of All Plan Recovery Trust Actions Not Expressly Settled or Released.

The failure to specifically identify in the Disclosure Statement (including the exhibits and schedules thereto) or the Plan any potential or existing Avoidance Action or Cause of Action as a Plan Recovery Trust Action is not intended to and shall not limit the rights of the Plan Recovery Trust to pursue any such Avoidance Action or Cause of Action. Unless a Plan Recovery Trust Action is expressly waived, relinquished, released, compromised, or settled in the Plan or any Final Order (including the Confirmation Order), the Debtors expressly reserve such Plan Recovery Trust Action for later resolution by the Plan Recovery Trustee (including any Avoidance Action or Cause of Action not specifically identified or of which the Debtors may presently be unaware or that may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances that may change or be different from those the Debtors now believe to exist). As such, no preclusion doctrine, including the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable, or otherwise), or laches will apply to any such Avoidance Action or Cause of Action upon or after Confirmation of the Plan based on the Disclosure Statement, the Plan, or the Confirmation Order, except when such Avoidance Action or Cause of Action has been expressly released. In addition, the right to pursue or adopt any claims alleged in any lawsuit in which any Debtor or the Plan Recovery Trust is a plaintiff, defendant, or interested party is fully reserved as against any Person or Entity, including the plaintiffs or co-defendants in such lawsuits.

5.6 Cancellation of Instruments.

Except as otherwise provided in the Plan, and except with respect to any executory contracts and unexpired leases that are assumed and assigned pursuant to a Final Order, any agreement, bond, certificate, contract, indenture, lease, note, security, warrant, or other instrument or document evidencing or creating any indebtedness or obligation of the Debtors shall be deemed cancelled on the Effective Date, and all Liens, mortgages, pledges, grants, trusts, and other interests relating thereto shall be automatically cancelled, and all obligations of the Debtors thereunder or in any way related thereto shall be discharged.

5.7 Substantive Consolidation.

- (a) On the Effective Date, all Debtors and the KSMP Investment Entities (collectively, the “**Consolidated Estates**”) shall be substantively consolidated pursuant to sections 105(a), 541, 1123, and 1129 of the Bankruptcy Code into debtor LeFever Mattson, a California corporation. As a result of the substantive consolidation, on the Effective Date, all property, rights, and claims of the Consolidated Estates and all Claims against the Consolidated Estates shall be deemed to be pooled for purposes of distributions under the Plan. Further, as a result of this substantive consolidation, all claims between and among the Consolidated Estates shall be

1 cancelled. Holders of Allowed Claims shall be entitled to only one satisfaction on
2 account of such Claims, and any contingent or otherwise duplicative Claims against
3 one or more of the Consolidated Estates based upon claims for which one or more
4 of the Consolidated Estates are also liable shall be disallowed.

5 (b) Entry of the Confirmation Order shall constitute the approval, pursuant to sections
6 105(a), 541, 1123, and 1129 of the Bankruptcy Code, of the substantive
7 consolidation of all of the Debtors and the KSMP Investment Entities and in the
8 manner set forth in this Section; *provided, however*, that (i) while all Debtors and
9 the KSMP Investment Entities shall be substantively consolidated for purposes of
10 Distribution to creditors, such that all Investors shall have claims against a single
11 pool of the Debtors' and the KSMP Investment Entities' consolidated assets, the
12 actual substantive consolidation of entities, particularly for tax purposes, shall be
13 at the option of the Debtors or the Plan Recovery Trustee and (ii) any and all TIC
14 Interests in the Real Properties that are held by any Debtor shall not be substantively
15 consolidated. Notwithstanding the substantive consolidation to be implemented
16 under the Plan, fees payable pursuant to 28 U.S.C. § 1930 shall be due and payable
17 by each individual Debtor through the Effective Date.

18 (c) The substantive consolidation effected pursuant to the Plan shall not affect, without
19 limitation, (i) the Debtors', the KSMP Investment Entities', or the Plan Recovery
20 Trust's defenses to any Claim, Avoidance Action, or other Cause of Action,
21 including the ability to assert any counterclaim; (ii) the Debtors', the KSMP
22 Investment Entities', or the Plan Recovery Trust's setoff or recoupment rights;
23 (iii) requirements for any third party to establish mutuality prior to substantive
24 consolidation in order to assert a right of setoff against the Debtors, the KSMP
25 Investment Entities, or the Plan Recovery Trust; or (iv) distributions to the Debtors,
26 the Estates, the KSMP Investment Entities, or the Plan Recovery Trust out of any
27 insurance policies or proceeds of such policies.

28 (d) Notwithstanding anything to the contrary contained herein, the substantive
consolidation of the Debtors and the KSMP Investment Entities shall not: (i) affect
the separate legal existence of the Debtors and the KSMP Investment Entities for
purposes other than implementation of the Plan pursuant to its terms, including the
ability of the Plan Recovery Trustee to bring any Plan Recovery Trust Action in the
name of an individual Debtor or KSMP Investment Entity; (ii) impair, prejudice, or
otherwise affect any individual Debtor's or KSMP Investment Entity's Causes of
Action, including Avoidance Actions, against any Person that vest in the Plan
Recovery Trust; (iii) constitute or give rise to any defense, counterclaim, or right
of netting or setoff with respect to any Cause of Action vesting in the Plan Recovery
Trust that could not have been asserted against the consolidated Debtors and KSMP
Investment Entities; or (iii) give rise to any right under any executory contract,
insurance contract, or other contract to which a consolidated Debtor or KSMP
Investment Entity is party, except to the extent required by section 365 of the
Bankruptcy Code in connection with the assumption of such contract by the
applicable Debtors. The substantive consolidation of the Debtors and the KSMP
Investment Entities shall also not impair or otherwise affect any third party's
defenses, counterclaims, or other rights that may be asserted by such third party in
connection with any related litigation commenced by the Debtors or the Plan
Recovery Trustee.

(e) The Disclosure Statement and the Plan shall be deemed to be a motion requesting
that the Bankruptcy Court approve the substantive consolidation contemplated by
the Plan. Unless an objection to the proposed substantive consolidation is made in
writing by any Creditor purportedly affected by such substantive consolidation on

concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection.

8.4 Distributions Following Allowance.

Once a Contingent Claim, Unliquidated Claim, or a Disputed Claim or Equity Interest becomes an Allowed Claim or Equity Interest, in whole or in part, including pursuant to the Plan, the Plan Recovery Trust shall distribute from the applicable Distribution Reserves to the Holder of such Allowed Claim or Equity Interest the Distributions, if any, to which such Holder is then entitled to under the Plan. Such Distributions, if any, shall be made on the next Distribution Date after the date on which the order or judgment allowing any such Claim or Equity Interest becomes a Final Order or on which the Claim or Equity Interest otherwise becomes an Allowed Claim or Equity Interest, or, if there is no applicable Distribution Date, then within ninety (90) calendar days after the date on which the Claim becomes an Allowed Claim or Equity Interest. Unless otherwise specifically provided in the Plan or allowed by a Final Order, no interest shall be paid on Contingent Claims Unliquidated Claims, or Disputed Claims or Equity Interests that later become Allowed Claims or Equity Interests.

8.5 Disposition of Assets in Reserves After Disallowance.

After an objection to a Disputed Claim or Equity Interest is sustained or a Contingent or Unliquidated Claim has been determined in whole or in part by a Final Order or by agreement, such that the Contingent Claim, Unliquidated Claim, or Disputed Claim or Equity Interest is a Disallowed Claim or Equity Interest in whole or in part, any Cash held in an applicable Distribution Reserve on account of the particular Claim or Equity Interest in excess of the Distributions due on account of any resulting Allowed Claim or Equity Interest shall be used or distributed in a manner consistent with the Plan and any reserved Plan Recovery Trust Units shall be cancelled.

ARTICLE IX. **CONDITIONS PRECEDENT TO THE EFFECTIVE DATE**

9.1 Conditions to the Effective Date.

The Effective Date shall not occur and the Plan shall not be consummated unless and until each of the following conditions has been satisfied or duly waived pursuant to Section 9.2 of the Plan:

- (a) the Bankruptcy Court shall have entered the Confirmation Order in a form reasonably acceptable to the Plan Proponents;
- (b) the Confirmation Order shall not be subject to any stay;
- (c) the Confirmation Order shall contain a finding in a form reasonably acceptable to the Plan Proponents that the Debtors and the KSMP Investment Entities were operated as a Ponzi scheme [\(subject to Section 3.1 of the Plan\)](#);
- (d) all governmental and material third-party approvals and consents necessary in connection with the transactions contemplated by the Plan, if any, shall have been obtained and be in full force and effect;
- (e) all actions and all agreements, instruments, or other documents necessary to implement the terms and provisions of the Plan shall have been effected or executed and delivered, as applicable;

1 Date, the Governmental Claims Bar Date, the KSMP Bar Date, the LFM General Claims Bar Date,
2 or the Rejection Claims Bar Date.

3 19. **“Class”** means a category of Claims or Equity Interests designated pursuant to the
4 Plan, or any subclass thereof.

5 20. **“Class A Plan Recovery Trust Units”** means the Plan Recovery Trust Units to be
6 distributed on a Pro Rata basis to Holders of (i) Allowed Trade Claims (if Class 64 votes to reject
7 the Plan) on account of their Allowed Trade Claims, and (ii) Allowed Investor Claims on account
8 of their Investor Tranche 1 Claims, pursuant to the Plan and the Plan Recovery Trust Agreement.

9 21. **“Class B Plan Recovery Trust Units”** means the Plan Recovery Trust Units to be
10 distributed to Investors under the Plan and the Plan Recovery Trust Agreement on account of their
11 Investor Tranche 2 Claims.

12 22. **“Class C Plan Recovery Trust Units”** means the Plan Recovery Trust Units to be
13 distributed to Investors under the Plan and the Plan Recovery Trust Agreement on account of their
14 Contributed Claims.

15 23. **“Closing Date”** means the date on which all of the Chapter 11 Cases have been
16 closed in accordance with Section 12.17 of the Plan.

17 24. **“Collateral”** means any Estate Asset that is subject to a Lien to secure the payment
18 or performance of a Claim, which Lien is perfected and not subject to avoidance under the
19 Bankruptcy Code or otherwise invalid or unenforceable under the Bankruptcy Code or applicable
20 non-bankruptcy law.

21 25. **“Committee”** means the official committee of unsecured creditors, as provided for
22 under section 1102 of the Bankruptcy Code, which was appointed in the Chapter 11 Cases, as it
23 may be reconstituted from time to time.

24 26. **“Confirmation”** means entry by the Bankruptcy Court of the Confirmation Order.

25 27. **“Confirmation Hearing”** means the hearing or hearings held by the Bankruptcy
26 Court to consider Confirmation of the Plan as required by section 1128(a) of the Bankruptcy Code,
27 as such hearing may be continued from time to time.

28 28. **“Confirmation Order”** means the order of the Bankruptcy Court confirming the
Plan pursuant to section 1129 of the Bankruptcy Code in a form reasonably acceptable to the Plan
Proponents.

29 29. **“Contingent Claim”** means any Claim that is Scheduled or Filed as contingent.

30 30. **“Contributed Claim Election”** means an election by an Investor, as indicated on
31 an Investor Ballot, to contribute its Contributed Claims to the Plan Recovery Trust pursuant to the
32 terms of this Plan.

33 31. **“Contributed Claims”** means all Causes of Action of a Contributing Claimant that
34 are legally assignable (including Causes of Action that are legally assignable solely because of the
35 preemptive effect of the Plan) that an Investor has against any Person that is not a Debtor and that
36 are related in any way to the Debtors, their predecessors, their respective affiliates, or any Excluded
37 Parties, including (a) all Causes of Action based on, arising out of, or related to the marketing,
38 sale, and issuance of any investments related to the Debtors; (b) all Causes of Action for unlawful
dividend, fraudulent conveyance, fraudulent transfer, voidable transaction, or other avoidance
claims under state or federal law; (c) all Causes of Action based on, arising out of, or related to the

1 44. **“Disallowed Equity Interest”** means any Equity Interest that (a) is not listed on
2 the *Omnibus List of Equity Security Holders* [Docket No. 353] and whose Holder failed to timely
3 File a proof of interest by the applicable Claims Bar Date (unless the late filing was permitted by
a Bankruptcy Court order), but excluding any Equity Interest that is expressly Allowed by a Final
Order or under the Plan; or (b) has been disallowed pursuant to an order of the Bankruptcy Court.

4 45. **“Disclosure Statement”** means that certain disclosure statement relating to the
5 Plan, including all exhibits and schedules thereto, as approved by the Bankruptcy Court pursuant
6 to section 1125 of the Bankruptcy Code, as it subsequently may be amended, modified, or
supplemented by the Plan Proponents.

7 46. **“Disputed”** means, as to a Claim or an Equity Interest, any Claim or Equity Interest
8 (or portion thereof): (a) that is not Allowed; (b) that is not disallowed by the Plan, the Bankruptcy
9 Code, or a Final Order, as applicable; and (c) with respect to which a party in interest has Filed a
Proof of Claim or Proof of Interest or otherwise made a written request to a Debtor for payment,
without any further notice to or action, order, or approval of the Bankruptcy Court.

10 47. **“Distribution”** means any issuance, payment, or transfer of consideration made
under the Plan or the Plan Recovery Trust Agreement.

11 48. **“Distribution Agent”** means (i) the Plan Recovery Trustee solely in its capacity as
12 distribution agent under the Plan with respect to Distributions to Holders of Allowed
Administrative Expense Claims (including Professional Fee Claims), Involuntary Gap Claims,
13 Priority Tax Claims, and Claims in Classes 1, ~~Class 2, and Class 3~~, 3, 4 and 5 on account of such
Allowed Claims, or (ii) any party designated by the Plan Recovery Trustee to serve in such
14 capacity.

15 49. **“Distribution Date”** means any date on which a Distribution is made.

16 50. **“Distribution Record Date”** means the record date for determining entitlement of
Holders of Claims to receive Distributions under the Plan, which date shall be the Effective Date.

17 51. **“Distribution Reserve”** means one or more reserves established by the Plan
18 Recovery Trustee on account of Contingent Claims, Disputed Claims, or Unliquidated Claims.

19 52. **“DOJ”** means the U.S. Department of Justice.

20 53. **“Effective Date”** means the date that is the first Business Day on which each
condition set forth in Article IX of the Plan has been satisfied or waived as set forth therein.

21 54. **“Entity”** means any “entity,” as defined in section 101(15) of the Bankruptcy Code.

22 55. **“Equitably Subordinated Claim”** means any claim of any kind or nature
23 whatsoever held by any Entity against any of the Debtors and the KSMP Investment Entities that
the Bankruptcy Court has determined to be equitably subordinated pursuant to section 510(c) of
the Bankruptcy Code.

24 56. **“Equitably Subordinated Interest”** means any interest of any kind or nature
25 whatsoever held by any Entity in any of the Debtors and the KSMP Investment Entities that the
Bankruptcy Court has determined to be equitably subordinated pursuant to section 510(c) of the
26 Bankruptcy Code.

27 57. **“Equity Interests”** means all previously issued and outstanding stock,
28 membership, partnership, or other ownership interests in any of the Debtors or the KSMP
Investment Entities outstanding immediately prior to the Effective Date, including agreements of

Investor Claims, and the KSMP Investment Entities, or any Investments.

66. **“Governmental Claims Bar Date”** means, with respect to each applicable Debtor, the date that is 180 days after the applicable Order for Relief Date, as calculated pursuant to Bankruptcy Rule 9006.

67. **“Governmental Unit”** means any “governmental unit,” as defined in section 101(27) of the Bankruptcy Code.

68. **“Holder”** means the Person that is the owner of record of a Claim, Equity Interest, or Plan Recovery Trust Unit, as applicable.

69. **“Impaired”** means any Class of Claims or Equity Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

70. **“Insider”** means any “insider,” as defined in section 101(31) of the Bankruptcy Code, and with respect to a limited liability company or limited partnership, any director, officer, person in control or relative of any of the foregoing.

71. **“Intercompany Claim”** means any Claim of one Debtor against another Debtor.

72. **“Intercompany Lien”** means any Lien securing an Intercompany Claim.

73. **“Investment”** means any investment or investment product offered by any Debtor (whether directly or through an agent), including, without limitation, any investments, interests, or other rights with respect to any Debtor that were styled, marketed, or sold as, among others, partnership interests in limited partnerships, TIC Interests, or other interests in any real property (including the purchase or sale of a real property).

74. **“Investor”** means a Person or Entity that holds an Investor Claim.

75. **“Investor Claim”** means any Claim arising from or relating to an Investment, including, without limitation, (a) all Claims (including any contract or related Claims) based on, arising out of, or related to any Investments including the validity, marketing, sale, and issuance thereof; (b) all Claims for fraud, unlawful dividend, fraudulent conveyance, fraudulent transfer, voidable transaction, or other avoidance claims under state or federal law; (c) all Claims arising from or related to the preparation or filing of the Debtors’ and/or their affiliates’ (including the KSMP Investment Entities’) federal, state, local, or other tax returns, forms, and other filings; (d) all Claims based on, arising out of, or related to the misrepresentation of any of the Debtors’ or the KSMP Investment Entities’ financial information, assets and properties, business operations, or related internal controls; (e) all Claims based on, arising out of, or related to any failure to disclose, or actual or attempted cover up or obfuscation of, any of the wrongful conduct described in the Disclosure Statement, including with respect to any alleged fraud related thereto and undisclosed loans; (f) all Claims based on aiding or abetting, entering into a conspiracy with, or otherwise supporting Investment-related torts committed by the Debtors, the KSMP Investment Entities, or their agents; and (g) any Claims arising from or relating to TIC Interests; provided that any and all Equity Interests asserted by a Person or Entity in the Debtors via a Proof of Interest shall be deemed to be an Investor Claim for purposes of classification and distributions under the Plan, without any further notice, motion, complaint, objection, or other action or order of the Court.

76. **“Investor Ballot”** means the ballot form distributed to each Holder of an Investor Claim entitled to vote to accept or reject the Plan.

78. **“Investor Forfeiture Fund”** means a fund to be held in a separate account and administered by the Plan Recovery Trustee for the sole benefit of Investors, comprised of any and

Debtor.

95. **“Other Secured Claim”** means any Secured Claim of an Entity that is not a ~~Sold Property Secured Lender Claim, a Retained Property Secured Lender Claim, or a Settled~~ Secured Lender Claim.

96. **“Oversight Committee”** means a board for the Plan Recovery Trust, whose initial, volunteer members shall be chosen by the Committee and identified in the Plan Supplement.

97. **“Person”** means any “person,” as defined in section 101(41) of the Bankruptcy Code.

98. **“Petition Date”** means (a) August 6, 2024, when used in reference to Windscape Apartments, LLC; (b) October 2, 2024, when used in reference to Pinewood Condominiums, LP and Ponderosa Pines, LP; (c) November 22, 2024, when used in reference to K S Mattson Partners, LP; and (d) September 12, 2024, when used in reference to all other Debtors.

99. **“Plan”** means this Plan and all exhibits thereto, including the Plan Supplement, as the same may be amended, modified, or supplemented in the Plan Proponents’ reasonable discretion.

100. **“Plan Proponents”** means the Debtors, ~~excluding Live Oak Investments, LP,~~ and the Committee, as proponents of the Plan.

101. **“Plan Recovery Trust”** means a trust established on the Effective Date for the benefit of the Plan Recovery Trust Beneficiaries in accordance with the terms of the Plan and the Plan Recovery Trust Agreement.

102. **“Plan Recovery Trust Actions”** means, collectively, all Avoidance Actions and Causes of Action held by the Debtors, the KSMP Investment Entities, or the Estates and any Causes of Action that are contributed to the Plan Recovery Trust as Contributed Claims, in each case as against any Entity that is not a Debtor.

103. **“Plan Recovery Trust Agreement”** means the agreement substantially in the form Filed with the Plan Supplement establishing and delineating the terms and conditions of the Plan Recovery Trust, including the rights and duties of the Plan Recovery Trustee and the Oversight Committee.

104. **“Plan Recovery Trust Assets”** means, collectively, (a) the Plan Recovery Trust Actions, (b) Available Cash as of the Effective Date and Available Cash that is possessed by or turned over to the Plan Recovery Trust after the Effective Date, (c) the Retained Real Properties (which shall be subject to the terms and provisions of the applicable Secured Lender Settlement Agreement in relation to the applicable Settled Secured Lender Claim), and (d) other assets that may be transferred or otherwise provided, directly or indirectly, to or for the benefit of the Plan Recovery Trust (on or after the Effective Date) by any Person. The Investor Forfeiture Fund is not a Plan Recovery Trust Asset.

105. **“Plan Recovery Trust Beneficiary”** means each Holder of a Plan Recovery Trust Unit.

106. **“Plan Recovery Trust Expenses”** means any and all reasonable fees, costs, and expenses incurred by the Plan Recovery Trustee in managing and operating the Plan Recovery Trust not inconsistent with the Plan or the Plan Recovery Trust Agreement, including the maintenance or disposition of the Plan Recovery Trust Assets (including the Plan Recovery Trustee’s fees, indemnity reserves, attorneys’ fees, the fees of professionals and other Persons

1 119. **“Real Properties”** means any and all real property in which a Debtor holds a direct
2 or indirect ownership interest.

3 120. **“Rejection Claim”** means any Claim for monetary damages as a result of the
4 rejection of any prepetition executory contract or unexpired lease, whether rejected pursuant to the
Confirmation Order or otherwise.

5 121. **“Rejection Claims Bar Date”** means, to the extent not previously established by
6 prior order of the Bankruptcy Court, the first Business Day that is at least thirty (30) calendar days
after the Effective Date.

7 122. **“Related Parties”** means, collectively, all of the respective accountants, agents,
8 assigns, attorneys, bankers, consultants, directors, employees, executors, financial advisors,
9 investment bankers, managers, members, officers, partners, predecessors, principals, professional
10 persons, representatives, and successors of the referenced Person; *provided, however*, that the
Debtors’ Related Parties will be limited to the following Persons: the independent directors,
officers, attorneys, accountants, consultants, and professionals who are employed by the Debtors
on the Effective Date pursuant to an order of the Bankruptcy Court.

11 ~~123. **“Replacement Secured Note”** means notes bearing interest at a fixed rate equal to~~
12 ~~the Treasury Rate plus 2.75% and on other terms to be disclosed in the Plan Supplement, or on~~
13 ~~such other terms as are agreed to by the Plan Proponents and the applicable Holder or as~~
14 ~~determined by the Court after notice and hearing, to be issued by the Plan Recovery Trust to the~~
15 ~~Holders of Allowed Class 4 Claims (Retained Property Secured Lender Claims).~~

16 123. ~~124.~~ **“Responsible Individual”** means Robbin L. Itkin, the appointed responsible
17 individual of KSMP pursuant to Local Rule 4002-1.

18 124. ~~125.~~ **“Retained Property Secured Lender”** means a lender to a Debtor or an
19 affiliate of a Debtor (including, without limitation, a retail or commercial bank) that is not an
20 Investor and that purportedly holds a Secured Claim on account of a deed of trust or Lien against
one or more of the Real Properties that are Estate Assets as of the Effective Date.

21 ~~126. **“Retained Property Secured Lender Claims”** means any and all Secured Claims~~
22 ~~of Retained Property Secured Lenders in relation to one or more of the Retained Real Properties.~~

23 125. ~~127.~~ **“Retained Real Properties”** means the Real Properties identified in the Plan
24 Supplement as Real Properties to be retained by the Debtors and transferred to the Plan Recovery
Trust upon the Effective Date.

25 126. ~~128.~~ **“Schedule of Allowed Investor Amounts”** means a schedule, or any
26 applicable portion thereof, that will be established for each Investor in accordance with the Investor
Settlement Amount Procedures Order.

27 127. ~~129.~~ **“Schedule of Assumed Agreements”** means the schedule of those certain
28 executory contracts and unexpired leases that the Plan Proponents have determined that the
Debtors may assume and assign to the Plan Recovery Trust on the Effective Date. The initial
Schedule of Assumed Agreements will be Filed as part of the Plan Supplement, but remains subject
to any modifications that may be made prior to the Effective Date pursuant to Section 6.1 of the
Plan.

128. ~~130.~~ **“Schedule of Disclaimed Contributed Claims”** means the schedule of Causes
of Action that will be disclaimed as not Contributed Claims by the Plan Proponents prior to the
Effective Date, or the Plan Recovery Trustee after the Effective Date. All Causes of Action
identified on the Schedule of Disclaimed Contributed Claims will not be Contributed Claims for

purposes of the Plan.

129. ~~131.~~ **“Schedule of Excluded Parties”** means the list of Excluded Parties identified on **Exhibit B** to the Plan.

130. ~~132.~~ **“Scheduled”** means set forth in the Schedules.

131. ~~133.~~ **“Schedules”** means the respective Schedules of Assets and Liabilities and Statements of Financial Affairs Filed by the Debtors, as such Schedules may be amended from time to time in accordance with Bankruptcy Rule 1009.

132. ~~134.~~ **“SEC”** means the U.S. Securities and Exchange Commission.

133. ~~135.~~ **“Section 503(b)(9) Claim”** means a Claim arising under Bankruptcy Code section 503(b)(9) for the value of any goods that were received by the Debtors within twenty (20) calendar days before the applicable Petition Date and that were sold to the Debtors in the ordinary course of their business.

134. ~~136.~~ **“Secured Claim”** means a Claim that is secured by a valid, perfected, and enforceable Lien on property in which the Debtors or the Estates have an interest, which Lien is valid, perfected, and enforceable under applicable law and not subject to avoidance under the Bankruptcy Code or applicable non-bankruptcy law. A Claim is a Secured Claim only to the extent of the value of the Holder’s interest in the Debtors’ interest in the Collateral or to the extent of the amount subject to setoff against a Cause of Action held by the Debtors, whichever is applicable, and as determined under section 506(a) of the Bankruptcy Code. No Investor Claim shall be defined, classified, or treated as a Secured Claim under the Plan.

135. **“Secured Lender Claims”** means ~~any and all~~ the Secured Claims of Retained Property Secured Lenders, Sold Real Property Secured Lenders, and Settling Secured Lenders.

136. **“Secured Lender Settlement Agreement”** means ~~any and all settlement agreements between the Plan Proponents and a Settling Secured Lender resolving the treatment of the Settling Secured Lender’s Secured Lender Settlement Claim. The Socotra Settlement Agreement is a Secured Lender Settlement Agreement.~~

137. ~~“Settled-Secured Lenders”~~ means the Retained Property Secured Lenders, Claims” means any and all Secured Claims of the Settling Secured Lenders, and the Sold Real Property Secured Lenders. A Schedule of Secured Lender Claims is provided in Exhibit E to the Disclosure Statement.

138. ~~137.~~ **“Securities Act”** means the Securities Act of 1933, as amended.

139. ~~138.~~ **“Settling Secured Lender”** means any Holder of a Secured Claim that enters into a Secured Lender Settlement Agreement prior to the Effective Date. Socotra is a Settling Secured Lender.

~~139. “Secured Lender Settlement Agreement” means any and all settlement agreements between the Plan Proponents and a Settling Secured Lender resolving the treatment of the Settling Secured Lender’s Secured Lender Settlement Claim. The Socotra Settlement Agreement is a Secured Lender Settlement Agreement.~~

~~140. “Settled-Secured Lender Claims” means any and all Secured Claims of the Settling Secured Lenders.~~

140. ~~141.~~ **“Socotra”** means Socotra Capital, Inc. and its affiliates identified in the

1 Socotra Settlement Agreement.

2 ~~141.~~ ~~142.~~ **“Socotra Claims”** means all Claims of Socotra identified in the Socotra
3 Settlement Agreement.

4 ~~142.~~ ~~143.~~ **“Socotra Settlement Agreement”** means that certain *Settlement Agreement*
5 dated as of October 14, 2025 by and among the Debtors, the Committee and Socotra [Docket No.
6 2556]~~], approved by and subject to the Socotra Settlement Order.~~

7 ~~143.~~ **“Socotra Settlement Order”** means the Court’s Order entered on November 14,
8 2025 [Docket No. 2852], approving the Socotra Settlement Agreement and granting related relief.

9 ~~144.~~ **“Sold Real Properties”** means ~~the Real Properties that are not identified in the Plan~~
10 ~~Supplement as Real Properties to be retained by the Debtors and transferred to the Plan Recovery~~
11 ~~Trust upon the Effective Date, or that otherwise have been sold or transferred by the Debtors to a~~
12 ~~third party prior to the Effective Date.~~

13 ~~145.~~ **“Sold Real Property Secured Lender”** means a lender to a Debtor or an affiliate
14 of a Debtor (including, without limitation, a retail or commercial bank) that is not an Investor and
15 that purportedly held a Secured Claim on account of a deed of trust or Lien against one or more of
16 the Real Properties sold by the Debtors prior to the Effective Date.

17 ~~145.~~ **“Sold Property Secured Lender Claims”** means ~~any and all Secured Claims of~~
18 ~~Sold Property Lenders in relation to the proceeds from one or more of the Real Properties.~~

19 ~~146.~~ **“Solicitation Procedures Order”** means the order approving the Disclosure
20 Statement, authorizing the Plan Proponents to solicit acceptances of the Plan, and establishing
21 certain related procedures and deadlines.

22 ~~147.~~ **“TIC Interest”** means respective tenant-in-common interests of non-debtor parties
23 in Real Properties owned in part by the Debtors.

24 ~~148.~~ **“Trade Claims”** means all non-priority unsecured Claims that are not Investor
25 Claims, including, without limitation, (i) all such Claims owed to the Debtors’ and the KSMP
26 Investment Entities’ vendors, suppliers and providers of goods and services received by the
27 Debtors and the KSMP Investment Entities during the ordinary course of business prepetition on
28 account of or relating to such goods and services, and (ii) Rejection Claims.

~~149.~~ **“Trade Claims Settlement Fund”** means \$4,000,000 in Cash, free and clear of all
claims and interests, funded from Available Cash of the Debtors on the Effective Date, which will
fund a payment of Cash on a Pro Rata basis to Holders of Allowed Class ~~64~~ Claims in accordance
with the Plan if Class ~~64~~ votes to accept the Plan; *provided that* if Class ~~64~~ votes to reject the Plan,
there will be no Trade Claims Settlement Fund. The Trade Claims Settlement Fund will be
administered by the Plan Recovery Trustee.

~~150.~~ **“Treasury Rate”** means the yield to maturity of United States Treasury securities
with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical
Release H.15 (519) that has become publicly available at least two business days prior to the
Effective Date (or, if such Statistical Release is no longer published, any publicly available source
of similar market data)) most nearly equal to the period from the Effective Date to the Maturity
Date; *provided, that* if no published maturity exactly corresponds with such period, then the
Treasury Rate shall be interpolated or extrapolated on a straight-line basis from the arithmetic
mean of the yields for the next shortest and next longest published maturities.

~~151.~~ **“Unimpaired”** means any Class of Claims that is not impaired within the meaning

EXHIBIT C

LFM Debtors

Debtor Name	Petition Date	Tax ID	Case No.
Apan Partners LLC	9/12/2024	N/A	24-10487
Autumn Wood I, LP	9/12/2024	20-0164208	24-10488
Bay Tree, LP	9/12/2024	82-1071378	24-10489
Beach Pine, LP	9/12/2024	83-2643272	24-10490
Bishop Pine, LP	9/12/2024	83-2643038	24-10491
Black Walnut, LP	9/12/2024	47-2451858	24-10492
Buck Avenue Apartments, LP	9/12/2024	54-2090323	24-10493
Buckeye Tree, LP	9/12/2024	88-2980108	24-10494
Bur Oak, LP	9/12/2024	87-4699497	24-10495
Butcher Road Partners, LLC	9/12/2024	45-5159521	24-10496
California Investment Properties, a California corporation	9/12/2024	30-0289474	24-10543
Cambria Pine, LP	9/12/2024	83-2644771	24-10497
Chestnut Oak, LP	9/12/2024	87-4702239	24-10498
Country Oaks I, LP	9/12/2024	26-0860694	24-10499
Divi Divi Tree, L.P.	9/12/2024	71-0926806	24-10500
Douglas Fir Investments, LP	9/12/2024	47-4674444	24-10501
Firetree I, LP	9/12/2024	82-3519393	24-10502
Firetree II, LP	9/12/2024	82-3519554	24-10503
Firetree III, LP	9/12/2024	82-3919655	24-10504
Foxtail Pine, LP	9/12/2024	83-2643197	24-10505
Ginko Tree, LP	9/12/2024	88-2960976	24-10506
Golden Tree, LP	9/12/2024	82-1060045	24-10507
Hagar Properties, LP	9/12/2024	04-3598044	24-10508
Heacock Park Apartments, LP	9/12/2024	46-3737509	24-10509
Home Tax Service of America, Inc.	9/12/2024	68-0262554	24-10544
LeFever Mattson I, LLC	9/12/2024	47-4960075	24-10510
LeFever Mattson, a California corporation	9/12/2024	68-0197537	24-10545
Live Oak Investments, LP	9/12/2024	47-3786181	24-10511
Monterey Pine, LP	9/12/2024	83-2644824	24-10512
Napa Elm, LP	9/12/2024	54-2090332	24-10513
Nut Pine, LP	9/12/2024	83-2661795	24-10514
Pinecone, LP	9/12/2024	84-2395880	24-10515
Pinewood Condominiums, LP	10/2/2024	54-2090329	24-10598
Ponderosa Pines, LP	10/2/2024	N/A 81-2078820	24-10599
Red Cedar Tree, LP	9/12/2024	88-3572519	24-10517
Red Mulberry Tree, LP	9/12/2024	88-3572594	24-10518

EXHIBIT 2

**Comparison of First Amended Disclosure Statement to
Second Amended Disclosure Statement
(Changed Pages Only)**

1 THIS DOCUMENT IS NOT A SOLICITATION OF VOTES ON THE PLAN. VOTES MAY NOT BE
2 SOLICITED UNTIL THE BANKRUPTCY COURT HAS APPROVED A DISCLOSURE STATEMENT. THIS
3 DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN
4 APPROVED BY THE BANKRUPTCY COURT. ALL OF THE INFORMATION IN THIS PROPOSED
5 DISCLOSURE STATEMENT IS SUBJECT TO CHANGE. THIS DISCLOSURE STATEMENT IS NOT AN
6 OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY ANY SECURITIES.

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re

LEFEVER MATTSON,
a California corporation, *et al.*,

Debtors.

Case No. 24-10545 CN (Lead Case)

(Jointly Administered)

Chapter 11

**SECOND AMENDED DISCLOSURE
STATEMENT IN SUPPORT OF
~~FIRST~~SECOND AMENDED JOINT
CHAPTER 11 PLAN OF LIQUIDATION**

In re

KS MATTSON PARTNERS, LP,

Debtor.

Date: ~~Nov~~December ~~19~~3, 2025
Time: 11:00 a.m. (Pacific Time)
Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 215
Oakland, CA 94612
Judge: Hon. Charles Novack

JOINT PLAN PROPONENTS

LEFEVER MATTSON DEBTORS
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THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
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DISCLAIMER

THIS DISCLOSURE STATEMENT PROVIDES INFORMATION REGARDING THE ~~FIRST~~SECOND AMENDED JOINT CHAPTER 11 PLAN OF LEFEVER MATTSON, KS MATTSON PARTNERS, AND THEIR AFFILIATED DEBTORS PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, WHICH PLAN THE LFM DEBTORS, THE KSMP DEBTORS, AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS ARE SEEKING TO HAVE CONFIRMED BY THE BANKRUPTCY COURT. THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED FOR PURPOSES OF SOLICITING ACCEPTANCES TO, AND CONFIRMATION OF, THE PLAN AND MAY NOT BE RELIED ON FOR ANY OTHER PURPOSE. APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE A DETERMINATION OR RECOMMENDATION BY THE BANKRUPTCY COURT REGARDING THE FAIRNESS OR THE MERITS OF THE PLAN.

THIS DISCLOSURE STATEMENT CONTAINS SUMMARIES OF CERTAIN PROVISIONS OF THE PLAN, CERTAIN STATUTORY PROVISIONS, AND CERTAIN DOCUMENTS RELATING TO THE PLAN. IN THE EVENT OF ANY CONFLICT, INCONSISTENCY, OR DISCREPANCY BETWEEN THE TERMS AND PROVISIONS IN THE PLAN AND THIS DISCLOSURE STATEMENT, THE PLAN SHALL GOVERN FOR ALL PURPOSES. ALL HOLDERS OF CLAIMS SHOULD READ THIS DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING ON THE PLAN.

THE STATEMENTS CONTAINED HEREIN HAVE BEEN MADE AS OF THE DATE HEREOF UNLESS OTHERWISE SPECIFIED. HOLDERS OF CLAIMS AND EQUITY INTERESTS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER AT THE TIME OF SUCH REVIEW THAT THERE HAVE BEEN NO CHANGES IN THE FACTS SET FORTH HEREIN. ALTHOUGH THE LFM DEBTORS AND THE KSMP DEBTORS (COLLECTIVELY, THE “DEBTORS”) HAVE MADE AN EFFORT TO DISCLOSE WHERE CHANGES IN PRESENT CIRCUMSTANCES COULD REASONABLY BE EXPECTED TO AFFECT MATERIALLY THE RECOVERIES UNDER THE PLAN, THIS DISCLOSURE STATEMENT IS QUALIFIED TO THE EXTENT CERTAIN EVENTS DO OR DO NOT OCCUR.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR ANY OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR ANY FEDERAL, STATE, LOCAL, OR FOREIGN REGULATORY AGENCY, NOR HAS THE SEC OR ANY OTHER SUCH AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT. ALL PERSONS OR ENTITIES SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE SPECIFIC PURPOSE FOR WHICH THE DOCUMENTS WERE PREPARED.

THE PLAN PROPONENTS MAKE STATEMENTS IN THIS DISCLOSURE STATEMENT THAT MAY BE CONSIDERED FORWARD-LOOKING STATEMENTS UNDER THE FEDERAL SECURITIES LAWS. STATEMENTS CONCERNING THESE AND OTHER

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<p style="text-align: center;">THE EXHIBITS ATTACHED TO THIS DISCLOSURE STATEMENT ARE INCORPORATED BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN</p>

I.

INTRODUCTION

LeFever Mattson, a California corporation (“LFM”), its affiliated debtors and debtors in possession (collectively with LFM, the “LFM Debtors”); KS Mattson Partners, LP (“KSMP” and, together with the LFM Debtors, the “Debtors”); and the Official Committee of Unsecured Creditors appointed in the above-captioned chapter 11 cases (the “Cases”) to represent the interests of unsecured creditors and investors of the Debtors (the “Committee” and, together with the Debtors, the “Plan Proponents”)¹ hereby submit this Disclosure Statement pursuant to sections 1125 and 1126(b) of the Bankruptcy Code, in connection with the solicitation of votes on the ~~First~~Second Amended Joint Chapter 11 Plan of Liquidation [Docket No. ~~2561~~2944] (as amended, modified, or supplemented from time to time pursuant to its terms, the “Plan”). A copy of the Plan is attached hereto as **Exhibit A**.²

The Debtors and the Committee support confirmation of the Plan.

This Disclosure Statement describes the historical background that led to the commencement of the Cases, explains what has happened during the Cases, and sets forth the Plan’s proposed treatment of creditors, including those holding or asserting investments in or with the Debtors and/or claims related to such investments (“Investors”).³ The purpose of this Disclosure Statement is to enable

¹ ~~Debtor Live Oak Investments, LP is not a Plan Proponent; however, the Plan provides for the substantive consolidation of Debtor Live Oak Investments, LP with the other Debtors and its creditors and investors will be entitled to vote on the Plan~~

² The summary of the Plan provided herein is qualified in its entirety by reference to the Plan. In the case of any inconsistency between the summary herein and the Plan, the Plan shall govern. All capitalized terms used but not defined herein shall have the meanings provided to such terms in the Plan.

³ The Plan more specifically defines an “Investor” as a Person or Entity that holds an Investor Claim. “Investor Claims” are defined in the Plan as: “any Claim ~~against a Debtor~~ arising from or relating to an Investment, including, without limitation, (a) all Claims (including any contract or related Claims) based on, arising out of, or related to any Investments including the validity, marketing, sale, and issuance thereof; (b) all Claims for fraud, unlawful dividend, fraudulent conveyance, fraudulent transfer, voidable transaction, or other avoidance claims under state or federal law; (c) all Claims arising from or related to the preparation or filing of the Debtors’ and/or their affiliates’ (including the KSMP Investment Entities’) federal, state, local, or other tax returns, forms, and other filings; (d) all Claims based on, arising out of, or related to the misrepresentation of any of the Debtors’ or the KSMP Investment Entities’ financial information, assets and properties, business operations, or related internal controls; (e) all Claims based on, arising out of, or related to any failure to disclose, or actual or attempted cover up or obfuscation of, any of the wrongful conduct described in the Disclosure Statement, including with respect to any alleged fraud related thereto and undisclosed loans; (f) all Claims based on aiding or abetting, entering into a conspiracy with, or otherwise supporting Investment-related torts committed by the Debtors, the KSMP Investment Entities, or their agents; and (g) any Claims arising from or relating to TIC Interests; provided that any and all Equity Interests asserted by a Person or Entity in the Debtors via a Proof of Interest shall be deemed to be an Investor Claim for purposes of classification and distributions under the Plan, without any further notice, motion, complaint, objection, or other action or order of the Court.”

Investors and other creditors whose claims are impaired under the Plan and who are entitled to vote on the Plan to make an informed decision when choosing to accept or reject the Plan. This Disclosure Statement describes the terms and provisions of the Plan, the effects of confirmation of the Plan, the risk factors associated with the Plan, and the manner in which distributions will be made under the Plan. In addition, this Disclosure Statement discusses the confirmation process and the voting and election procedures that Investors and other creditors entitled to vote under the Plan must follow for their votes to be counted.

A. Overview of the Plan

1. General Structure of the Plan

A bankruptcy plan is a vehicle for satisfying the rights of holders of claims against and equity interests in a debtor. Confirmation of a plan is the overriding purpose of a chapter 11 case. Upon confirmation and effectiveness, a plan becomes binding on the debtor and all of its creditors and equity interest holders, whether or not they voted to accept the plan.

Since the Committee's appointment, the Debtors and the Committee, through months of cooperation, information gathering, and negotiation for the benefit of all Investors and other creditors, reached a global resolution, embodied in the proposed Plan, aimed at: (i) mitigating the damage inflicted on Investors by Mr. Kenneth Mattson's financial misconduct and (ii) developing a level playing field that treats Investors as equally and fairly as possible and provides them a recovery as quickly as possible.

The Debtors and the Committee have conducted a comprehensive joint investigation into the prepetition conduct of the Debtors, their principals, and relevant third parties (the "Investigation"). As part of their Investigation, the Plan Proponents have issued more than 30 subpoenas, collected more than one million documents, and engaged in a process to review the approximately 1,621⁵² filed proofs of claim and approximately 1,097⁸¹⁷ filed proofs of interest (asserting over 1,800 subclaims).

As a result of the Investigation, the Debtors and the Committee have reached the following material conclusions, among others:

1. The Debtors operated a **Ponzi scheme**, a central feature of which was a bank account maintained at Bank of the West (subsequently acquired by BMO Bank) ending in 1059

and primarily controlled by Mr. Mattson (the “1059 Account”).

2. The Debtors’ books and records are **incomplete**, such that determining with certainty the ownership structure of each Debtor would be cost prohibitive *and may not be possible*.
3. The Debtors’ prepetition operations involved a **vast array of intercompany transactions and transfers** among the Debtors that would be cost-prohibitive to untangle and validate, *if such disentanglement is even possible*.
4. The Debtors **routinely moved real estate from one entity to another entity**, which may have also artificially inflated the value of certain properties and enabled Mr. Mattson to place **undisclosed loans** on properties.

Under the circumstances, the Debtors and the Committee have determined that it is in the best interests of ~~the Debtors’~~ Investors and other creditors to propose a global settlement (the “Global Settlement”)—to be effectuated through the ~~proposed~~ Plan—that treats Investors and other creditors fairly without incurring the considerable additional professional fees and costs that would be necessary to attempt to fully disentangle the Debtors. A comprehensive discussion of the facts and circumstances supporting the Global Settlement ~~is attached hereto as~~ Exhibit E has been separately filed with the Court at Docket No. 2568 (the “Investigation Report”), which can be accessed from the Debtors’ restructuring website at <https://veritaglobal.net/LM>.

The Debtors and the Committee have negotiated the Plan and Global Settlement. The Global Settlement avoids the delay, risk, and cost of litigating substantive consolidation (as defined below) and the scope and start date of the Ponzi scheme. The Global Settlement embodied in the Plan acknowledges the wide-ranging Ponzi scheme and provides for substantive consolidation of all the Debtors’ estates, as well as three non-debtor entities, into LFM.

The Plan provides for a single class of Investor Claims (not subclasses for each Debtor): Class 75. The Plan treats all Investors the same, as holders of tort claims against the Debtors, regardless of the nature or documentation of their investment and regardless of whether their investment is recorded in the Debtors’ books and records. This Investor class will vote as one class to accept or reject the Plan, so that the overall will of the Investor community is captured. If Class 75

1 accepts the Plan, the Debtors and the Committee will move forward with confirmation of the Plan,
2 including the substantive consolidation of the Debtors and KSMP Investment Entities. If the Investor
3 class rejects the Plan, the Debtors and the Committee will **not** move forward with the Plan. In the
4 event Class 75 rejects the Plan, the Debtors and Committee will need to incur additional fees and
5 expenses to develop an alternative path forward.

6 The ~~proposed~~ Plan is a “**single pot**” plan, meaning that it pools and consolidates all of the
7 assets and liabilities of all of the Debtors and the KSMP Investment Entities for distribution purposes.⁴
8 This pooling is known as **substantive consolidation**. Under the Plan, no third parties—including Mr.
9 Mattson and Mr. Timothy LeFever—will receive a release for their conduct related to the Debtors.

10 The Plan further provides, in accordance applicable Ponzi scheme case law, that Investor
11 claims will be “netted” to make sure all Investors are treated fairly. Specifically, pursuant to the Global
12 Settlement, each Investor will receive (a) a claim for the total amount of money (or value of property)
13 it invested in the Debtors over time *less* the total amount of any distributions the Investor received
14 over the **seven years** prior to September 12, 2024 (referred to as the **Investor Tranche 1 Claim**) and
15 (b) a separate claim for the amount of those deducted distributions (referred to as the **Investor**
16 **Tranche 2 Claim**) (if any). The Plan provides that Investors will first receive their *pro rata*
17 distribution of available assets on account of their Investor Tranche 1 Claim. If and when each Investor
18 Tranche 1 Claim is paid in full, Investors will then receive their *pro rata* distribution of available assets
19 on account of their Investor Tranche 2 Claim (if any).

20 A key consideration of the Global Settlement is that rather than net distributions from the
21 suspected Ponzi start date (more than a decade ago), the Investor Tranche 1 Claim will be calculated
22 based on payments made to Investors **seven years** prior to September 12, 2024. In other words, under
23 the Global Settlement, an Investor that has received distributions from the Debtors for 15 years will
24 have its claim reduced by the amount of distributions over the last seven years, not the full 15 years.
25 This is necessary because of the state of the business records, the costs required to net the claims from
26 an earlier date, and to assure all Investors are treated the same.

27 ⁴ By way of example, if Entity A holds \$100 of assets and owes \$0 of liabilities, and Entity B holds \$0 of assets and
28 owes \$100 of liabilities, and if those two entities are substantively consolidated, the resulting entity will hold \$100 of
assets and owe \$100 of liabilities.

complete description of the classification and treatment of Claims and Equity Interests, reference should be made to the Plan.

CLASS	DESCRIPTION	IMPAIRMENT	ENTITLED TO VOTE?	PROJECTED RECOVERY
None	Administrative Claims	Unimpaired	No	100%
None	DIP Claims	Unimpaired	No	100%
None	Priority Tax Claims	Unimpaired	No	100%
Class 1	Priority Claims	Unimpaired	No	100%
Class 2	Other Secured Claims	Unimpaired	No	100%
Class 3	Sold Property Secured Lender Claims⁷	Impaired	Yes	100%
Class 4	Retained Property Secured Lender Claims⁸	Impaired	Yes	100%
Class 53	Settled Secured Lender Claims ⁹	Impaired	Yes	100%
Class 64	Trade Claims	Impaired	Yes	72.7%-100% ¹⁰
Class 75	Investor Claims	Impaired	Yes	21.1 19.7% - 40.6% 35.9% ¹¹ (Tranche 1 Claims)
Class 86	Intercompany Claims	Impaired	No	0%
Class 97	Equitably Subordinated Claims	Impaired	No	0%
Class 108	Equitably Subordinated Interests	Impaired	No	0%

THE PLAN PROPONENTS BELIEVE THAT THE PLAN IS FAIR AND EQUITABLE, WILL MAXIMIZE RECOVERIES TO INVESTORS AND OTHER CREDITORS, AND IS IN THE BEST INTERESTS OF THE DEBTORS AND THEIR STAKEHOLDERS. THE PLAN ALSO IS THE PRODUCT OF THE PLAN PROPONENTS' EXTENSIVE NEGOTIATIONS.

FOR THESE REASONS, THE PLAN PROPONENTS URGE HOLDERS OF CLAIMS WHO ARE ENTITLED TO VOTE TO TIMELY RETURN THEIR BALLOTS AND TO VOTE TO ACCEPT THE PLAN.

⁷—For voting purposes and to comply with section 1122(a) of the Bankruptcy Code, each Allowed Sold Property Secured Lender Claims shall be deemed to be in its own subclass. A listing of Sold Property Secured Lender Claims will be included in the forthcoming Plan Supplement. The Plan Proponents reserve the right to assert that the treatment provided to the Holders of Class 3 Claims pursuant to the Plan renders such Claims unimpaired.

⁸—For voting purposes and to comply with section 1122(a) of the Bankruptcy Code, each Allowed Retained Property Secured Lender Claim shall be deemed to be in its own subclass. A listing of Retained Property Secured Claims will be included in the forthcoming Plan Supplement.

⁹ For voting purposes and to comply with section 1122(a) of the Bankruptcy Code, each Allowed ~~Settled~~ Secured Lender Claims shall be deemed to be in its own subclass. A ~~listing of Settled~~ Schedule of Secured Lender Claims will be included in the forthcoming Plan Supplement, which listing shall be subject to amendment until the Effective Date. Subclasses, listing the subclasses and applicable voting amounts of the Secured Lenders, is provided in Exhibit E attached hereto. If a Holder's Class 3 Claim is paid in full between the Voting Record Date and the Confirmation Date, the Holder's Class 3 vote on the Plan will not be counted. The Plan Proponents reserve the right to assert that the treatment provided to the Holders of Class 3 Claims pursuant to the Plan renders such Claims unimpaired.

¹⁰— Assumes that Class ~~64~~ votes to accept the Plan.

¹¹ The estimated recovery is with respect to an Investor's Allowed Investor Tranche 1 Claim. The Plan provides that Investors will first receive their *pro rata* distribution of available assets on account of their Allowed Investor Tranche 1 Claim. If and when each Allowed Investor Tranche 1 Claim is paid in full, Investors will then receive their *pro rata* distribution of available assets on account of their Allowed Investor Tranche 2 Claim (if any). There is no expected recovery under the Plan for Investors on account of their Allowed Investor Tranche 2 Claims. See Liquidation and Recovery Analysis.

1 **B. Plan Voting Instructions and Procedures**

2 **1. Voting Rights**

3 Under the Bankruptcy Code, only classes of claims or interests that are “impaired” and that are
4 not deemed as a matter of law to have rejected a plan under section 1126 of the Bankruptcy Code are
5 entitled to vote to accept or reject such plan. Any class that is “unimpaired” is not entitled to vote to
6 accept or reject a plan and is conclusively presumed to have accepted the plan. As set forth in section
7 1124 of the Bankruptcy Code, a class is “impaired” if the legal, equitable, or contractual rights
8 attaching to the claims or equity interests of that class are modified or altered by the proposed plan.
9 Holders of claims or interests within an impaired class are entitled to vote to accept or reject a plan if
10 such claims or interests are “allowed” under section 502 of the Bankruptcy Code. **Simply put:** not
11 everyone gets to vote on the Plan. In some cases, the law already assumes an answer—either yes (if
12 one’s rights aren’t being changed) or no (if one will not receive or retain any property). But if one’s
13 rights are being changed by the Plan, and if that person’s claims qualify as “allowed,” then that person
14 will have the right to cast a vote.

15 Under the Bankruptcy Code, acceptance of a plan by a class of claims is determined by
16 calculating the number and the amount of allowed claims voting to accept the plan. Acceptance by a
17 class of claims requires (i) more than one-half of the number of total allowed claims voting in the class
18 to vote in favor of the plan *and* (ii) at least two-thirds in dollar amount of the total allowed claims
19 voting in the class to vote in favor of the plan. Only those non-insider holders that actually vote to
20 accept or reject the plan are counted for purposes of determining whether these dollar and number
21 thresholds are met. Thus, for a class to accept the Plan, it is necessary that a majority of those **voting**
22 and at least two-third of the dollars represented by those votes say “yes.”—

23 Pursuant to the Plan, Claims in Class 3 (~~Sold Property Secured Claims~~), ~~Class 4 (Retained~~
24 ~~Property Secured Claims)~~, ~~Class 5 (Settled Secured Lender Claims)~~, Class 64 (Trade Claims), and
25 Class 75 (Investor Claims) are impaired and entitled to receive distributions.¹² Holders of Claims in
26
27

28 ¹²—The Plan Proponents reserve the right to assert that the treatment provided to the Holders of Class 3 Claims pursuant to the Plan renders such Claims unimpaired.

those Classes—as of the dates specified in the Solicitation Procedures Order (the “Voting Record Date”)—may vote on the Plan.

Under the Plan, the remaining classes are not entitled to vote. Claims in Class 1 (Priority Claims) and Class 2 (Other Secured Claims) are unimpaired by the Plan—they will be paid in full—and are therefore conclusively presumed to have accepted the Plan without a vote. Claims in Class 86 (Intercompany Claims), Class 97 (Equitably Subordinated Claims), and Class 108 (Equitably Subordinated Interests) will not receive or retain any property under the Plan and are therefore deemed to have rejected the Plan without a vote. In short, Classes 1 and 2 are treated as if they voted “yes,” while Classes 86, 97, and 108 are treated as if they voted “no.”

2. Solicitation Materials

The Debtors, with the approval of the Bankruptcy Court, have engaged Verita Global (the “Voting Agent”) to serve as the voting agent to process and tabulate Ballots and to generally manage the voting process. The following materials constitute the solicitation package to be received by Holders of Claims entitled to vote on the Plan (the “Solicitation Package”):

- A cover letter describing the contents of the Solicitation Package and directing parties to the website at which they may view the Disclosure Statement and the exhibits thereto, including the Plan and the exhibits attached thereto;
- The Bankruptcy Court order approving this Disclosure Statement (the “Solicitation Procedures Order”) (excluding exhibits);
- For Holders of Class 75 Investor Claims only, the Plan Summary;
- The notice of, among other things, (i) the date, time, and place of the hearing to consider Confirmation of the Plan and related matters and (ii) the deadline for filing objections to Confirmation of the Plan (the “Confirmation Hearing Notice”);
- One or more Ballots, to be used in voting to accept or to reject the Plan and, in the case of Investors the applicable instructions to vote (the “Voting Instructions”);¹³
- A pre-addressed, postage prepaid return envelope; and

¹³ The amount of the Investor Claim on the Ballot is for voting purposes only. Allowed Investor Claims for distribution purposes shall be established separately in accordance with the process and procedures described in the *Joint Motion for the Entry of an Order Approving Settlement Procedures with Respect to Investor Claims* and/or further order(s) of the Bankruptcy Court.

- Such other materials as the Bankruptcy Court may direct or approve.

The Debtors, through the Voting Agent, will distribute the Solicitation Package in accordance with the Solicitation Procedures Order. The Solicitation Package, exclusive of Ballots, is also available without charge on the Debtors' restructuring website at <https://veritaglobal.net/LM>.

Well prior to the Voting Deadline (defined below), the Plan Proponents will file a Plan Supplement that will contain additional information relating to the Plan and its implementation, including the Plan Recovery Trust Agreement. You are encouraged to read the Plan Supplement and its attachments. As the Plan Supplement is updated or otherwise modified, it will be made available without charge on the Debtors' restructuring website at <https://veritaglobal.net/LM>.

If you believe that you are entitled to vote on the Plan but do not receive a Ballot, if your Ballot is damaged or illegible, or if you have any questions concerning voting procedures, you should contact the Voting Agent by writing to:

LeFever Mattson Ballot Processing Center
c/o KCC dba Verita
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245
(877) 709-4751 (U.S./Canada)
(424) 236-7231 (International)

Copies of the Plan, Disclosure Statement, and other documents filed in these Cases also may be obtained free of charge on the Debtors' restructuring website at <https://veritaglobal.net/LM>.

You are encouraged to read the materials in the Solicitation Package in their entirety, including, without limitation, the Solicitation Procedures Order and the Voting Instructions for important information about how and when to cast your vote and special procedures for estimating the amount of your claim **FOR VOTING PURPOSES ONLY**, among other things.

The deadline to vote on the Plan is January 7²¹, 2026 at 11:59 p.m. (Pacific Time) (the "Voting Deadline"). In order for your vote to be counted, your Ballot must be properly completed in accordance with the Voting Instructions on the Ballot and **actually received** no later than the Voting Deadline.

1 **ALL BALLOTS ARE ACCOMPANIED BY VOTING INSTRUCTIONS. IT IS**
2 **IMPORTANT THAT THE HOLDER OF A CLAIM ENTITLED TO VOTE FOLLOW THE**
3 **SPECIFIC INSTRUCTIONS PROVIDED WITH EACH BALLOT.**

4 The Voting Agent will process and tabulate Ballots for the Classes entitled to vote to accept or
5 reject the Plan and will file a voting report (the “Voting Report”). The Voting Report will, among
6 other things, describe every Ballot that does not conform to the Voting Instructions or that contains
7 any form of irregularity, including, but not limited to, those Ballots that are late, illegible (in whole or
8 in material part), unidentifiable, lacking signatures, lacking necessary information, or damaged.

9 **THE PLAN PROPONENTS URGE HOLDERS OF CLAIMS WHO ARE ENTITLED**
10 **TO VOTE TO RETURN THEIR BALLOTS BY THE VOTING DEADLINE AND TO VOTE**
11 **TO ACCEPT THE PLAN.**

12 **3. Election on Investor Ballots to Contribute Certain Claims**

13 The Ballots also permit each Investor—*i.e.*, each Holder of a Class 75 Claim—to assign its
14 Contributed Claims to the Plan Recovery Trust. By casting a Ballot to accept the Plan and not opting
15 out of the Contributed Claim Election, an Investor agrees that, subject to the Effective Date and the
16 formation of the Plan Recovery Trust, it will be deemed to have assigned its Contributed Claims to
17 the Plan Recovery Trust (provided that such Claims are not listed in the Schedule of Disclaimed
18 Contributed Claims). Investors may wish to make this election because aggregating all Contributed
19 Claims and similar Plan Recovery Trust Actions can allow these claims to be pursued and resolved
20 more efficiently and effectively.

21 Pursuant to the Plan, “Contributed Claims” includes all Causes of Action that are legally
22 assignable (including Causes of Action that are legally assignable solely because of the preemptive
23 effect of the Plan) that an Investor has against any Person that is not a Debtor and that are related in
24 any way to the Debtors, their predecessors, their respective affiliates, or any Excluded Parties.

25 If an Investor elects to contribute its Contributed Claims to the Plan Recovery Trust, that
26 Investor will receive a Pro Rata Distribution of Class C Plan Recovery Trust Units on the Effective
27 Date, or as soon as practicable thereafter. The distribution will be based on the ratio of (a) the
28

Investor's Allowed Investor Claim to (b) the total Allowed Investor Claims of all Investors that make the Contributed Claims Election.

In the event that an Investor intends to apply certain IRS safe harbor procedures relating to the deduction of losses realized by investors in certain fraudulent investment schemes, the transfer by such Investor of a claim against a third party to the liquidating trust may affect the manner in which such safe harbor procedures can be applied. Accordingly, Investors are urged to consult with their own tax advisors regarding the potential tax consequences to them of transferring third party claims to the liquidating trust, including the effect of such transfer on the manner in which the IRS safe harbor procedures relating to the deduction of losses realized by investors in certain fraudulent investment schemes may be applied.

4. Confirmation Hearing and Deadline for Objections to Confirmation

Objections to Confirmation of the Plan must be Filed and served on the Plan Proponents and certain other entities, all in accordance with the Confirmation Hearing Notice, so that such objections are **actually received** by no later than **January 7²¹, 2026 at 11:59 p.m. (Pacific Time)**. Unless objections to Confirmation of the Plan are timely served and Filed in compliance with the Solicitation Procedures Order, they may not be considered by the Bankruptcy Court. For further information, refer to Section VI of this Disclosure Statement, "Confirmation of the Plan."

II.

BACKGROUND

A. Overview of Debtors' Organizational Structure, History, and Business

1. The LFM Debtors

LFM manages a large real estate portfolio. Mr. LeFever and Mr. Mattson each own 50% of the equity in LFM. For decades, the company's business has been the ownership of investment real estate—single family homes as well as multi-unit properties. Originally, properties were owned by LFM alone or as a tenant in common with other investors. Eventually the business model shifted to creating limited liability companies, and then limited partnerships, to purchase multi-family or other commercial properties.¹⁴ This structure allowed LFM to pool more capital by selling limited interests

¹⁴ Under this shifted business model, investors who were tenants in common often deeded their interest in the property

Investment Entities, for rents and expenses (the “Trust Accounts”). The Property Manager maintains the books and records of each of the LFM Investment Entities (the “LFM Debtors’ Records”), except as noted below with respect to the Mattson Maintained Debtors and LFM, including the identity of Record Investors in each LFM Investment Vehicle¹⁶ (the “LFM Debtors’ Investment Records”). The Property Manager also made payments to Record Investors in the LFM Investment Entities on account of their investments. However, the Property Manager did not maintain the books and records of eight of the LFM Debtors (collectively, the “Mattson Maintained Debtors”);¹⁷ although LFM is the general partner or managing member of each of the Mattson Maintained Debtors, the Property Manager understood that Mattson (or KSMP) maintained the books and records for such entities and did not manage Properties for the Mattson Maintained Debtors.

Bradley D. Sharp, (the President and Chief Executive Officer of Development Specialists, Inc. (“DSI”)), was appointed as the Responsible Individual for each LFM Debtor pursuant to local Bankruptcy Rule 4002-1 [Docket Nos. 11, 30, 48]. Mr. Sharp is the individual with primary responsibility for the duties and obligations of each LFM Debtor during the Cases. Mr. Sharp and DSI were first engaged as financial advisors by the LFM Debtors in July 2024.

As of October 31, 2025, the LFM Debtors had approximately \$29,494,323.00 of cash on hand in the aggregate and the fair market value of their remaining real estate was approximately \$230,684,500.00 in the aggregate.

2. The KSMP Debtors

KSMP was formed as a California limited partnership on August 16, 1999, to manage and develop the Mattson family assets. KSMP’s partnership interests are held by Mr. Mattson (49%), his wife Stacy Mattson (49%), and K S Mattson Company, LLC (“KSMC”) (2%). KSMC is the general partner of KSMP; Mr. and Mrs. Mattson each hold 50% of the membership interests in KSMC, with Mr. Mattson serving as KSMC’s managing member.

¹⁶ “LFM Investment Vehicle” includes not only the LFM Investment Entities, but also Properties for which LFM pooled more capital by selling limited interests to a small number of accredited investors.

¹⁷ The Mattson Maintained Debtors are: Apan Partners, LLC; Bay Tree, LP; Bishop Pine, LP; Butcher Road Partners, LLC; Golden Tree, LP; Spruce Pine, LP; Watertree I, LP; and Windtree, LP.

1 On November 22, 2024, LFM and Debtor Windtree, LP filed an involuntary chapter 11 petition
2 against KSMP, commencing Case No. 24-10715 (Bankr. N.D. Cal.) (the “KSMP Case”).¹⁸

3 After more than six months of contested proceedings, KSMP consented to a stipulated order
4 for relief in the KSMP Case, which was entered by the Bankruptcy Court on June 9, 2025 [KSMP
5 Docket No. 131]. Robbin Itkin has been appointed as the Responsible Individual for KSMP for
6 purposes of its bankruptcy case pursuant to local Bankruptcy Rule 4002-1 [KSMP Docket Nos. 133
7 & 172]. As the Responsible Individual, Ms. Itkin (a) is solely responsible for the duties and obligations
8 of KSMP as a debtor in possession pursuant to local Bankruptcy Rule 4002-1 and (b) is vested with
9 the authority to operate KSMP’s business pursuant to section 1108 of the Bankruptcy Code.

10 To the best of the Plan Proponents’ knowledge, KSMP has no management or employees and
11 no traditional books and records. As discussed further below, since Ms. Itkin’s appointment, KSMP’s
12 advisors have obtained limited financial data about KSMP from public records, discovery, due
13 diligence, bank statements, and vendor invoices.

14 Because KSMP lacks necessary corporate records, including those of its affiliates, it was
15 unable to commence chapter 11 cases for three related entities—(i) Specialty Properties Partners, L.P.;
16 (ii) Treehouse Investments, L.P.; and (iii) Perris Freeway Plaza, LP.—before filing the Plan. KSMP
17 serves as the general partner of these entities, which the Joint Investigation shows were also involved
18 in the Ponzi scheme.

19 As of October 31, 2025, KSMP had approximately \$747,638.00 of cash on hand in the
20 aggregate and the fair market value of its remaining real estate was approximately \$76,477,000.00 in
21 the aggregate.

22 **B. Debtors’ Secured and Unsecured Debt**

23 **1. The LFM Debtors**

24 The LFM Debtors have unsecured debt in the form of trade debt, unsecured notes payable,
25 prepaid rent or security deposits held for tenants of the Properties, and litigation claims.

26
27
28 ¹⁸ References herein to “KSMP Docket No.” are to the docket entry numbers in *In re KS Mattson Partners, LP*, No. 24-10715 (Bankr. N.D. Cal.).

September 5, 2025, the Bankruptcy Court entered the *Order for Relief in an Involuntary Case* [Mattson Docket No. 127]. On September 15, 2025, Mr. Mattson filed the *Ex-Parte Request to Convert Case to Chapter 7* [Mattson Docket No. 137].

D. Mr. Mattson's Fraudulent Scheme

Dating to at least 2009, Mr. Mattson engaged in numerous fraudulent activities and transactions (collectively, the "Mattson Transactions") across the Investment Vehicles. The Mattson Transactions took several forms, including the sale of fictitious interests in many of the Debtors; the transfer of vast sums of money between and among LFM, KSMP, and other Debtors; and the transfer among the Debtors of properties encumbered with high-interest loans. Each of the Mattson Transactions is explained in further detail in the ~~forthcoming~~ Investigation Report.

E. Criminal and SEC Proceedings Against Mattson

1. Mattson Indictment

On May 22, 2025, Mattson was arrested pursuant to a federal grand jury indictment (the "Mattson Indictment") charging him with, *inter alia*, wire fraud (18 U.S.C. § 1343), money laundering (18 U.S.C. § 1957), and obstruction of justice in a federal investigation (18 U.S.C. § 1519).

2. Mattson SEC Complaint

On May 22, 2025, the SEC filed the Mattson SEC Complaint against Mattson and KSMP (as Relief Defendant). According to the Mattson SEC Complaint, from approximately 2007 through April 2024, Mattson ran a Ponzi-like scheme by selling fake interests in various Debtors. The SEC alleges that, in the last five years alone, Mattson fraudulently raised more than \$46 million from approximately 200 investors, including many retired seniors with IRAs. The SEC alleges that Mattson falsely told the defrauded Investors that their investments would buy them equity in specific Debtors, entitling them to distributions of the income generated by the Debtors' Properties; that he commingled new Investor funds with other personal and business funds in the 1059 Account; and that he used the commingled funds to make Ponzi-like payments to existing Investors (with 6% or more annual returns). The SEC also alleges that Mattson misappropriated Investor money to fund certain real estate transactions through KSMP, pay expenses of KSMP, and pay his own personal expenses. Finally, the

1 **B. Use of Cash Collateral / DIP Financing**

2 **1. The LFM Debtors**

3 **Cash Collateral:** At the beginning of their chapter 11 cases, the LFM Debtors filed a motion
4 for use of cash collateral and obtained permission to use cash collateral on interim and final bases ~~[see~~
5 Docket Nos. 124 and 449]. As of the LFM Petition Date, most of the Properties were generating rents
6 or other cash proceeds (“Cash Collateral”) that were collateral of the Lenders under their deeds of
7 trust. By their motion, the LFM Debtors sought to use the Cash Collateral of Lenders who became
8 “Accepting Lenders” (subject to certain 13-week property budgets prepared by the LFM Debtors) and,
9 if necessary, present evidence that the interests of “Nonaccepting Lenders” were or would be
10 adequately protected. Subsequent to the Court granting the motion, the LFM Debtors obtained
11 approval of Cash Collateral stipulations with various Lenders. ~~[s~~See, e.g., Docket Nos. 233, 234, 239,
12 240, 241, 242, 355, 410, 411, 482, 503, 510, 655, 681, 711, 712, 1153, 1167, 1171, 1225, 1240, 1661,
13 and 1664]. The LFM Debtors separately filed a motion to use the cash collateral of Socotra on February
14 12, 2025 [Docket No. 808], which the Bankruptcy Court granted on interim and final bases ~~[see~~ Docket
15 Nos. 929 and 968].

16 In January 2025, the LFM Debtors filed a motion [Docket No. 694] (the “Cash Collateral
17 Motion – Third Party Borrowers”) seeking authorization to use the Cash Collateral of certain secured
18 creditors who appear to hold deeds of trust and assignments of rent on certain of the Properties, to
19 fund operating expenses at the Property level ~~[see Docket No. 694] (the “Cash Collateral Motion –~~
20 ~~Third Party Borrowers”)~~. While the LFM Debtors own the Properties, the LFM Debtors were not and
21 are not in privity with and have no contractual relationship with these secured creditors.²⁶ The
22 Bankruptcy Court granted the Cash Collateral Motion – Third Party Borrowers on March 5, 2025
23 [Docket No. 970].

24 **DIP Financing:** On January 23, 2025, the Bankruptcy Court authorized the LFM Debtors, on
25 a final basis, to obtain up to \$6 million of secured, superpriority postpetition financing from Serene
26 Investment Management, LLC (the “DIP Lender”) pursuant to the terms of the credit agreement
27

28 ²⁶ Before the commencement of the Debtors’ cases, the applicable Properties were acquired from the original borrowers, often without the knowledge or consent of the secured creditors who held liens on the Properties.

1 attached to the final order ~~[see~~ Docket No. 643 (the “Final LFM DIP Order”)]. Subject to the
2 limitations set forth in the Final DIP Order, the LFM Debtors granted the DIP Lender an allowed
3 superpriority administrative claims against LFM and Heacock Park Apartments, LP (“Heacock Park”)
4 pursuant to section 364(c)(1) of the Bankruptcy Code; liens on and security interests in notes in the
5 respective amounts of \$7,294,493.35 and \$2,600,000.00 held by LFM (the “Cornerstone Notes”)
6 secured by senior liens on property located at 23570 Arnold Dr., Sonoma, California and owned by
7 Heacock Park (the “DIP Collateral”), pursuant to section 364(c)(2).

8 **2. KSMP**

9 **DIP Financing**: On August 6, 2025, the Bankruptcy Court authorized KSMP, on an interim
10 basis, to separately obtain up to \$1 million of secured, superpriority postpetition financing from the
11 DIP Lender pursuant to that certain July 31, 2025 DIP Term Sheet [~~see~~ Docket No. 1966] (the “Interim
12 KSMP DIP Order”)]. KSMP’s authorization to obtain up to \$4,000,000 of secured, superpriority
13 postpetition financing from the DIP Lender was approved by the Court on a final basis pursuant to a
14 final order entered on September 25, 2025 [Docket No. 2414].

15 **C. Appointment of the Unsecured Creditors’ Committee**

16 On October 9, 2024, the United States Trustee (the “U.S. Trustee”) appointed the Committee.
17 On November 25, 2024, and August 26, 2025, the U.S. Trustee filed amended Committee appointment
18 notices. The Committee consists of eight members, all of whom are investors and/or creditors in the
19 Debtors: (i) Lull Family Living Revocable Trust, (ii) the Mullin Family Trust, (iii) Charles Edgar, (iv)
20 the Umbriac & Tubley Family Trust, (v) Walter Schenk, (vi) the Manfred K. Fischer Trust, (vii) the
21 Hayes 2004 Family Trust, and (viii) the Anderson 2001 Revocable Trust.

22 Pursuant to Court orders, Pachulski Stang Ziehl & Jones LLP is employed as the Committee’s
23 bankruptcy counsel, FTI is jointly employed as the LFM Debtors’ and Committee’s real estate advisor,
24 and PwC US Business Advisory LLP is employed as the Committee’s financial advisor.²⁷

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28

²⁷ See Docket Nos. 250, 641, and 1235.

1 **D. Schedules and Statements of Financial Affairs**

2 On November 15, 2024, the LFM Debtors filed their respective Schedules and Statements
3 [Docket Nos. 292-353]. The LFM Debtors filed Amended Schedules and Statements on September 9,
4 2025 [Docket Nos. 2251-2291, 2293-2305].

5 On August 8, 2025, KSMP filed its Schedules and Statements [Docket Nos. 1980-1981]. As
6 noted above, KSMP lacks traditional books and records. KSMP's Schedules and Statements were
7 prepared from financial data derived from public records, information obtained in discovery, due
8 diligence, and information obtained from other sources. KSMP is continually learning new
9 information about its assets, liabilities and affairs, and will update its schedules in due course to reflect
10 this information.

11 While the Debtors and their advisors made their best effort to prepare the Debtors' Schedules
12 and Statements as accurately as possible, the Debtors stress that, in light of Mr. Mattson's prior
13 mismanagement—and given the state of KSMP's books and records—the Schedules and Statements
14 of the LFM Debtors and KSMP may be incomplete and, at least for KSMP, will likely require
15 revisions.

16 **E. Claims Bar Dates**

17 Pursuant to an order entered on December 13, 2024 [Docket No. 459], the Bankruptcy Court
18 established February 14, 2025, as the deadline for nongovernmental creditors to file proofs of Claim
19 against the LFM Debtors and for Investors to file proofs of interest in the LFM Debtors. Pursuant to
20 an order entered on August 28, 2025 [Docket No. 2184], the Bankruptcy Court established October 3,
21 2025, as the deadline for nongovernmental creditors to file proofs of Claim against KSMP.

22 To date, approximately 1,621⁵² proofs of claim and 1,097⁸¹⁷ proofs of interest ([asserting over](#)
23 [1,800 subclaims](#)) have been filed. The Debtors have not completed claim/interest reconciliation work
24 (to the extent feasible) but do anticipate doing so before the Effective Date of the Plan.

25 **F. Asset Sales**

26 As discussed herein, the Debtors collectively hold a highly diversified real estate portfolio of
27 over 200 Properties—comprised of commercial, residential, office, and mixed-use real estate, as well
28 as vacant land—located throughout Northern California, including in the cities of Cameron Park,

1 Carmichael, Ceres, Citrus Heights, Concord, Elk Grove, Fairfield, Fresno, Napa, Orangevale, Perris,
2 Roseville, Sacramento, San Leandro, Sonoma, Suisun City, Truckee, Vacaville, and Vallejo. While
3 Properties have not been appraised individually, the Debtors estimate that they are collectively worth
4 several hundred million dollars, and that the Debtors have equity in many of the Properties. The
5 Debtors and their professionals, specifically FTI, SSL, Stapleton, and the Real Estate Brokers, have
6 conducted, and continuing to conduct in the case of KSMP, a thorough review of the real estate
7 portfolio and are running sale processes to monetize the Properties (the “Sale Process”). To facilitate
8 a streamlined Sale Process, the LFM Debtors and KSMP filed motions for the approval of certain
9 omnibus procedures for the sale of the Properties, including the use of sale notices and procedures for
10 parties to object or submit overbids (including credit bids). The Bankruptcy Court granted the LFM
11 Debtors’ motions pursuant to orders entered on March 5, 2025 [Docket No. 971] and May 1, 2025
12 [Docket No. 1381] ~~and KSMP’s motion pursuant to an order entered on October 24, 2025 [Docket~~
13 ~~No. 2694] (collectively, the “Sale Procedures Orders”)~~.

14 As of October ~~15~~31, 2025, ~~nearly 40~~approximately 44 sale notices have been filed pursuant to
15 the Sale Procedures Orders: ~~As shown on Schedule 2, numerous such sales have closed~~and 6 Property
16 sales were approved in connection with an omnibus sale motion. The Debtors, ~~including KSMP,~~
17 expect to ~~consummate~~close additional ~~asset~~real estate sales before the Effective Date. Nonetheless,
18 the Debtors expect that there will be Properties retained by the Debtors and transferred to the Plan
19 Recovery Trust upon the Effective Date (the “Retained Real Properties”). ~~The Retained Real~~
20 ~~Properties will be identified in the Plan Supplement.~~

21 **G. Committee’s Motion for Substantive Consolidation of LFM and KSMP**

22 On June 20, 2025, the Committee filed ~~its~~a motion to ~~have LFM and KSMP~~ substantively
23 consolidated LFM and KSMP [Docket No. 1585; ~~see also Docket Nos.~~]. On December 1, 2025, the
24 Committee filed an amended motion [Docket No. 1586, 1713, 1715, 1716] (the “KSMP Sub-Con
25 Motion”)2943] (the “Substantive Consolidation Motion”) to substantively consolidate all of the
26 Debtors and the KSMP Investment Entities. As set forth in detail in the ~~KSMP Sub-Con~~Substantive
27 Consolidation Motion, as a result of Mr. Mattson’s malfeasance, the business and financial affairs of
28 ~~KSMP and LFM~~all of the Debtors and KSMP Investment Entities are so intertwined and poorly

1 documented as to render the exercise of disentangling their affairs needlessly expensive, complicated,
2 and likely futile. ~~On July 29, 2025, the Court entered its Stipulated Bridge Order in Connection with~~
3 ~~the Motion to Substantively Consolidate the Bankruptcy Estates of LeFever Mattson and KS Mattson~~
4 ~~Partners, LP [Docket No. 1887] (the “Bridge Order”). This matter is pending before the Court Pursuant~~
5 ~~to the Bridge Order, the LFM Debtors’ Cases and the KSMP Case were administratively consolidated,~~
6 ~~and the KSMP Sub-Con Motion will be held in abeyance pending the prosecution of the Plan.~~

7 **H. Committee Standing Stipulations**

8 Pursuant to orders entered on April 8, 2025, May 23, 2025, July 1, 2025, July 10, 2025, and
9 July 18, 2025, October 21, 2025, and October 31, 2025, the Committee has standing to pursue:

- 10 • Estate causes of action against Mr. Mattson, Mr. LeFever, members of their family
11 within two degrees of consanguinity, and their non-Debtor affiliates ~~(including KSMP)~~
12 and defenses to claims asserted by Mattson and LeFever against the Debtors;
13 • Potential claims and actions against Hanson Bridgett LLP, former outside corporate
14 counsel to the Debtors, and Scott Smith, a former partner of Hanson Bridgett LLP who
15 subsequently served as in-house general counsel to the Debtors from approximately
16 February 2024 to the LFM Petition Date;
17 • Estate causes of action against Socotra and its affiliates and defenses to claims asserted
18 by Socotra and its affiliates against the Debtors; ~~and~~
19 • Estate causes of action against the Secured Lenders (as defined in Docket No. 1744)
20 and defenses to claims asserted by the Secured Lenders (as defined in Docket No. 1744)
21 against the Debtors; ~~and~~
22 • Estate causes of action regarding 3557 Golf View Terrace, Santa Rosa, CA 95404.

23 **I. Motion to Appoint Trustee for Live Oak Investments, LP**

24 The Andrew Revocable Trust dated June 21, 2001, and the Burgess Trust dated October 9,
25 2006 (purported holders of certain equity interests in debtor Live Oak Investments, LP (“Live Oak”)),
26 filed a motion to appoint a Chapter 11 trustee for Live Oak [Docket No. 1746].²⁸ The Debtors opposed
27

28 ²⁸ The Chase 1992 Family Trust filed a statement in support of this motion at Docket No. 2007.

1 this motion [Docket No. 1699 and 1978], which opposition was joined by the Committee [Docket No.
2 1671]. This matter remains pending before the Court.

3 **J. Settlement with Socotra**

4 On October 15, 2025, the Plan Proponents filed a joint motion for Court approval under
5 Bankruptcy Rule 9019 [Docket No. 2556] (the “Socotra Settlement Motion”) of the Socotra Settlement
6 Agreement entered into by the Plan Proponents on the one hand, and Socotra Capital, Inc. and certain
7 listed affiliates on the other hand. This settlement represents the successful conclusion of substantial
8 arm’s length negotiations and a formal mediation by the settling parties under the supervision of retired
9 Judge Lee Bogdanoff. In the sound exercise of their business judgment, after substantial diligence
10 efforts led by the Committee, preparation by the Committee of a proposed draft complaint against
11 Socotra, as well as detailed factual and legal research and investigations conducted by the Debtors and
12 the Committee, the Plan Proponents concluded that the benefits of the Socotra Settlement Agreement
13 far outweigh any costs or foregone litigation opportunities. In short, this settlement ~~will~~-enable the
14 Debtors to resolve the largest secured claims against their estates, obtain the vote of Socotra in support
15 of the Plan, avoid millions of dollars in heavily contested litigation, capture millions of dollars in value
16 for the estates through sales of Socotra collateral via a beneficial sharing formula, and avoid
17 unnecessary delay in distributions to creditors and investors.

18 ~~This matter is pending before the Court.~~

19 Pursuant to an order entered on November 14, 2025 [Docket No. 2852], the Court granted the
20 Socotra Settlement Motion.

21 **IV.**

22 **OVERVIEW OF THE PLAN AND**

23 **PROVISIONS RELATING TO THE GLOBAL SETTLEMENT**

24 This section provides a brief summary of certain material provisions and elements of the Plan.
25 It is qualified in its entirety by reference to the Plan (as well as the exhibits thereto and definitions
26 therein). The statements contained in this Disclosure Statement do not purport to be precise or
27 complete statements of all the terms and provisions of the Plan or documents referred to therein;
28 reference is made to the Plan and to such documents for the full and complete statement of such terms

1 The Plan Proponents believe that the comprehensive compromises and settlements to be
2 effected by the Plan are appropriate and intend to request that the Bankruptcy Court approve the
3 compromises and settlements contemporaneously with confirmation of the Plan. This comprehensive
4 compromise and settlement is a critical component of the Plan and is designed to provide a resolution
5 of myriad disputed Claims, Liens, and Causes of Action that otherwise could take years to resolve,
6 which would both delay and reduce the Distributions ultimately available for Creditors and Investors.

7 Among the many complex disputed matters that will be resolved through the Global Settlement
8 embodied in the Plan are the following, any one of which could be the subject of years of expensive,
9 complicated, and uncertain litigation:

- 10 • The unwinding of the Mattson Transactions,
- 11 • Fraudulent conveyance claims stemming from the Mattson Transactions,
- 12 • The ownership structure of the Debtors,
- 13 • The tracing of Properties transferred among the Debtors, and
- 14 • The tracing of cash among the Debtors.

15 Each of these matters ~~will be~~is explained further in the Investigation Report.

16 1. Substantive Consolidation Issues

17 Substantive consolidation is a construct of federal common law, emanating from equity, which
18 treats separate legal entities as if they were merged into a single survivor left with all the cumulative
19 assets and liabilities, save for inter-entity liabilities, which are erased. As ~~will be~~ further described in
20 the Investigation Report, there is a compelling argument for substantive consolidation of the Debtors
21 and KSMP Investment Entities, given the effects of the Mattson Transactions and the historical
22 commingling of assets and liabilities among the Debtors and non-debtor affiliates. *See, e.g., In re*
23 *Bonham*, 229 F.3d 750, 764-65 (9th Cir. 2000) (consolidating debtor and non-debtor entities in Ponzi
24 scheme case). The process to “unscramble” these Entities, which the Plan Proponents doubt is even
25 possible, would be lengthy and likely so expensive that Investor recoveries would dramatically
26 decrease, if not fall to zero.

27 Accordingly, the Plan provides for substantive consolidation of the Debtors’ and KSMP
28 Investment Entities’ assets and liabilities for the purposes of Distributions under the Plan. Consistent

1 Bankruptcy Code in connection with the assumption of such contract by the applicable Debtors. The
2 substantive consolidation of the Debtors and the KSMP Investment Entities shall also not impair or
3 otherwise affect any third party's defenses, counterclaims, or other rights that may be asserted by such
4 third party in connection with any related litigation commenced by the Debtors of the Plan Recovery
5 Trustee.

6 **2. Ponzi Scheme Issues**

7 Additional disputes and possible litigation could arise regarding whether the Debtors were
8 operating a Ponzi scheme, when that scheme began, and the implications of such conduct.

9 As ~~will be~~ discussed in the Investigation Report, the Debtors' advisors have found that (i) no
10 later than September 2017, the Debtors' business records and other available evidence presents
11 attributes commonly seen in Ponzi schemes; (ii) many Debtors had either negative equity or a disabling
12 lack of liquidity that demanded the use of cash belonging to other related entities; (iii) the "debt
13 service" and investment returns paid to Investors could never have been paid without the use of new
14 capital from new Investors because the Properties were not sufficiently profitable to have done so; (iv)
15 the Debtors participated in voluminous intercompany lending that was a prevalent feature of the
16 Debtors' operations; and (v) Mr. Mattson removed millions of dollars from the Debtors. As part of
17 Confirmation of the Plan, the Debtors will seek a finding that the Debtors and KSMP Investment
18 Entities operated as a Ponzi Scheme beginning at least as of September 12, 2017. Before the deadline
19 to file the Plan Supplement, the Committee intends to file a detailed declaration from their financial
20 advisor that contains testimony regarding the conclusions the financial advisor has reached—that the
21 Debtors and KSMP Investment Entities were operated as a Ponzi scheme for at least the last decade,
22 and absolutely no later than September 12, 2017—based on its investigation.

23 Following a judicial determination that the Debtors were operating a Ponzi scheme, any
24 payments of "interest" or other consideration that was transferred from any Person to an Investor
25 during the period before the Petition Dates, but typically excluding payments representing the return
26 of or repayment of principal owed on the applicable investment, could potentially be avoided and
27 recovered as an "actual" fraudulent transfer. *See, e.g., Donell v. Kowell*, 533 F.3d 762, 770-72 (9th
28 Cir. 2008); *AFI Holding, Inc. v. Mackenzie*, 525 F.3d 700, 708-09 (9th Cir. 2008); *Perkins v. Haines*,

661 F.3d 623, 627 (11th Cir. 2011); *Geltzer v. Barish (In re Geltzer)*, 502 B.R. 760, 770 (Bankr. S.D.N.Y. 2013); *Fisher v. Sellis (In re Lake States Commodities, Inc.)*, 253 B.R. 866, 871-72 (Bankr. N.D. Ill. 2000).²⁹ Because avoidance litigation would be a further hardship on the victims of the Debtors' fraudulent scheme, and to eliminate the significant litigation expense and inefficiency associated with seeking recovery from Investors of prepetition distributions on account of interest or the like (that would ultimately only reduce the aggregate amount available for distribution on account of allowable claims), the Plan contemplates that each Investor will receive (a) a claim for the total amount of money (or value of property) it invested in the Debtors over time *less* the total amount of any distributions the Investor received over the seven years prior to the Petition Date (the "Investor Tranche 1 Claim") and (b) if applicable, a separate claim for the amount of those deducted distributions (the "Investor Tranche 2 Claim"). The Plan provides that Investors will first receive their *pro rata* distribution of available assets on account of their Investor Tranche 1 Claim. If and when each Investor Tranche 1 Claim is paid in full, Investors will then receive their *pro rata* distribution of available assets on account of their Investor Tranche 2 Claim (if any).³⁰

A key consideration of the Global Settlement is that rather than net distributions from the suspected Ponzi start date (more than a decade ago), the Investor Tranche 1 Claim will be calculated based on payments made to Investors *seven years* prior to September 12, 2024. In other words, under the Global Settlement, an Investor that has received distributions from the Debtors for 15 years will have its claim reduced by the amount of distributions over the last seven years, not the full 15 years. This is necessary because of the state of the business records, the costs required to net the claims from an earlier date, and to assure all Investors are treated the same.

The Plan Proponents seek to establish claims allowance and settlement procedures (the "Investor Claim Settlement Procedures")—parallel to solicitation of the Plan—that implement the

²⁹ As discussed in the Investigation Report, in relation to recovering on an actual fraudulent transfer in the Ponzi scheme context, courts apply an irrebuttable presumption known as the Ponzi scheme presumption – the existence of a Ponzi scheme is sufficient to establish actual intent under the Fraudulent Transfer Laws (as defined and discussed in the Investigation Report).

³⁰ As set forth in the Liquidation and Recovery Analysis, it is estimated that Investors will receive under the Plan a recovery of approximately 19.7% - 35.9% on account of their Allowed Investor Tranche 1 Claims (subject to the notes, conditions, and limitations set forth in the Liquidation and Recovery Analysis). No recovery under the Plan is expected for Investors on account of their Allowed Investor Tranche 2 Claims.

1 terms of the Global Settlement with respect to the allowance of Investor Claims. ~~(s~~See Docket No.
2 2365). This parallel process will enable the Plan Proponents to make progress on the allowance of
3 Investor Claims in advance of the hearing on confirmation of the Plan and thus expedite distributions
4 to Investors following the Effective Date.

5 As of the date hereof, the Plan Proponents estimate that Investors, in the aggregate, have
6 invested \$347,589,811.00 of money or value of property in the Debtors or the KSMP Investment
7 Entities and received \$97,046,952.00 of distributions over the seven years prior to the Petition Date.
8 Accordingly, the Plan Proponents estimate a total of \$234,019,730.00 Investor Tranche 1 Claims and
9 a total of \$97,046,952.00 of Investor Tranche 2 Claims. The Plan Proponents estimate that there will
10 be approximately fifteen Investors whose Investor Tranche 1 Claim will be equal to or less than \$0
11 and may be subject to avoidance litigation.

12 Notwithstanding any of the foregoing, any finding of fact or conclusion of law by the
13 Bankruptcy Court or any appellate court in connection with the confirmation of the Plan relating to
14 any Ponzi Finding (as defined in the Plan Summary) will have no preclusive effect on the Objecting
15 Secured Lenders in any future litigation or proceeding against such Objecting Secured Lender in any
16 tribunal. Neither the Debtors, the Committee, nor the Plan Recovery Trustee will seek to enforce any
17 such findings against the Objecting Secured Lender or contend that such Objecting Secured Lender is
18 bound by any such findings. Any and all rights and defenses of such Objecting Secured Lender to
19 defend the claims and causes of action against it will be preserved.

20 **3. Position of the Tillman Opposing Investors (not the Plan Proponents)**³¹

21 Certain parties who invested in the Debtors (the “Tillman Opposing Investors”)³² oppose the
22 proposed Ponzi finding and do not believe that it would be appropriate for the Bankruptcy Court to
23 make such a finding as part of its evaluation or approval of the Plan. The Tillman Opposing Investors
24 maintain that the business operations of the Debtors do not meet the elements of a Ponzi scheme under
25 applicable Ponzi scheme case law, most notably the Ninth Circuit’s recent decision in *Kirkland v.*
26

27 ³¹ This section was added to the Disclosure Statement at the request of the Tillman Opposing Investors. The Plan
28 Proponents do not agree with the assertions contained in this section.

³² The Tillman Opposing Investors are listed in the *Disclosure Statements Pursuant to Rule 2019* [Docket No. 2206].

1 Rund (In re EPD Inv. Co., LLC), 114 F.4th 1148, 1159 (9th Cir. 2024), in which the Ninth Circuit held
2 that its “definition of a Ponzi scheme recognizes two essential elements: (1) the funneling of money
3 from new investors to pay old investors, and (2) no legitimate profit-making business opportunity
4 exists for investors.” The Tillman Opposing Investors maintain that the Debtors cannot meet these
5 elements, and in particular the element that “no legitimate profit making business opportunity exist[ed]
6 for investors,” as the Tillman Opposing Investors assert that various Debtors offered investors
7 legitimate business opportunities for decades, including the opportunity to purchase interests in
8 legitimate income-producing commercial real estate or in limited partnerships or limited liability
9 companies that owned and managed legitimate income-producing commercial real estate. The Tillman
10 Opposing Investors believe that the Debtors carried out significant legitimate business operations
11 during the relevant time period that generated profits for investors, including through the buying and
12 selling of commercial real estate; the sale and transfer to and from investors of legitimate interests in
13 real property or interests in vehicles holding real property; the management of real estate, including
14 the collection of rent and other income and the maintenance of, or improvements to, real property; and
15 the distribution of income and profits from real property. In fact, Tillman Opposing Investors maintain,
16 Mr. Mattson leveraged the success and track record of the legitimate business of Debtors to induce
17 certain other investors to purchase fraudulent investments, such that the existence of legitimate profit-
18 making business opportunities was critical to his scheme.

19 The Tillman Opposing Investors maintain that the Debtors’ and Committee’s arguments that
20 the Debtors operated a Ponzi scheme center primarily on Mr. Mattson’s use of a single bank account,
21 the 1059 Account, in which Mr. Mattson is alleged to have comingled funds from various sources and
22 paid distributions to investors, at least in part, using new capital from other investors. However, the
23 Tillman Opposing Investors maintain that the Plan Proponents cannot demonstrate that the entire
24 business operations of Debtors met the criteria for a Ponzi scheme under applicable case law, including
25 the *Kirkland* case. Moreover, the Tillman Opposing Investors assert that the Plan Proponents cannot
26 show that all distributions to investors from the 1059 Account consisted of investment dollars from
27 other investors rather than, for example, proceeds from the sale of real property or income from real
28 property. Indeed, the Tillman Opposing Investors assert, the SEC did not allege in the SEC Complaint

1 that the entire operation of Debtors was a Ponzi scheme or even that Mr. Mattson operated a Ponzi
2 scheme; instead it alleged only that Mr. Mattson, either personally or through KS Mattson Partners
3 LP, operated a “Ponzi-like” scheme and made “Ponzi-like payments to existing investors.” E.g. SEC
4 Complaint ¶¶ 8-9.

5 The Tillman Opposing Investors note that the consequences of a Ponzi scheme finding include
6 that it creates an irrebuttable presumption that all investors were participants in the scheme, even if
7 investors received funds in good faith, had no knowledge of the scheme, and had no role in
8 perpetuating the scheme. This presumption, the Tillman Opposing Investors assert, could result in
9 some investors having liability to the Debtors’ estates for the repayment of distributions they received
10 in connection with their investments. Further, the Tillman Opposing Investors maintain that the Plan
11 Proponents’ proposed 7-year “netting” period would not be fair to investors as a whole, because it
12 would favor earlier investors – who have received distributions for a far longer period – over later
13 investors, such that earlier investors would have a greater portion of their distributions netted against
14 their principal investment than later investors. The Tillman Opposing Investors assert that this result
15 is contrary to the theory behind a Ponzi scheme presumption – protecting later investors whose
16 investment dollars went to benefit earlier investors.

17 **B. The Settlement Provisions in the Plan Are Fair and Reasonable and in the Best**
18 **Interest of All Investors and Other Creditors.**

19 The proposed Plan facilitates the prompt resolution of the countless complex legal issues and
20 disputes in the Cases by resolving several major issues that would otherwise require lengthy, costly,
21 and uncertain litigation. If these issues were litigated, it could be years before Investors receive
22 distributions, if any at all. In contrast, the Plan provides a certain mechanism for significant
23 Distributions to be made to Investors and other Creditors in a more timely and orderly fashion.

24 The terms of the Global Settlement under the Plan were heavily negotiated by the LFM
25 Debtors, KSMP, and the Committee, each of which acted at arm’s length and had the benefit of
26 sophisticated external advisers. The Plan Proponents believe strongly that the Plan’s comprehensive
27 compromise and settlement is superior to the disorderly and uncertain alternatives.
28

As ~~will be~~ set forth in more detail in the Investigation Report, the Plan Proponents believe that the terms of the comprehensive compromise and settlement to be effected by the Plan are fair and reasonable, and that its approval is in the best interests of the Estates and all stakeholders. The Plan Proponents will provide further evidence and argument supporting approval of this comprehensive compromise and settlement, including the elements detailed above, at the Confirmation Hearing.

C. Plan Recovery Trust

On the Effective Date, the Plan Recovery Trustee will execute the Plan Recovery Trust Agreement and shall take any other action necessary to establish the Plan Recovery Trust in accordance with the Plan and the beneficial interests therein. The purpose of the Plan Recovery Trust will be to pursue, collect, or monetize the Plan Recovery Trust Assets and make Distributions from the proceeds of such assets to the Plan Recovery Trust Beneficiaries in accordance with Treasury Regulation section 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business. On the Effective Date, all of the Debtors' and the Estates' respective rights, title, and interest in and to all Plan Recovery Trust Assets will automatically vest in the Plan Recovery Trust.

The Oversight Committee, whose initial volunteer members will be chosen by the Committee and identified in the Plan Supplement, will supervise the Plan Recovery Trustee. The Plan Recovery Trustee shall have the authority to, among other things, (i) review, reconcile, and object to Claims and Equity Interests in the Debtors; (ii) calculate and make Distributions in accordance with the Plan Recovery Trust Waterfall; (iii) retain and employ professionals; (iv) sell, monetize, or abandon Plan Recovery Trust Assets; and (v) pursue, prosecute, settle, or abandon any Plan Recovery Trust Actions. The Plan Recovery Trust Actions include (i) all Avoidance Actions and Causes of Action held by the Debtors or the Estates and (ii) any Causes of Action that are contributed to the Plan Recovery Trust as Contributed Claims (*see* Section IV.E.1), in each case as against any Entity that is not a Debtor.

D. Distributions to Holders of Trade Claims and Plan Recovery Trust Beneficiaries

With regard to Trade Claims in Class ~~64~~, the Plan provides that, (a) *if Class ~~64~~ votes to accept the Plan*, on the Effective Date, or as soon as practicable thereafter, each Holder of an Allowed Trade Claim will receive its Pro Rata share of the Trade Claims Settlement Fund (\$4,000,000), in full and final satisfaction, settlement, and release of such Allowed Trade Claims; **or** (b) *if Class ~~64~~ votes to*

1 *reject the Plan*, the Trade Claims Settlement Fund will not be established, and instead, each Holder
2 of an Allowed Trade Claim will receive from the Plan Recovery Trust on account of its Allowed Class
3 6 Claim, its *pro rata* distribution of the Class A Plan Recovery Trust Units, which will be treated *pari*
4 *pasu* with Investor Tranche 1 Claims.

5 After (i) all administrative and priority claims (including, without limitation, Administrative
6 Expense Claims, Involuntary Gap Claims, Priority Tax Claims, and Priority Claims), and (ii) all Plan
7 Recovery Trust expenses, including any litigation financing expenses, are paid or reserved for, the
8 Plan Recovery Trust will make Distributions of Available Cash to the Plan Recovery Trust
9 Beneficiaries pursuant to the Plan Recovery Trust Waterfall:

- 10 (i) Class A Plan Recovery Trust Units. *First*, the Plan Recovery Trust shall
11 distribute the proceeds of the Plan Recovery Trust Assets to each Holder of
12 Class A Plan Recovery Trust Units on a Pro Rata basis until all Allowed Trade
13 Claims (if applicable, if Class 64 votes to reject the Plan) and Investor Tranche
14 1 Claims have been paid in full;
15 (ii) Class B Plan Recovery Trust Units. *Second*, the Plan Recovery Trust shall
16 distribute the proceeds of the Plan Recovery Trust Assets to each Holder of
17 Class B Plan Recovery Trust Units on a Pro Rata basis until all Investor Tranche
18 2 Claims have been paid in full;
19 (iii) Class C Plan Recovery Trust Units. Notwithstanding anything to the contrary
20 contained in the Plan or in the Confirmation Order, the Plan Recovery Trust
21 shall distribute the net proceeds of any Contributed Claims solely to Holders of
22 Class C Plan Recovery Trust Units on a Pro Rata basis.

23 The Plan Recovery Trust, in the Plan Recovery Trustee's discretion may make periodic
24 Distributions to the Plan Recovery Trust Beneficiaries at any time following the Effective Date,
25 provided that such Distributions are otherwise permitted under, and not inconsistent with, the Plan
26 Recovery Trust Waterfall, the other terms of the Plan, the Plan Recovery Trust Agreement, and
27 applicable law. Additionally, every 180 calendar days following the Effective Date, the Plan Recovery
28 Trustee shall calculate the Distributions that could potentially be made to the Plan Recovery Trust
Beneficiaries based on the amount of Available Cash as of such date and, based on such calculation,
promptly thereafter may make Distributions, if any, of the amount so determined. Put a different way,
the Plan Recovery Trustee may make periodic distributions at its discretion and will reassess available
funds for possible distributions at least every 180 days.

thereof. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

4. Injunctions Related to Releases and Exculpation.

Section 11.4 of the Plan contains an injunction provision related to the Debtors' releases and exculpation provision which provides:

All Persons and Entities are permanently enjoined from: commencing or prosecuting, whether directly, derivatively, or otherwise, any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, or liabilities released or exculpated pursuant to this Plan. Prior to commencing an action against an Exculpated Party in any way related to or connected with the Chapter 11 Cases, any Person or Entity must first seek a determination that the claims asserted in such action are excluded from the exculpation provisions herein and permission from the Bankruptcy Court to prosecute such action. The Bankruptcy Court shall retain exclusive jurisdiction to determine the scope and effect of any release or exculpation provided herein.

V.

RISK FACTORS

Before voting on the Plan, each Holder of a Claim entitled to vote should consider carefully the risk factors described below, as well as all other information contained in this Disclosure Statement, including the schedules and exhibits hereto. These risk factors should not be regarded as the only risks involved in connection with the Plan and its implementation.

A. Parties May Object to the Plan's Classification of Claims and Equity Interests

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an interest in a particular class only if such claim or interest is substantially similar to the other claims or interests in such class. The Plan Proponents believe that the classification of the Claims and Equity Interests under the Plan complies with this requirement. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

B. The Plan Proponents May Not Be Able to Obtain Confirmation of the Plan

As with any proposed plan, the Plan Proponents may not receive the requisite acceptances to confirm the Plan. If votes in Class 75 (Investor Claims) are received in number and amount sufficient to enable the Court to confirm the Plan, the Plan Proponents intend to seek confirmation of the Plan

1 by the Court. If Class 75 (Investor Claims) rejects the Plan, the Plan Proponents will not seek
2 confirmation of the Plan and will need to incur additional fees and expenses to develop an alternative
3 path forward. Even if the requisite acceptances of the proposed Plan are received, the Court still might
4 not confirm the Plan as proposed if the Court finds that any of the statutory requirements for
5 confirmation under section 1129 of the Bankruptcy Code have not been met.

6 If the Plan is not confirmed by the Court, there can be no assurance that any alternative plan
7 would be on terms as favorable to Investors and other creditors as the terms of the Plan. In addition,
8 there can be no assurance that the Plan Proponents will be able to successfully develop, prosecute,
9 confirm, and consummate an alternative plan that is acceptable to Investors, other creditors, and the
10 Court.

11 Moreover, if the Plan is not confirmed by the Court, each Debtor will be responsible for paying
12 its own administrative fees, including professionals' fees. Given that the Plan substantively
13 consolidates the Debtors' estates, upon confirmation of the Plan, the Debtors' pooled assets will be
14 used to pay the Debtors' collective professionals' fees. If the Plan is not confirmed, the Debtors'
15 estates will not be consolidated, and each individual Debtor will be responsible for payment of
16 professionals' fees accrued in the Chapter 11 Cases, which may be allocated on a pro rata basis, or
17 some other basis determined by the Court. Those allocated fees may be substantial.

18 The fees of Professionals incurred through October 31, 2025 total approximately \$28 million,
19 and the projected fees of Professionals from November 1, 2025 through the Effective Date of the Plan
20 are estimated to total \$18,250,000.00.

21 **C. The Proposed Ponzi Findings May Be Contested**

22 **The following risk factor has been added at the request of Timothy J. LeFever and is not**
23 **supported by the Plan Proponents:**

24 Parties may object to the scope of the Ponzi findings proposed by the Plan Proponents and
25 assert that Mr. Kenneth Mattson operated a Ponzi scheme separate and apart from the legitimate
26 business operations of the LFM Debtors. Parties may further assert that Mr. Mattson concealed his
27 fraudulent Ponzi scheme from Investors and employees of the LFM Debtors and that the investigation
28

1 has not disclosed any evidence supporting a finding that employees or officers of the LFM Debtors
2 (other than Mr. Mattson) knew of or participated in Mr. Mattson's fraud.

3 **D. ~~C.~~The Conditions Precedent to the Effective Date of the Plan May Not Occur**

4 As more fully set forth in the Plan, the Effective Date is subject to several conditions precedent.
5 There can be no assurance that any or all such conditions will be satisfied (or waived). If such
6 conditions precedent are not met or waived, the Effective Date will not occur. Accordingly, even if
7 the Plan is confirmed by the Bankruptcy Court, there can be no assurance that the Effective Date will
8 occur.

9 **E. ~~D.~~Claims Estimation and Allowance of Claims**

10 There can be no assurance that the estimated Claim amounts set forth in this Disclosure
11 Statement are correct, and the actual amount of Allowed Claims may differ significantly from the
12 estimates. The estimated amounts are subject to certain risks, uncertainties, and assumptions. Should
13 one or more of these risks or uncertainties materialize, or should underlying assumptions prove
14 incorrect, the actual amount of Allowed Claims may vary from those estimated herein.

15 Distributions to Holders of Allowed Class 75 Claims (Investor Claims) will be affected by the
16 pool of Allowed Claims in the Class. The amount of Distributions that may be received by a particular
17 Holder of an Allowed Claim in Class 75 may be either adversely or favorably affected by the aggregate
18 amount of Class 75 Claims ultimately Allowed.

19 **F. ~~E.~~Potential Pursuit of Plan Recovery Trust Actions Against Creditors and**
20 **Others**

21 In accordance with section 1123(b) of the Bankruptcy Code, after the Effective Date, the Plan
22 Recovery Trustee shall have and retain and may enforce any Plan Recovery Trust Actions.
23 Accordingly, a Holder of a Claim may be subject to one or more such Plan Recovery Trust Actions
24 being asserted against it.

25 The failure to specifically identify in the Disclosure Statement or the Plan any potential or
26 existing Avoidance Actions or Causes of Action as a Plan Recovery Trust Action is not intended to
27 and shall not limit the rights of the Plan Recovery Trust to pursue any such Avoidance Actions or
28 Causes of Action. The Debtors expressly reserve all Avoidance Actions and Causes of Action, other

1 than those Avoidance Actions and Causes of Action that are expressly waived, relinquished, released,
2 compromised, or settled in the Plan, pursuant to the Confirmation Order, or pursuant to any other order
3 of the Court, as Plan Recovery Trust Actions for later adjudication, and no preclusion doctrine
4 (including the doctrines of res judicata, collateral estoppel, judicial estoppel, equitable estoppel, issue
5 preclusion, claim preclusion, and laches) shall apply to such Avoidance Actions or Causes of Action
6 as Plan Recovery Trust Actions on or after the Effective Date.

7 Moreover, no Person may rely on the absence of a specific reference in the Plan, the
8 Confirmation Order, the Plan Recovery Trust Agreement, or the Disclosure Statement to any
9 Contributed Claims against such Person as any indication that the Plan Recovery Trust will not pursue
10 any and all available Contributed Claims against such Person. The objection to the Allowance of any
11 Claims will not in any way limit the ability or the right of the Plan Recovery Trust to assert, commence,
12 or prosecute any Contributed Claims. Nothing contained in the Plan, the Confirmation Order, the Plan
13 Recovery Trust Agreement, or the Disclosure Statement will be deemed to be a waiver, release, or
14 relinquishment of any Contributed Claims which the Contributing Claimants had immediately before
15 the Effective Date. The Plan Recovery Trust shall have, retain, reserve, and be entitled to assert all
16 Contributed Claims fully as if the Contributed Claims had not been contributed to the Plan Recovery
17 Trust in accordance with the Plan and the Plan Recovery Trust Agreement.

18 Without limiting the generality of the preceding two paragraphs and associated reservations,
19 the Debtors note that all parties in interest should review **Exhibit D**, which is a non-exclusive analysis
20 of the Plan Recovery Trust Actions that are being preserved under the Plan.

21 **G. ~~F.~~ Risks Regarding Real Estate**

22 The Plan relies, in large part, on the sale of the Properties to produce Cash for distribution to
23 Investors and other creditors. If such sales are delayed, incur costs that exceed estimates, or are at
24 prices below estimates, payments may be correspondingly delayed or decreased. The various risks
25 associated with the Properties and the real-estate industry include economic conditions; the supply and
26 demand for properties, particularly of the sorts owned or controlled by the Debtors; the financial
27 conditions for tenants, buyers, and sellers of properties; changes in interest rates; changes in
28 environmental laws or regulations, planning laws and other governmental roles and fiscal and

monetary policies; changes in real-property tax rates and related tax deductions; negative developments in the economy that depress travel and retail activity; uninsured casualties; force majeure acts, terrorist events, under-insured or uninsurable losses; and other factors that are beyond the reasonable control of the Debtors and the Plan Recovery Trust. In addition, certain Properties are subject to recorded *lis pendens*, which may adversely affect the Debtors' ability to sell those Properties and the price at which they can be sold. Moreover, real-estate assets are subject to long-term cyclical trends that can give rise to significant volatility in values. Real-estate investing and development may be subject to a higher degree of market risk because of concentration in a specific industry, sector, or geographic sector. Real-estate investments may be subject to other general and specific risks, including declines in the value of real estate generally, risks related to general and economic conditions, changes in the value of the comparable properties, and defaults by real estate borrowers within the particular market or the broader economy.

VI.

CONFIRMATION OF THE PLAN

A. The Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Court, after notice, to hold a hearing regarding Confirmation of the Plan. Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to Confirmation of the Plan.

The Court has scheduled a status conference on January 23, 2026 at 11:00 a.m. (Pacific Time) to determine if the Confirmation Hearing ~~to~~will commence ~~on February 4~~as an uncontested Confirmation Hearing on February 5, 2026 at 9:00 a.m. (Pacific Time) or a contested Confirmation Hearing on March 5, 2026, at ~~11~~9:00 a.m. (Pacific Time), before the Honorable Charles Novack, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Northern District of California, Oakland Division. The Confirmation Hearing Notice sets forth the time and date of the Confirmation Hearing. The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.

1 Objections to Confirmation of the Plan must be filed and served so that they are actually
2 received by no later than **January 7²¹, 2026, at 11:59 p.m. (Pacific Time). Unless objections to**
3 **Confirmation of the Plan are timely served and filed in compliance with the Solicitation**
4 **Procedures Order, they may not be considered by the Bankruptcy Court.**

5 **B. Requirements for Confirmation of the Plan**

6 Among the requirements for the Confirmation of the Plan are that the Plan (i) is accepted by
7 all Impaired Classes of Claims or, if rejected by an Impaired Class of Claims, that the Plan “does not
8 discriminate unfairly” and is “fair and equitable” as to such Impaired Class of Claims; (ii) is feasible;
9 and (iii) is in the “best interests” of Holders of Claims.

10 At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies
11 the requirements of section 1129 of the Bankruptcy Code. The Plan Proponents believe that: (i) the
12 Plan satisfies or will satisfy all of the necessary statutory requirements of chapter 11 of the Bankruptcy
13 Code, (ii) the Plan Proponents have complied or will have complied with all of the necessary
14 requirements of chapter 11 of the Bankruptcy Code, and (iii) the Plan has been proposed in good faith.
15 More specifically, the Plan Proponents believe that the Plan satisfies or will satisfy the following
16 applicable Confirmation requirements of section 1129 of the Bankruptcy Code:

- 17 • The Plan complies with the applicable provisions of the Bankruptcy Code.
- 18 • The Plan Proponents have complied with the applicable provisions of the Bankruptcy
19 Code.
- 20 • The Plan has been proposed in good faith and not by any means forbidden by law.
- 21 • Any payment made or promised under the Plan for services or for costs and expenses
22 in, or in connection with, the Cases, or in connection with the Plan and incident to the
23 Cases, has been disclosed to the Court, and any such payment: (1) made before the
24 Confirmation of the Plan is reasonable or (2) is subject to the approval of the Court as
25 reasonable, if it is to be fixed after Confirmation of the Plan.
- 26 • Either each Holder of a Claim in an Impaired Class of Claims has accepted the Plan, or
27 each such Holder will receive or retain under the Plan on account of such Claim
28 property of a value, as of the Effective Date of the Plan, that is not less than the amount
that such Holder would receive or retain if the Debtors were liquidated on the Effective
Date of the Plan under chapter 7 of the Bankruptcy Code.
- The Classes of Claims that are entitled to vote on the Plan will have accepted the Plan,
or at least one Class of Impaired Claims will have accepted the Plan, determined

1 class that is not “impaired” under a plan is conclusively presumed to have accepted the plan and,
2 therefore, solicitation of acceptances with respect to such class is not required.

3 A class is “impaired” unless a plan: (a) leaves unaltered the legal, equitable, and contractual
4 rights to which the claim or the interest entitles the holder of such claim or interest or (b) cures any
5 default, reinstates the original terms of such obligation, compensates the holder for certain damages
6 or losses, as applicable, and does not otherwise alter the legal, equitable, or contractual rights to which
7 such claim or interest entitles the holder of such claim or interest.

8 Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired
9 claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in
10 number of allowed claims in that class, counting only those claims held by creditors that actually voted
11 to accept or reject the plan. Thus, a Class of Impaired Claims will have voted to accept the Plan only
12 if two-thirds in amount and a majority in number actually voting cast their Ballots in favor of
13 acceptance.

14 **F. Confirmation Without Acceptance by All Impaired Classes**

15 Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if
16 all impaired classes have not accepted that plan, *provided* that the plan has been accepted by at least
17 one impaired class of claims, determined without including the acceptance of the plan by any insider.
18 Notwithstanding an impaired class’s rejection or deemed rejection of the plan, such plan will be
19 confirmed, at the plan proponent’s request, in a procedure commonly known as “cramdown,” so long
20 as the plan does not “discriminate unfairly” and is “fair and equitable” with respect to each class of
21 claims or interests that is impaired under and has not accepted the plan.

22 To the extent that any Impaired Class **other than Class 75** rejects the Plan or is deemed to
23 have rejected the Plan, the Plan Proponents will request Confirmation of the Plan under section
24 1129(b) of the Bankruptcy Code. **The Plan Proponents will not request Confirmation of the Plan**
25 **under section 1129(b) of the Bankruptcy Code if Class 75 votes to reject the Plan.** The Plan
26 Proponents reserve the right to alter, amend, modify, revoke, or withdraw the Plan, the Plan
27 Supplement, or any schedule or exhibit, including to amend or modify it to satisfy the requirements of
28 section 1129(b) of the Bankruptcy Code, if necessary.

1 (x) whether the Claim is an installment obligation for U.S. federal income tax
2 purposes; and

3 (xi) whether the “market discount” rules apply to the Holder.

4 Therefore, each Holder should consult such Holder’s own tax advisor for tax advice with
5 respect to that Holder’s particular situation and circumstances, and the particular tax consequences to
6 such Holder of the transactions contemplated by the Plan.

7 A significant amount of time may elapse between the date of the Disclosure Statement and the
8 receipt of a final Distribution under the Plan. Events occurring after the date of the Disclosure
9 Statement, such as new or additional tax legislation, court decisions, or administrative changes, could
10 affect the U.S. federal income tax consequences of the Plan and the transactions contemplated
11 thereunder. No representations are being made regarding the particular tax consequences of the
12 confirmation or implementation of the Plan as to any Holder of a Claim. This discussion is not binding
13 upon the IRS or other taxing authorities. No assurance can be given that the IRS or another authority
14 would not assert, or that a court would not sustain, a different position from any discussed herein.

15 **THE FOLLOWING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF**
16 **CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN, AND IS NOT**
17 **A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE**
18 **FOLLOWING DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT**
19 **TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND**
20 **MAY VARY DEPENDING ON A HOLDER’S PARTICULAR CIRCUMSTANCES.**
21 **ACCORDINGLY, EACH HOLDER IS STRONGLY URGED TO CONSULT SUCH**
22 **HOLDER’S INDEPENDENT TAX ADVISOR REGARDING THE FEDERAL, STATE,**
23 **LOCAL, AND FOREIGN INCOME TAX CONSEQUENCES OF THE PLAN.**

24 **B. Certain U.S. Federal Income Tax Consequences of the Plan Recovery Trust**

25 Under the terms of the Plan, the Plan Recovery Trust Assets ~~will~~are expected to be transferred
26 to the Plan Recovery Trust in a taxable disposition. To the extent that any Plan Recovery Trust Assets
27 are transferred to a Secured Lender to satisfy a Secured Lender Claim, such transfers are also expected
28 to be taxable transactions to the Debtor entities. In addition, it is possible that the forgiveness of

1 accrued interest on a Secured Lender Claim, and a portion of the taxable gain, could give rise to
2 cancellation of indebtedness income. Any income or gain from the transfer of assets to the Plan
3 Recovery Trust ~~shall~~and the satisfaction of any Secured Lender Claims would then flow through to
4 the ultimate taxpaying owner or member of the transferring Debtor who ~~will~~would be responsible for
5 paying any resulting tax liability. The tax consequences of the Plan, however, are subject to many
6 uncertainties due to the complexity of the Plan and the lack of interpretative authority regarding certain
7 changes in the tax law. Uncertainties with regard to the U.S. federal income tax consequences of the
8 Plan also arise due to the inherent nature of estimates of value that will impact the determination of
9 the amount of income or gain from the transfer of assets to the Plan Recovery Trust.

10 As of the Effective Date, the Plan Recovery Trust shall be established for the benefit of all
11 Plan Recovery Trust Beneficiaries. The Plan Recovery Trustee will make a good-faith valuation of the
12 Plan Recovery Trust Assets. All parties (including, without limitation, the Plan Recovery Trustee and
13 the Plan Recovery Trust Beneficiaries) must consistently use such valuation for all U.S. federal income
14 tax purposes. Allocations of taxable income of the Plan Recovery Trust (other than taxable income
15 allocable to a Distribution Reserve) among Plan Recovery Trust Beneficiaries shall be determined by
16 reference to the manner in which an amount of cash equal to such taxable income would be distributed
17 (were such cash permitted to be distributed at such time) if, immediately prior to such deemed
18 distribution, the Plan Recovery Trust had distributed all of its assets (valued at their tax book value,
19 and other than assets allocable to a Distribution Reserve) to the holders of the beneficial interests in
20 the Plan Recovery Trust, adjusted for prior taxable income and loss and taking into account all prior
21 and concurrent distributions from the Plan Recovery Trust. Similarly, taxable loss of the Plan
22 Recovery Trust shall be allocated by reference to the manner in which an economic loss would be
23 borne immediately after a distribution in liquidation of the remaining Plan Recovery Trust Assets. The
24 tax book value of the Plan Recovery Trust Assets for this purpose shall be equal to the fair-market
25 value of the Plan Recovery Trust Assets on the Effective Date, adjusted in accordance with tax
26 accounting principles prescribed by the IRC, applicable Treasury Regulations, and other applicable
27 administrative and judicial authorities and pronouncements. Subject to definitive guidance from the
28 IRS or a court of competent jurisdiction to the contrary (including the receipt by the Plan Recovery

1 qualified loss as a loss from a specified fraudulent arrangement, including Ponzi schemes, for which
2 authorities have charged the lead figure by indictment, information, or criminal complaint with a crime
3 that meets the definition of theft for purposes of IRC section 165. Under these safe-harbor provisions,
4 a qualified investor may deduct 95% of qualified investment in the discovery year (i.e., the year in
5 which the indictment, information, or complaint described in Rev. Proc. 2009-20 is filed) if the
6 qualified investor does not pursue any potential third-party recovery. A 75% deduction is available in
7 the discovery year if a qualified investor is pursuing or intends to pursue any potential third-party
8 recovery. The details for qualification for the safe harbor deduction are set forth in Rev. Proc. 2009-
9 20.

10 In 2011, the IRS issued Rev. Proc. 2011-58, 2011-58 I.R.B. 849, which modified the provisions
11 of Rev. Proc. 2009-20. Under Rev. Proc. 2011-58, the safe harbor provisions of Rev. Proc. 2009-20
12 may be utilized if a lead figure was charged by indictment or information under state or federal law
13 with the commission of fraud, embezzlement, or a similar crime that, if proven, would meet the
14 definition of theft for purposes of IRC section 165 and Treasury regulations section 1.165-8(d) under
15 the law of the jurisdiction in which the theft occurred, and the indictment or information has not been
16 withdrawn or dismissed ~~(other than because of the death of the lead figure)~~. Under Rev. Proc. 2011-
17 58, the safe harbor provisions of Rev. Proc. 2009-20 may also be utilized if a lead figure was the
18 subject of a state or federal criminal complaint alleging the commission of a crime described in section
19 4.02(1) of Rev. Proc. 2011-58, the complaint has not been withdrawn or dismissed ~~(other than because~~
20 ~~of the death of the lead figure)~~, and either (a) the complaint alleged an admission by the lead figure,
21 or the execution of an affidavit by that person admitting the crime; or (b) a receiver or trustee was
22 appointed with respect to the arrangement or assets of the arrangement were frozen.

23 Rev. Proc. 2011-58 further clarified, among other things, that the terms “indictment,”
24 “information,” and “criminal complaint” as used in Rev. Proc. 2009-20 have meanings similar to the
25 use of those terms in the Federal Rules of Criminal Procedure. Given the Mattson Indictment and
26 Mattson SEC Complaint, safe harbor treatment under Rev. Proc. 2009-20 may be available to certain
27 Plan Recovery Trust Beneficiaries. **Plan Recovery Trust Beneficiaries should consult with their**
28

Respectfully submitted,

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EXHIBIT E

Investigation Report
Schedule of Secured Lender Subclasses
{Filed Separately}

<u>Subclass</u>	<u>Secured Lender</u>	<u>Claim Number</u>	<u>Voting Amount</u>	<u>Collateral Address</u>
<u>Class 3-A</u>	<u>Fidelity National Title Insurance Company</u>	<u>KSMP-21</u>	<u>\$295,336.43</u>	<u>834 Donner Avenue</u>
<u>Class 3-B</u>	<u>Axos Bank</u>	<u>KSMP-315531</u>	<u>\$4,200,000.00</u>	<u>969 Rachael Road</u>
<u>Class 3-C</u>	<u>Bank of America, N.A.</u>	<u>LFM-314633</u>	<u>\$319,165.14</u>	<u>5605 Orange Way</u> <u>7320 Berna Way</u>
<u>Class 3-D</u>	<u>Bank of America NA</u>	<u>KSMP-315532</u>	<u>\$200,000.00</u>	<u>531/533 Camino</u>
<u>Class 3-E</u>	<u>Amanda Henry as Trustee For the Frank Bragg Revocable Trust dated June 5, 2002</u>	<u>LFM-628</u>	<u>\$1,249,282.68</u>	<u>453/457/459 2nd St W</u>
<u>Class 3-F</u>	<u>Butcher Road Partners LLC</u>	<u>LFM-314659</u>	<u>\$3,500,000.00</u>	<u>280/310/312/350 Butcher Rd</u>
<u>Class 3-G</u>	<u>Citizens Business Bank, a California state-chartered bank</u>	<u>LFM-1195</u>	<u>\$4,202,093.64</u>	<u>103/105 Commerce Ct</u>
<u>Class 3-H</u>	<u>Citizens Business Bank, a California state-chartered bank</u>	<u>LFM-1203</u>	<u>\$286,924.96</u>	<u>4950/4960/4970 Allison Pkwy</u> <u>103/105 Commerce Court</u>
<u>Class 3-I</u>	<u>JPMorgan Chase Bank, National Association</u>	<u>LFM-1393</u>	<u>\$4,796.11</u>	<u>7327/7329 Berna Way</u>
<u>Class 3-J</u>	<u>JPMorgan Chase Bank, National Association</u>	<u>LFM-1386</u>	<u>\$19,143.67</u>	<u>7332/7334 Arleta Court</u>
<u>Class 3-K</u>	<u>Comerica Bank</u>	<u>LFM-506</u>	<u>\$3,103,756.37</u>	<u>400 West Spain</u>
<u>Class 3-L</u>	<u>Comerica Bank</u>	<u>LFM-508</u>	<u>\$2,183,985.20</u>	<u>450 West Spain</u>
<u>Class 3-M</u>	<u>Deutsche Bank Trust Company Americas, as Trustee for Residential Accredit Loans, Inc., Mortgage Asset-Backed Pass-Through Cer</u>	<u>KSMP-713</u>	<u>\$1,792,122.39</u>	<u>454 15th St</u>
<u>Class 3-N</u>	<u>Deutsche Bank Trust Company, Trustee for Residential Accredit Loans</u>	<u>KSMP-315536</u>	<u>\$1,200,000.00</u>	<u>3557 Golf View Terrace</u>
<u>Class 3-O</u>	<u>Duggan s Mission Chapel</u>	<u>LFM-383</u>	<u>\$5,089,289.54</u>	<u>520/530/532 Studley</u> <u>525 W Napa</u>
<u>Class 3-P</u>	<u>Fannie Mae</u>	<u>LFM-1278</u>	<u>\$3,659,285.59</u>	<u>453 Fleming Ave E</u>
<u>Class 3-Q</u>	<u>Flagstar Bank</u>	<u>KSMP-315539</u>	<u>\$409,000.00</u>	<u>1549 E Napa</u>
<u>Class 3-R</u>	<u>Hampton Mortgage Group Inc.</u>	<u>KSMP-315540</u>	<u>\$320,000.00</u>	<u>1834-1836 Oceanfront Blvd</u>
<u>Class 3-S</u>	<u>JPMorgan Chase Bank National Association</u>	<u>KSMP-29</u>	<u>\$35,204.35</u>	<u>3557 Golf View Terrace</u>
<u>Class 3-T</u>	<u>JPMorgan Chase Bank, National Association</u>	<u>KSMP-775</u>	<u>\$5,506,969.31</u>	<u>1836 Oceanfront Blvd</u>
<u>Class 3-U</u>	<u>KeyBank National Association, as Special Servicer to U.S. Bank Trust Company, NA, as Trustee for the Registered Holders</u>	<u>LFM-1522</u>	<u>\$1,312,991.13</u>	<u>1190 Dana Dr</u>

<u>Subclass</u>	<u>Secured Lender</u>	<u>Claim Number</u>	<u>Voting Amount</u>	<u>Collateral Address</u>
<u>Class 3-V</u>	<u>KeyBank National Association, as Special Servicer to Computershare Trust Company, NA, as Trustee for the Registered Holders</u>	<u>LFM-1532</u>	<u>\$2,726,713.02</u>	<u>3310 - 3336 Cimmarron</u>
<u>Class 3-W</u>	<u>KeyBank National Association, as Special Servicer to U.S. Bank National Association, as Trustee for the Registered Holders</u>	<u>LFM-1562</u>	<u>\$4,065,227.41</u>	<u>5800 Fair Oaks Blvd</u>
<u>Class 3-X</u>	<u>KeyBank National Association, as Special Servicer to U.S. Bank Trust Company, NA, as Trustee for the Registered Holders</u>	<u>LFM-1547</u>	<u>\$3,946,215.29</u>	<u>1189 Dana Dr</u>
<u>Class 3-Y</u>	<u>LAFM Loan Owner, LLC</u>	<u>KSMP-716</u>	<u>\$3,818,082.62</u>	<u>969 Rachael Road</u>
<u>Class 3-Z</u>	<u>LAFM Loan Owner, LLC</u>	<u>KSMP-744</u>	<u>\$5,565,610.47</u>	<u>531/533 Camino</u>
<u>Class 3-AA</u>	<u>LAFM Loan Owners, LLC</u>	<u>KSMP-315545</u>	<u>\$5,600,000.00</u>	<u>62 Farragut Ave</u>
<u>Class 3-AB</u>	<u>Leland McAbee</u>	<u>LFM-741</u>	<u>\$316,300.00</u>	<u>830 Illinois St #1-4</u>
<u>Class 3-AC</u>	<u>MERS, Nominee for BOFI Federal Bank</u>	<u>KSMP-315546</u>	<u>\$5,600,000.00</u>	<u>1834-1836 Oceanfront Blvd</u>
<u>Class 3-AD</u>	<u>Michael R. and Ana Cavanaugh, as Trustees of the Michael R. and Ana R. Cavanaugh Family Trust Dated October 20, 2004</u>	<u>LFM-144</u>	<u>\$1,350,646.62</u>	<u>802 Studley St 801 W Napa St</u>
<u>Class 3-AE</u>	<u>U.S. Bank National Association, as Trustee for LEHMAN XS TRUST MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-15N</u>	<u>LFM-1381</u>	<u>\$311,895.39</u>	<u>1173 Araquipa Ct</u>
<u>Class 3-AF</u>	<u>Nationstar Mortgage LLC</u>	<u>LFM-1391</u>	<u>\$134,563.83</u>	<u>157 James River Rd</u>
<u>Class 3-AG</u>	<u>U.S. Bank National Association, as Trustee for LEHMAN XS TRUST MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2006-3</u>	<u>LFM-1413</u>	<u>\$234,509.54</u>	<u>7300 Berna Way 7325 Arleta Ct</u>
<u>Class 3-AH</u>	<u>Bruce Needleman, Trustee , Edna M. Hayes, Trustee of the Needleman Hayes Family Trust</u>	<u>LFM-314621</u>	<u>\$2,600,000.00</u>	<u>20490 Broadway</u>
<u>Class 3-AI</u>	<u>NexBank</u>	<u>LFM-502</u>	<u>\$1.00</u>	<u>1050 Elm St</u>
<u>Class 3-AJ</u>	<u>PHH Mortgage Services</u>	<u>LFM-314518</u>	<u>\$295,804.64</u>	<u>7328/7330 Arleta Ct</u>
<u>Class 3-AK</u>	<u>PHH Mortgage Services</u>	<u>LFM-314646</u>	<u>\$225,826.07</u>	<u>7335/7337 Arleta Ct</u>
<u>Class 3-AL</u>	<u>Poppy Bank, fka First Community Bank</u>	<u>LFM-1235</u>	<u>\$865,294.30</u>	<u>430 West Napa</u>
<u>Class 3-AM</u>	<u>ReProp Financial Mortgage Investors, LLC</u>	<u>KSMP-34</u>	<u>\$2,668,644.00</u>	<u>405 London Way</u>
<u>Class 3-AN</u>	<u>Robert Bass LLC</u>	<u>KSMP-315548</u>	<u>\$1,700,000.00</u>	<u>1014 1st St W 856 4th St E</u>
<u>Class 3-AO</u>	<u>Ronald Brandvein</u>	<u>LFM-212</u>	<u>\$109,000.00</u>	<u>5601/5603 Orange Ave</u>
<u>Class 3-AP</u>	<u>Y. Tito Sasaki and Janet L. Sasaki Trust</u>	<u>LFM-140</u>	<u>\$1,558,838.00</u>	<u>22001 8th St E</u>
<u>Class 3-AQ</u>	<u>Visio International Inc. and Y. Tito Sasaki and Janet L. Sasaki, Trust</u>	<u>LFM-166</u>	<u>\$2,283,742.36</u>	<u>21881/21885/21889 8th St E</u>
<u>Class 3-AR</u>	<u>Socotra Capital, Inc.</u>	<u>LFM-389</u>	<u>\$16,262,114.81</u>	<u>1045 Bart Rd 18701 Gehricke Rd</u>

<u>Subclass</u>	<u>Secured Lender</u>	<u>Claim Number</u>	<u>Voting Amount</u>	<u>Collateral Address</u>
				18935 W 5th St 900 E Napa St 925-927 Broadway 446 W. Napa 454 W. Napa 462 W. Napa 424 2nd St W 1025 Napa Rd
Class 3-AS	Socotra Capital, Inc.	LFM-1217	\$6,457,939.52	1549 E Napa St 24265/24321 Arnold Rd. 786 Broadway 790 Broadway 856 4th Street E 1014 1st St W
Class 3-AT	Socotra Capital, Inc.	LFM-324	\$4,842,388.87	333/371/411 Wilkerson Ave.
Class 3-AU	Socotra Capital, Inc.	LFM-388	\$1,500,328.32	377 West Spain Street
Class 3-AV	Socotra Capital, Inc.	LFM-399	\$3,492,538.62	20564 Broadway 391-455 Oak Street 19173 Railroad Ave 653 3rd Street W 789 Cordilleras
Class 3-AW	Socotra Capital, Inc.	LFM-390	\$6,265,597.38	16721 Sonoma Highway 635/645-651/1151/1161-1167 Broadway 10 Maple St
Class 3-AX	Socotra Capital, Inc.	LFM-394	\$3,038,291.77	17700 Sonoma Hwy 201 Meadowlark
Class 3-AY	Socotra Capital, Inc.	LFM-401	\$3,286,027.71	446/454 3rd Street West
Class 3-AZ	Socotra Capital, Inc.	LFM-387	\$2,033,413.74	151 E Napa St
Class 3-BA	Socotra Capital, Inc.	LFM-392	\$8,128,236.30	1870 Thornsberry Dr 1221 Apple Tree Ct 19450 Old Winery Rd 222/226 W. Spain 282 Patten St 141-145 E. Napa Street 921 Broadway
Class 3-BB	Socotra Capital, Inc.	LFM-396	\$14,157,857.05	171 W. Spain Street 23250 Maffei Road 101/103/310 Meadowlark Ln 24101/24151 Arnold Dr 302-310 1st Street East
Class 3-BC	Socotra Capital, Inc.	LFM-404	\$18,730,646.16	10306 Badger Lane

<u>Subclass</u>	<u>Secured Lender</u>	<u>Claim Number</u>	<u>Voting Amount</u>	<u>Collateral Address</u>
				10308 Badger Lane 10326 Badger Lane 10328 Badger Lane 10334 Badger Lane 10336 Badger Lane 10342 Badger Lane 10344 Badger Lane 107 Quail Court 109 Quail Court
Class 3-BD	Socotra Capital, Inc.	LFM-1219	\$1,974,284.59	19340 7th St E
Class 3-BE	Socotra	KSMP-315550	\$2,800,000.00	1549 E Napa St, Sonoma, CA 95476
Class 3-BF	Socotra Capital Inc.	KSMP-315553	\$4,700,000.00	8340/8350 Auburn
Class 3-BG	Socotra Capital Inc.	KSMP-315552	\$1,133,905.00	22666 Broadway, Sonoma, CA 95746
Class 3-BH	Socotra Opportunity Fund, LLC	KSMP-315554	\$1,925,000.00	452 C 1st St E
Class 3-BI	Socotra Opportunity Fund, LLC	KSMP-315555	\$1,700,000.00	450 1st St E #A,B, K, Sonoma, CA 95476
Class 3-BJ	Socotra Opportunity Fund, LLC	KSMP-315556	\$600,000.00	450J 1st Street East, Sonoma, CA 95476
Class 3-BK	Socotra Opportunity REIT I LLC	KSMP-315557	\$2,008,664.00	18275 Sonoma Highway, Boyes Hot Springs 18285 Hwy 12, El Verano, CA 95476 Arroyo Rd, Boyes Hot Springs 320 Arroyo Rd, Boyes Hot Springs
Class 3-BL	Socotra Opportunity REIT I LLC	KSMP-315558	\$1,021,803.00	18590 Hwy 12, Boyes Hot Springs, CA 95476
Class 3-BM	Socotra Opportunity REIT I LLC	KSMP-315559	\$1,212,448.00	19357 Hwy 12, Sonoma, CA 94559
Class 3-BN	Socotra Opportunity REIT I LLC	KSMP-315560	\$1,500,000.00	230 E Napa
Class 3-BO	Socotra Opportunity REIT I LLC	KSMP-315561	\$1,998,344.00	415 Pacific Ave
Class 3-BP	Socotra REIT I LLC	KSMP-315563	\$1,447,000.00	414 W Napa
Class 3-BQ	Socotra REIT I LLC	KSMP-315562	\$1,400,000.00	1014 1st St W, Sonoma, CA 95476
Class 3-BR	Socotra REIT I LLC	KSMP-315564	\$1,865,000.00	856 4th St E, Sonoma, CA 95476
Class 3-BS	Select Portfolio Servicing, Inc.	LFM-314648	\$312,351.40	5509 Orange Ave 7343 Arleta Ct
Class 3-BT	Select Portfolio Servicing, Inc.	LFM-314649	\$294,007.31	5601/5603 Orange Ave
Class 3-BU	Select Portfolio Servicing, Inc.	LFM-314651	\$310,912.09	7312/7314 Berna Way
Class 3-BV	Select Portfolio Servicing, Inc.	LFM-314652	\$295,678.30	7316/7318 Arleta Ct
Class 3-BW	Select Portfolio Servicing, Inc.	LFM-314654	\$308,414.07	7319/7321 Berna Way
Class 3-BX	Select Portfolio Servicing, Inc.	LFM-314552	\$373,344.31	1130 Pear Tree Ln
Class 3-BY	Sylva Family Properties	KSMP-315577	\$1,524,726.00	230 E Napa

<u>Subclass</u>	<u>Secured Lender</u>	<u>Claim Number</u>	<u>Voting Amount</u>	<u>Collateral Address</u>
<u>Class 3-BZ</u>	<u>The Bank of New York Mellon, f/k/a the Bank of New York, as Trustee, on Behalf of the Holders of the Alternative Loan Trust</u>	<u>KSMP-794</u>	<u>\$1,426,346.31</u>	<u>531-533 Camino</u>
<u>Class 3-CA</u>	<u>Tri Counties Bank</u>	<u>LFM-314568</u>	<u>\$156,479.98</u>	<u>6359 Auburn Blvd</u>
<u>Class 3-CB</u>	<u>Trustee of the John and Mary Metallinos Living Trust</u>	<u>KSMP-315582</u>	<u>\$2,500,000.00</u>	<u>22 Boyes Blvd</u>
<u>Class 3-CC</u>	<u>Trustee, Gerald and Carol Shiffman Joint Trust</u>	<u>KSMP-315583</u>	<u>\$2,950,000.00</u>	<u>47/49 Natoma St</u>
<u>Class 3-CD</u>	<u>Trustee, Gerald and Carol Shiffman Joint Trust</u>	<u>KSMP-315584</u>	<u>\$2,950,000.00</u>	<u>8349/8350 Auburn Blvd</u>
<u>Class 3-CE</u>	<u>U.S. Bank NA, Successor Trustee to Bank of America, NA, Successor in Interest to LaSalle Bank NA, as Trustee</u>	<u>KSMP-31</u>	<u>\$1,672,512.42</u>	<u>236 King Ave</u>
<u>Class 3-CF</u>	<u>Umpqua Bank, Successor in Interest by Merger to Columbia State Bank</u>	<u>LFM-195</u>	<u>\$1,684,637.83</u>	<u>170 - 182 First St E</u>
<u>Class 3-CG</u>	<u>Umpqua Bank, Successor in Interest to Sacramento Bank of Commerce, a Division of Redding Bank of Commerce</u>	<u>LFM-198</u>	<u>\$14,328,260.33</u>	<u>2151 Salvio St</u>
<u>Class 3-CH</u>	<u>Umpqua Bank, Successor in Interest to Sacramento Bank of Commerce, a Division of Redding Bank of Commerce</u>	<u>LFM-191</u>	<u>\$6,310,302.52</u>	<u>951/1035/1047 Alamo Dr</u>
<u>Class 3-CI</u>	<u>Virginia Ghilarducci</u>	<u>LFM-110</u>	<u>\$1,400,000.00</u>	<u>241 1st St W</u>
<u>Class 3-CJ</u>	<u>Susan Leeming</u>	<u>LFM-30</u>	<u>\$325,000.00</u>	<u>24160 Turkey Rd 24237 Arnold Rd.</u>
<u>Class 3-CK</u>	<u>WE Alliance Secured Income Fund, LLC</u>	<u>KSMP-315586</u>	<u>\$4,700,000.00</u>	<u>3003 Castle Rd</u>
<u>Class 3-CL</u>	<u>Wilmington Trust, National Association, as Trustee for the Benefit of the Registered Holders</u>	<u>LFM-1303</u>	<u>\$16,868,467.23</u>	<u>9415 - 9471 N Fort Washington</u>
<u>Class 3-CM</u>	<u>Federal Home Loan Mortgage Corporation</u>	<u>LFM-910</u>	<u>\$3,624,209.66</u>	<u>7337 Power Inn Rd</u>
<u>Class 3-CN</u>	<u>Socotra Capital, Inc.</u>	<u>LFM-398</u>	<u>\$7,744,758.31</u>	<u>596 3rd St E</u>

EXHIBIT 3

Comparison of Liquidation and Recovery Analysis

EXHIBIT C

Liquidation and Recovery Analysis

INTRODUCTION

The “best interests” test in section 1129(a)(7) of the Bankruptcy Code requires that the Bankruptcy Court find, as a condition to confirmation of the Plan, that each holder of a Claim or Interest in each Impaired Class: (i) has accepted the Plan; or (ii) will receive or retain under the Plan property of a value, as of the Effective Date of the Plan, that is not less than the amount that such Person would receive if the Chapter 11 Cases were instead converted to chapter 7 of the Bankruptcy Code on the ~~Effective Date and~~ Conversion Date (defined below) and the assets liquidated by a chapter 7 trustee. To make these findings, the Bankruptcy Court must: (1) estimate the cash proceeds that a chapter 7 trustee would generate if the Chapter 11 Cases were converted to chapter 7 cases and the assets of such Debtors’ estates were liquidated as of the Conversion Date (defined below); (2) determine the distribution that each non-accepting holder of a Claim or Interest would receive from the net proceeds available for distribution under the priority scheme dictated in chapter 7; and (3) compare each holder’s estimated recovery under a chapter 7 liquidation scenario to the distributions under the Plan that such holder would receive if the Plan were confirmed and consummated.

The Debtors, with the assistance of their restructuring advisors, have prepared this hypothetical liquidation ~~analysis~~ (the “Liquidation Analysis”), which estimates potential cash distributions to holders of allowed claims and interests in a hypothetical chapter 7 liquidation of all the Debtors’ assets. The Liquidation Analysis is based upon certain assumptions further detailed in the accompanying “Notes to the Liquidation Analysis.”

Based on the estimated range of recoveries for each class of creditors in the Liquidation Analysis, the Debtors submit that holders of Impaired Claims will receive more value under the proposed Plan than in a chapter 7 liquidation scenario. The Plan thus satisfies the best interests test under section 1129(a)(7) of the Bankruptcy Code. This analysis is based on estimates and assumptions that, while considered reasonable by management, may not be realized and are inherently subject to uncertainties, and actual recoveries in a chapter 7 liquidation could be higher or lower than recoveries set forth in this Liquidation Analysis.

STATEMENT OF LIMITATIONS

The Liquidation Analysis was prepared for the sole purpose of assisting the Bankruptcy Court and Holders of Impaired Claims or Equity Interests in determining that the best interest of creditors test is met and should not be used for any other purpose. The determination of the hypothetical proceeds, and costs of the liquidation of the Debtors’ assets, is an uncertain process involving the use of estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies beyond the control of the Debtors, their management, and their advisors. Inevitably, some assumptions in the Liquidation Analysis may not materialize in an actual chapter 7 liquidation, and unanticipated events and circumstances could affect the ultimate results. This Liquidation Analysis was prepared for the sole purpose of generating a reasonable good-faith estimate of the proceeds that would be generated if the Debtors were liquidated in accordance with chapter 7 of the Bankruptcy Code after conversion of the Chapter 11 Cases on the Conversion Date (defined below). The underlying financial information in the Liquidation

Analysis was not compiled or examined by any independent accountants. No independent appraisals were conducted in preparing the Liquidation Analysis.

ACCORDINGLY, WHILE DEEMED REASONABLE BASED ON THE FACTS CURRENTLY AVAILABLE, NEITHER THE DEBTORS NOR THEIR PROFESSIONALS MAKE ANY REPRESENTATION OR WARRANTY THAT THE ACTUAL RESULTS WOULD OR WOULD NOT APPROXIMATE THE ESTIMATES AND ASSUMPTIONS REPRESENTED IN THE LIQUIDATION ANALYSIS. ACTUAL RESULTS COULD VARY MATERIALLY.

In preparing the Liquidation Analysis, estimated Allowed Claims are based upon a review of Claims listed on the Debtors' statements of assets and liabilities as well as various other financial statements and reports (the "Financial Reports") and Proofs of Claim and Proofs of Interest filed to date. In addition, the Liquidation Analysis includes estimates for Claims not currently asserted in the Chapter 11 Cases or currently contingent, but which could be asserted and Allowed in a chapter 7 liquidation, including but not limited to Administrative Claims, claims arising in connection with the rejection of contracts, employee-related obligations, Liquidation Costs (as defined herein), trustee fees, tax liabilities, and other Allowed Claims. To date, the Bankruptcy Court has not estimated or otherwise fixed the total amount of Allowed Claims used for purposes of preparing the Liquidation Analysis. For purposes of the Liquidation Analysis, the Debtors' estimates of Allowed Claims contained in the Liquidation Analysis reference specific Claims estimates, even though the Debtors' estimates of ranges of projected recoveries under the Plan to holders of Allowed Claims and Interests are based on ranges of Allowed Claims and Interests. Therefore, estimates of Allowed Claims set forth in the Liquidation Analysis should not be relied on for any other purpose, including determining the value of any distribution to be made on account of Allowed Claims and Interests under the Plan.

NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION OF THE DEBTORS. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THE CHAPTER 11 CASES COULD MATERIALLY DIFFER FROM THE ESTIMATED AMOUNTS SET FORTH IN THE LIQUIDATION ANALYSIS.

BASIS OF PRESENTATION

This hypothetical Liquidation Analysis assumes conversion of each of the Chapter 11 Cases to chapter 7 liquidation cases approximately ~~two~~^{three} weeks after a contested confirmation hearing of the Plan and is presumed to be ~~February 28~~^{March 31}, 2026 (the "Conversion Date") and presents a recovery scenario on a substantively consolidated basis. On the Conversion Date, it is assumed that the Office of the United States Trustee would appoint a chapter 7 trustee to oversee the liquidation of the bankruptcy estates of the Debtors, during which time all of the assets of the Debtors would be sold or otherwise liquidated, and the net cash proceeds (net of liquidation related costs) would be distributed to creditors in accordance with applicable law.

The Liquidation Analysis is based on estimates of the Debtors' assets and liabilities derived from the Debtors' periodic financial reports and budgets as well as estimates from the Debtors' real

estate advisors, which are routinely provided to the Debtors' constituents. Except as otherwise noted herein, the Liquidation Analysis is based upon the unaudited financial statements of the Debtors as of ~~August 31~~September 30, 2025, and those values are assumed to be representative of the Debtors' assets and liabilities as of the Conversion Date. Except as otherwise noted herein, the Debtors' Management team believes that the ~~August 31~~September 30, 2025, book values of assets and liabilities are reflect the best available estimates ~~of such book~~for purposes of this analysis, although actual values ~~as of~~at the ~~Liquidation Date~~Conversion Date could differ materially. The values utilized for Unsold Retained Properties are based on either the latest available Broker Opinions of Value ("BOV's") or actual offers received. The estimates provided by the Debtors' real estate advisors as it relates to the forecasted timing and net property sale proceeds are constantly evolving as updated information becomes available. – The estimates provided by the Debtors' real estate advisors reflect the latest information available as of the time of publication.

The Debtors' anticipated property sales are expected to occur through the Conversion Date. Any properties that have not been sold or returned to the lenders at that point are assumed to be liquidated by the chapter 7 trustee after the Conversion Date ("Retained Properties"). The Liquidation ~~a~~Analysis assumes approximately ~~20~~30 properties will be retained by the Plan Recovery Trust.

The Liquidation Analysis assumes Debtor and non-Debtor affiliate operations will cease as of the Conversion Date and that the chapter 7 trustee will engage third parties, as necessary, to manage and maintain the Retained Properties pending the sale process.

For the purposes of this analysis, it is assumed that the sale of the above assets takes six months from the Conversion Date under the direction of the chapter 7 trustee who is assisted by real estate brokers, a financial advisor, and bankruptcy counsel. During this time, it is assumed that the trustee will engage a property management company to support the sale process, assist the trustee with wind-down tasks, and ensure the assets are managed and maintained until sale.

All non-Debtor affiliates are assumed to have *de minimis* asset value and therefore no recoveries are assumed on account of non-Debtor affiliate assets.

There can be no assurance that the liquidation would be completed in the assumed timeframe, nor that the assumed realizable asset values would in fact be realized through the liquidation process.

The Liquidation Analysis is further based on the assumption that the Debtors continue to have authority to use the applicable secured lenders' cash collateral during the course of the chapter 7 liquidation period to support the liquidation process. This is only an assumption and is by no means meant to represent an agreement with the lenders as to the use of cash collateral in a liquidation scenario. Absent the use of cash collateral in the quantum estimated, the values realized for the assets will likely be materially lower. Use of cash collateral is assumed for modeling purposes; however, secured lenders may contest such use and a chapter 7 trustee may lack adequate liquidity to preserve value, leading to accelerated deterioration of assets and materially lower recoveries.

LIQUIDATION ANALYSIS

Ch. \$						Ch. of	
	Note	Ch. Low		High		Low	High
		\$	%	\$	%	%	%
Unsold	[1]						
Gross Asset Sale Proceeds		\$ 18,005		\$ 30,930			
Closing Costs		(1,350)		(2,080)			
Taxes Paid at Closing		(190)		(400)			
Secured Debt and Other Amounts		(8,314)	100%	(18,707)	100%	100%	100%
Net		8,150		9,743			
Cash on Hand	[2]	105,868		105,868			
Other Assets	[3]	1,183		2,100			
Other Recoveries (net)	[4]	-		20,000			
Total		\$ 115,202		\$ 137,711			
DIP	[5]	(12,100)	100%	(12,100)	100%	100%	100%
Remaining		103,102		125,611			
Administrative							
Ch. 7 Trustee Commission	[6]	(3,752)	100%	(4,767)	100%		
Ch. 7 Case Professionals	[7]	(21,000)	100%	(15,000)	100%		
Ch. 11 Administrative Claims	[8]	(44,510)	100%	(39,410)	100%	100%	100%
Total		(69,262)		(59,177)			
Remaining		33,840		66,434			
Priority	[9]	(1,558)	100%	(958)	100%	100%	100%
Funds		\$ 32,282		\$ 65,476			
Estimated		Claim Amount	Recovery	Claim Amount	Recovery	Ch. 11 Recovery	Ch. 11 Recovery
Class	[10]	5,500	13.7%	4,000	27.9%	72.7%	100.0%
Class	[11]						
Investor	[12]	\$ 231,000	13.7%	\$ 231,000	27.9%	21.1%	40.6%
Investor	[12]	\$ -	0.0%	\$ -	0.0%	0.0%	0.0%

\$									
	Note	Ch.				Ch.			
		Low		High		Low		High	
		\$	%	\$	%	\$	%	\$	%
Unsold	[1]								
Gross Asset Sale Proceeds		\$ 37,835		\$ 45,830		54,590		76,477	
Closing Costs		(2,838)		(3,094)		(4,094)		(5,440)	
Taxes Paid at Closing		(593)		(833)		(848)		(929)	
Secured Debt and Other Amounts		(21,926)	100%	(28,025)	100%	(31,818)	100%	(46,590)	100%
Net		12,479		13,878		17,829		23,518	
Cash on Hand	[2]	94,745		94,745		94,745		94,745	
Other Assets	[3]	1,183		2,100		1,183		2,100	
Other Recoveries (net)	[4]	2,000		27,000		2,000		27,000	
Total		\$ 110,407		\$ 137,722		\$ 115,757		\$ 147,363	
DIP	[5]	(12,100)	100%	(12,100)	100%	(12,100)	100%	(12,100)	100%
Remaining		98,307		125,622		103,657		135,263	
Administrative									
Ch. 7 Trustee Commission	[6]	(4,073)	100%	(5,090)	100%	n/a		n/a	
Ch. 7 Case Professionals	[7]	(21,000)	100%	(15,000)	100%	n/a		n/a	
Ch. 11 Wind Down budget	[8]	n/a	100%	n/a	100%	(5,500)	100%	(4,500)	100%
Ch. 11 Administrative Claims	[9]								
Accrued Professional Fees		(48,500)	100%	(44,000)	100%	(48,500)	100%	(44,000)	100%
Other Ch. 11 Administrative Claims		(510)	100%	(410)	100%	(510)	100%	(410)	100%
Total		(74,083)		(64,500)		(54,510)		(48,910)	
Remaining		24,224		61,122		49,147		86,353	
Priority	[10]	(2,000)	100%	(1,000)	100%	(2,000)	100%	(1,000)	100%
Funds		\$ 22,224		\$ 60,122		\$ 47,147		\$ 85,353	
Estimated		Claim Amount	Recovery	Claim Amount	Recovery	Ch. 11 Recovery		Ch. 11 Recovery	
Class	[11]	5,500	9.3%	4,000	25.3%	5,500	72.7%	4,000	100.0%
Class	[12]								
Investor Tranche 1 Claims	[13]	\$ 234,000	9.3%	\$ 234,000	25.3%	\$ 234,000	19.7%	\$ 234,000	35.9%
Investor Tranche 2 Claims	[14]	\$ 97,000	0.0%	\$ 97,000	0.0%	\$ 97,000	0.0%	\$ 97,000	0.0%
Total		\$ 331,000	6.6%	\$ 331,000	17.9%	\$ 331,000	14.0%	\$ 331,000	25.5%

NOTES TO THE LIQUIDATION ANALYSIS

Note 1 – Unsold Retained Properties

Properties that have not been sold or returned to the lenders as of the Conversion Date are assumed to be liquidated by the chapter 7 trustee during the post-Conversion Date period. It is assumed that the estimated liquidation value of the properties will be 80% of the ~~Broker Opinions of Value (“BOV”)~~BOVs obtained by the Debtors in the High scenario and 75% of the BOVs in the Low Scenario to account for a lack of continuity in the sales process and liquidation on a compressed timeline. The secured debt and other amounts owed include any estimated net proceeds owed to tenant-in-common owners. Any properties for which the estimated gross proceeds less the closing costs and taxes are less than the estimated secured debt and any other amounts owed are assumed to be returned to the lenders and no net proceeds have been reflected in the Liquidation Analysis.

Note 2 – Cash and Cash Equivalents

Reflects the Debtors’ estimated cash balance as of the Conversion Date including the anticipated proceeds from real estate transactions that are expected to close by the Conversion Date. Any properties not sold and abandoned prior to the Conversion Date are assumed to have been non-judicially foreclosed.

Note 3 – Other Assets

Includes estimated collections related to:

- Reserves Held by Lenders. Certain lenders hold reserves that are assumed to be released to the Debtors at sale closing and have not been reflected in the estimated Net Asset Sale Proceeds.
- Judgments. Includes amounts related to judgment obtained and affirmed upon appeal.

Other assets of the Debtors, including outstanding accounts receivable related to past due rents, furniture, fixtures, and equipment, and any interests in non-debtor subsidiaries, are assumed to have a \$0 value in the Liquidation Analysis.

Note 4 – Other Recoveries (net)

Includes estimated cash recoveries related to:

- Preference Recoveries. Represents the estimated range of recoveries on account of preference payments (*i.e.*, payments made to vendors and investors in the 90 days preceding the Chapter 11 bankruptcy that were not in the ordinary course) net of expenses associated with the prosecution of such claims.
- Other Claims and Causes of Action. Represents an estimated range of recoveries from other claims and causes of action based on the information and analysis available at the time of filing the liquidation analysis. The estimates are presented net of any professional fees related to successful recoveries.

~~The Liquidation Analysis assumes that there will not be any collections related to other recoveries in the low scenario.~~

Note 5 – DIP Facility Claims

Represents the \$10 million aggregate principal balance of the postpetition loan provided by the DIP Lender to the Debtors during the Chapter 11 Cases, comprised of a \$4 million DIP Facility for KSMP and a \$6 million DIP Facility for LeFever Mattson. The DIP Facility Claims have liens on certain assets and priority above all other unsecured claims against the Debtors. The KSMP DIP Facility (\$4 million) is limited to liens on the assets of KSMP and the LeFever Mattson DIP Facility (\$6 million) is limited to liens on the assets of LeFever Mattson. In addition to principal amount outstanding, also included in the claim amount are (i) accrued and unpaid interest and fees through the assumed Conversion Date and (ii) reimbursement of any outstanding DIP Lender's professional fees pursuant to the DIP Orders.

Note 6 – Chapter 7 Trustee Commission Fees

Fees associated with the appointment of a chapter 7 trustee in accordance with section 326 of the Bankruptcy Code. Distributable value on which the trustee commission fee is charged includes all money or property disbursed by the trustee.

Note 7 – Chapter 7 Trustee Professional Fees

Represents the professionals engaged by the trustee to assist with the liquidation of the Debtors' assets under a hypothetical chapter 7 liquidation process. These fees are based on estimated monthly run-rates by type of professional (legal, financial, tax / accounting, property management, and other) with a phased reduction throughout the first 12 months of the liquidation. It is anticipated that a chapter 7 trustee would not be able to retain any of the existing case professionals as they will be creditors and not disinterested under the Bankruptcy Code. Accordingly, new professionals will need to be retained who will have a steep learning curve, resulting in incremental expenses.

-The Plan provides for substantive consolidation of the debtors as well as a determination of a Ponzi finding. If the Plan is not confirmed, the Liquidation Analysis assumes that in a best-case ("High") scenario, the chapter 7 trustee will engage professionals to successfully achieve a substantive consolidation of the Debtors as well as a Ponzi finding. The effort associated with this will be significant and will require forensic accounting, motions, hearings, and a significant amount of litigation expense. As indicated in the Joint Investigation Report and Summary of Global Settlement [Docket No. 2568], the volume of the transactions involved coupled with the inadequacy of certain records that span across decades and more than sixty entities lends to a tremendously complex and laborious undertaking. The incremental fees associated with these efforts has been conservatively estimated at \$5.0 million for a Ponzi finding and \$5.0 million for substantive consolidation. ~~This is~~ It is assumed for purposes of this Liquidation Analysis that it will take approximately three (3) years to have the issues of substantive consolidation and a Ponzi finding determined pursuant to a final non-appealable order. The foregoing costs are in addition to the baseline costs associated with the administration of these hypothetical chapter 7 cases.

The worst-case (“Low”) scenario assumes that the fees associated with the efforts to successfully achieve a substantive consolidation of the Debtors as well as a Ponzi finding will be even higher than in the High scenario. The incremental fees associated with these efforts have been estimated at \$7.5 million for a Ponzi finding and \$7.5 million for substantive consolidation. This is in addition to the baseline costs associated with the administration of these cases which have also been assumed to increase by \$1 million in the worst-case scenario. There is additional risk that each Debtor will require an individual trustee, who would then require separate professionals, further increasing expenses.

Note 8 – Chapter 11 Wind Down Budget

Consists of estimated expenses related to claims reconciliation, preparation of final tax returns, management and maintenance of the retained properties, any costs associated with the disposition of remnant assets and other administrative costs associated with the final wind down of the Debtors.

Note 9 – Chapter 11 Administrative Claims

Represents estimated accrued and unpaid Chapter 11 Administrative Expenses, primarily comprised of the following: (i) unpaid postpetition accounts payable (*i.e.*, the timing differential between when liabilities have been incurred versus when they are invoiced and ultimately payable) and (ii) chapter 11 professional fees outstanding as of the Conversion Date.

Note ~~9~~10 – Priority Claims

Priority claims represent accrued liabilities for taxes and employee obligations payable by the Debtor entities. The ultimate amount of priority claims is undetermined as of the date hereof but is based on the Claims register as of October 3, 2025. The liquidation analysis assumes no income tax liability. The liquidation analysis assumes all tenant security deposit claims are addressed through property sales.

Note ~~10~~11 – Trade Claims (Class ~~64~~)

Represents all non-priority unsecured Claims that are not Investor Claims, including, without limitation, (i) all such Claims owed to the Debtors’ vendors, suppliers and providers of goods and services received by the Debtors during the ordinary course of business prepetition on account of or relating to such goods and services, and (ii) Rejection Claims.

The ultimate amount of other general unsecured claims is undetermined as of the date hereof but is based on the Claims register as of October 3, 2025, and the Debtors’ best estimates for any unquantified claims that the Debtors expect a valid unsecured claim to exist.

This Liquidation Analysis assumes that Trade Claims are treated *pro rata* with Investor Claims in a chapter 7 liquidation. This Liquidation Analysis further assumes that Class ~~64~~ (Trade Claims) accepts the Plan in the plan recovery analysis and holders of Class ~~64~~ receive their *pro rata* share of the Trade Claims Settlement Fund (\$4 million).

Note ~~11~~12 – Investor Claims (Class ~~75~~)

This Liquidation Analysis assumes that Investor Claims will be calculated as (a) all cash transferred from the Investor to the Debtors that can be validated by the Debtors plus (b) the fair market value of any property transferred to the Debtors (*e.g.*, via a 1031 exchange) at the time of such transfer. Amount Invested includes all validated amounts invested regardless of time period (*i.e.*, amounts invested before the Ponzi Start Date are included). Appreciated roll-overs to other investments are not included. The ultimate amount of the total investor claims is undetermined at the date hereof, but is based on the Debtors' professionals' review of the Proofs of Interests and proofs of claims filed and the Debtors' best estimates. Subordinated claims have been reflected at \$0.

Note ~~12~~13 – Investor Tranche 1 Claims

This Liquidation Analysis projects Investor Tranche 1 Claims in accordance with the Investor Settlement Amount Procedures Order, which provides that Investor Tranche 1 Claims means a claim for money (or value of property) invested in the Debtors over time less any distributions the Investor received over the seven years prior to September 12, 2024.

Note ~~12~~14 – Investor Tranche 2 Claims

This Liquidation Analysis projects Investor Tranche 2 Claims in accordance with the Investor Settlement Amount Procedures Order, which provides that Investor Tranche 2 Claims mean a claim for the distributions deducted in calculating an Investor Tranche 2 Claim.

EXHIBIT 4

Revised Solicitation Exhibits

Exhibit	Description
Exhibit A	Plan Summary (to be served only on Investors in Class 5 as part of the Solicitation Package)
Exhibit B	Proposed Confirmation Hearing Notice
Exhibit C	Proposed Contents and Procedures for Serving Solicitation Packages
Exhibit D	1. Proposed Form of Ballot - Class 3 Secured Lender Claims 2. Proposed Form of Ballot - Class 4 Trade Claims 3. Proposed Form of Ballot - Class 5 Investor Claims
Exhibit E	Proposed Vote Tabulation/Investor Claims Estimation Procedures
Exhibit F	Proposed Notice of Non-Voting Status
Exhibit G	Proposed Solicitations Procedures Order
Exhibit H	Solicitation Package Cover Letter

EXHIBIT A

Plan Summary

THIS DOCUMENT IS NOT A SOLICITATION OF VOTES ON THE PLAN. VOTES MAY NOT BE SOLICITED UNTIL THE BANKRUPTCY COURT HAS APPROVED THE PLAN SUMMARY. THIS PLAN SUMMARY IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT. ALL OF THE INFORMATION IN THIS PROPOSED PLAN SUMMARY IS SUBJECT TO CHANGE.

PLAN SUMMARY FOR INVESTORS

LeFever Mattson, a California corporation, (“LFM”) its affiliated debtors and debtors in possession (collectively, the “LFM Debtors”), KS Mattson Partners LP (“KSMP”) and its affiliated debtors and debtors in possession (the “KSMP Debtors” and together with the LFM Debtors, the “Debtors”) and the Official Committee of Unsecured Creditors appointed in the Debtors’ chapter 11 bankruptcy cases (the “Committee” and together with the Debtors, the “Plan Proponents”) have jointly proposed the *Second Amended Joint Chapter 11 Plan of Liquidation* (as may be amended or modified, the “Plan”).¹

The Plan provides for a global settlement (the “Global Settlement”) of the outstanding Claims asserted against and Equity Interests asserted in the Debtors. The Global Settlement embodied in the Plan resolves the complex issues in these Chapter 11 Cases, including (a) substantive consolidation of the Debtors and the KSMP Investment Entities, (b) the Ponzi Finding (discussed further below), and (c) the allowance and treatment of Investor Claims. Under the Plan, all assets and liabilities of all Debtors and KSMP Investment Entities will be pooled and consolidated for distribution purposes, through substantive consolidation. The Global Settlement provides for a “**single pot**,” such that all assets and liabilities of the Debtors and KSMP Investment Entities are pooled and consolidated for distribution purposes. Pursuant to applicable case law, all Investors are treated the same, as holders of tort claims, regardless of the type of documentation or instrument held. Pursuant to the Global Settlement, each Investor will receive a claim for money (or value of property) it invested in the Debtors or KSMP Investment Entities over time less any distributions the Investor received over the seven years prior to the Petition Date. This claim will receive a *pro rata* distribution of available assets and, only after such claim is paid in full, will there be any recovery on claims for expected profits, pursuant to the principles of “netting” in Ponzi scheme cases. However, as part of the Global Settlement, rather than netting from the suspected Ponzi scheme start date, the proposed Investor Settlement Amount Procedures Order will provide that only payments made to Investors seven years prior to September 12, 2024, will be offset/netted in calculating Investor Claims.

As discussed further below, in the Disclosure Statement, and in the comprehensive discussion of the facts and circumstances supporting the Global Settlement separately filed with the Court at Docket No. 2568 (the “Investigation Report”),² the Global Settlement takes into account the extensive evidence supporting the determination that (i) the Debtors and KSMP Investment Entities are hopelessly entangled and should be substantively consolidated; and (ii) the Debtors and KSMP Investment Entities were operated as a Ponzi scheme (the “Ponzi Finding”). These two conclusions flow directly from the wrongdoing that led to these Chapter 11

¹ Capitalized terms not otherwise defined herein are used as those terms are defined in the Plan. The Plan, Disclosure Statement, Investigation Report and other filed documents are available for review, at no charge, at <https://www.veritaglobal.net/LM>.

² The Investigation Report can be accessed from the Debtors’ restructuring website at <https://veritaglobal.net/LM>.

Cases: for decades, Kenneth W. Mattson (“Mattson”), former principal of the Debtors and KSMP Investment Entities, controlled the Debtors and KSMP Investment Entities as a single enterprise—disregarding their separate corporate forms—and caused them to engage in numerous fraudulent activities and transactions (collectively, the “Mattson Transactions”). The Mattson Transactions took many forms, including the sale of fictitious interests in many of the Debtors; the transfer of vast sums of money between and among LFM, KSMP, KSMP Investment Entities, and other Debtors; and the transfer among the Debtors and KSMP Investment Entities of properties encumbered with high-interest loans.

The Debtors and the Committee, through months of open cooperation, information gathering, and negotiation for the benefit of all Investors, have reached the Global Settlement aimed at: (i) mitigating the damage inflicted by the Debtors’ Ponzi scheme run by Mattson and potentially others; and (ii) developing a level playing field that treats all aggrieved Investors fairly, uniformly, and expeditiously. The Plan treats Investors and creditors fairly without incurring the considerable professional fees and costs (likely **in excess of \$10 million**) that would be necessary to attempt to disentangle the Debtors and KSMP Investment Entities, which were operated prepetition together, as a Ponzi scheme by Mattson. Critically, given the incomplete and deficient state of the Debtors’ books and records, even if such funds were expended, it is possible, and even likely, that the disentanglement would be unsuccessful.

The Plan provides for **one class of Investor Claims – Class 5**. Voting on the Plan will allow the Investor community to have a significant voice in the outcome of this case. To effectuate distributions to Investors, the Plan provides for the creation of the **Plan Recovery Trust**, which will own the Debtors’ and KSMP Investment Entities’ assets that are not sold during the course of the Chapter 11 Cases, will sell or otherwise dispose of those remaining assets to generate cash, and will distribute that (and other) cash to Investors. The Plan Recovery Trust also will own any viable litigation claims against third parties, including Mattson and others such as Timothy LeFever (“LeFever”), and may generate cash through prosecution or settlement of those claims. Cash will be distributed by the Plan Recovery Trust to Investors and other creditors over time (as the Plan Recovery Trust collects on or otherwise monetizes the Plan Recovery Trust Assets).³

³ Investors will also receive *pro rata* distributions from the Investor Forfeiture Fund in the event that there is any Forfeiture Property obtained by the DOJ, the SEC or another Governmental Unit.

The Debtors and the Committee understand the uncertain and devastating financial position that many Investors are in as a result of the Ponzi scheme, and believe that the Global Settlement reflected in the Plan represents the best outcome of these unfortunate circumstances, and importantly, provides the best prospect for Investors and other creditors *to receive distributions as soon as reasonably possible*. Confirmation of the Plan in the most expeditious manner is of paramount importance to the Investor community and the Plan Proponents believe is in the best interests of the estates and all creditors.

In brief, during these Chapter 11 Cases, the Debtors and the Committee have conducted a comprehensive joint investigation into the prepetition conduct of the Debtors and their principals and their affiliates (the “Joint Investigation”). As a result of the Joint Investigation, as explained further in the Investigation Report filed with the Court, the Debtors and the Committee have made the following material conclusions relevant to the Plan and confirmation thereof:

1. The Debtors and KSMP Investment Entities operated as a **Ponzi scheme**, a primary feature of which was a bank account maintained and primarily controlled by Mattson.
2. The Debtors’ books and records are in many ways **unreliable** and **incomplete**, and determining with absolute certainty the ownership structure of any Debtor in which LFM, KSMP, KSMP Investment Entity, or any other Debtor purported to sell ownership interests (collectively, the “Subsidiary Debtors”) would be cost prohibitive.
3. The Debtors’ prepetition operations created a **tangled web of intercompany loans and transfers** among the Subsidiary Debtors that would be cost prohibitive to untangle.
4. The Debtors **routinely moved real estate from one entity to another entity** for no apparent purpose other than to facilitate a 1031 like-kind exchange (under Sec. 1031 of the Internal Revenue Code), which may have also artificially inflated the book value of such property.

Under the circumstances, the Debtors and the Committee believe it is in the best interests of the Debtors’ Investors and creditors to propose the Global Settlement to be effectuated through the proposed Plan, that treats all Investors as fairly as possible, without incurring further professional fees related to the Joint Investigation and the issues raised thereby.

I. WHAT DOES THE PLAN PROPOSE?

The key terms of the Plan are summarized below. Among other things, these terms will govern: (1) how claims against the Debtors and KSMP Investment Entities are divided into classes in order of priority under the Bankruptcy Code; (2) how claims in each class will be treated; and (3) what becomes of the Debtors’ and KSMP Investment Entities’ assets and how they will generate cash for the benefit of Investors. This summary is provided as an **overview**, and is not meant to provide all of the information investors should rely on when considering

whether to vote to accept or reject the Plan. That information can be found in the “Disclosure Statement” available at <https://www.veritaglobal.net/LM>.

The Plan generally provides for all of the Debtors’ and KSMP Investment Entities’ assets, including the Debtors’ real properties and litigation claims against third parties, to be owned and governed by a single trust – the Plan Recovery Trust. The Plan Recovery Trustee will be selected by the Committee (subject to Court approval). Additionally, an oversight board (the “Oversight Board”), composed of members selected by the Committee, will have certain duties and rights and give direction concerning material decisions, as the Plan Recovery Trustee attempts to best monetize the Plan Recovery Trust’s assets and pursues third party litigation claims.

Investors, placed in Class 5 (Investor Claims) under the Plan, will, in exchange for their allowed Investor Claims against the Debtors, become beneficiaries of the Plan Recovery Trust and will be entitled to distributions on their allowed claims (proportionally based on the total aggregate claims amount divided by the aggregate amount of cash available for distribution)⁴ from the net cash proceeds generated by the Plan Recovery Trust either directly or indirectly primarily from (1) operation of the properties, (2) real estate sales, and (3) litigation recoveries.

(1) *Is this a “single pot” plan?* Yes. The Plan consolidates all of the Debtors’ and KSMP Investment Entities’ assets into the Plan Recovery Trust on the Effective Date of the Plan. Litigation claims will go directly into the Plan Recovery Trust. After the Plan is confirmed and becomes effective, creditors of any of the Debtors and KSMP Investment Entities, including Investors, will be treated as if they have a claim against the entire corporate enterprise of the Debtors and KSMP Investment Entities, rather than a particular entity. This is referred to in the Plan as “substantive consolidation.”

To effectuate distributions to Investors, the Plan provides for the creation of the Plan Recovery Trust, which will own the Estates’ assets and will sell or otherwise dispose of those assets to generate cash, and will distribute that (and other) cash to Investors. The Plan Recovery Trust also will own litigation claims against third parties, including Mattson and others, and may generate cash through prosecution or settlement of those

⁴ Specifically, the Plan provides for a Plan Recovery Trust Waterfall in relation to Investor Claims, the amounts of which are divided into tranches: Holders of Investor Tranche 1 Claims entitled to receive Class A Plan Recovery Trust Units (in the Plan Recovery Trust); Holders of Investor Tranche 2 Claims entitled to receive Class B Plan Recovery Trust Units; and Holders of Contributed Claims (if applicable) entitled to receive Class C Plan Recovery Units. Contributed Claims are Causes of Action of a contributing Investor that the Investor has against any Person that is not a Debtor or related to a Debtor, its predecessors and affiliates, and Excluded Parties, including, without limitation, all Causes of Action based on, arising out of, or related to the marketing, sale, and issuance of any investments related to the Debtors, all Causes of Action for unlawful dividend, fraudulent conveyance, or other avoidance claims under state or federal law, all Causes of Action based on or relating to the misrepresentation of the Debtors’ financial information and operations, all Causes of Action based on or related to any failure to disclose, or actual coverup of any of the wrongful conduct described in the Disclosure Statement, and all Causes of Action based on aiding or abetting or otherwise supporting torts committed by the Debtors and their agents. An Investor will be a Contributing Claimant, contributing its Contributed Claims to the Plan Recovery Trust, if it (a) votes to accept the Plan on its Ballot and (b) does not opt-out of the Contributed Claim Election on the Ballot, provided that the Investor’s Causes of Action are not on the Schedule of Disclaimed Contributed Assets, in which case such Causes of Action will not be Contributed Claims.

claims. Cash will be distributed by the Plan Recovery Trust to Investors and other creditors over time (as the Plan Recovery Trust collects on or otherwise monetizes the Plan Recovery Trust Assets).

(2) *Is there a “premium” or other benefit provided to certain types of Investors based on the type of investment they held?* No. Under the Plan, each investment, regardless of its form, will ultimately give rise to an “Investor Claim” which will be exchanged under the Plan for a beneficial interest in the Plan Recovery Trust. Each Investor’s claim will be calculated in the same manner, without regard to the type of investment held, and each Investor will receive a proportional recovery from the Plan Recovery Trust based on such Investor’s allowed claim amount (after netting and any clawbacks are taken into account). ***Section III, below, provides additional information regarding how Investor Claims will be calculated.***

(3) *How much am I projected to receive on account of my Investor Tranche 1 Claim under the Plan?* The Debtors are projecting that Investors will receive between 21.1% and 40.6% on account of their Investor Tranche 1 Claim. **THE PROJECTED RECOVERY IS AN ESTIMATE ONLY AND ACTUAL RECOVERIES MAY DIFFER.**

II. HOW DOES THE PLAN GET CONFIRMED?

The Plan has been jointly proposed by the Debtors and the Committee. However, it is ultimately the votes of Investors (placed in Class 5) and the Bankruptcy Court that will decide whether the Plan is “confirmed.”

Voting – Acceptance & Rejection of Plan:

Impaired investor and creditor classes will be given the chance to vote to “accept” or “reject” the Plan. In order for an investor’s vote to be counted, that investor must return a ballot by the deadline established by the Bankruptcy Court. A class of claims accepts the Plan if (i) more than one-half in the number of creditors within a class who vote on the Plan vote to accept the Plan **and** (ii) at least two-thirds in amount of aggregate claims in the class who vote on the Plan vote to accept the Plan.⁵

The Plan Proponents must also show that the classification scheme under the Plan does not “unfairly discriminate” and that the Plan is “fair and equitable.” Here, all concerned have worked diligently to make sure these tests are met. Finally, the Plan must respect bankruptcy priority rules such that no junior claims or interests may receive a distribution until the non-accepting senior class is paid in full. This Plan complies with this rule.

(1) *How do I vote on the Plan?* You, as an Investor, should receive a ballot to vote on the Plan, included with other Plan solicitation materials. On its Class 5 ballot, a holder of an Investor Claim will be entitled to vote the amount of such holder’s Investor Claim.

⁵ Generally even if a class votes to “reject” the Plan, it can still be confirmed if additional requirements under the Bankruptcy Code, known as “cram down,” are met. To “cram down” the Plan on rejecting classes of claims, there must be at least one class of claims that is impaired that votes to accept the Plan.

What the Debtors believe to be the aggregate amount of the Investor Claim, without any “netting” or other adjustments implemented in a Ponzi scheme bankruptcy for claim allowance purposes, will be disclosed on each Investor’s ballot and will be deemed temporarily allowed for voting purposes. Each Investor will be allowed to write in a modified amount, signed under penalty of perjury, if it believes the listed amount is inaccurate.⁶ If the Investor class (Class 5) votes to reject the Plan, the Debtors and the Committee will **not** move forward with the Plan. In that case, the Debtors and Committee will need to incur additional fees and expenses to develop an alternative path forward.

(2) ***What am I voting on when I vote to accept or reject the Plan?*** Your vote relates to whether you approve of the overall compromise of a one pot plan in which Investors are all treated equally regardless of the form of their investments, and the creation of the trust as the structure to hold and monetize the assets and make distributions to Investors. The projected recoveries are merely estimates of potential recoveries and could be lower or higher in actuality, so those should not be the focus of how to vote on the Plan. One potential alternative to the Plan as proposed is a chapter 7 liquidation. The Debtors and the Committee believe that the recoveries in a chapter 7 liquidation will be less than the recoveries under the Plan. Accordingly, the Debtors and the Committee believe the Plan is in the best interests of the Investors and all stakeholders.

Confirmation by the Court:

If the Court approves the Plan, the Plan will be deemed “confirmed.” In order for the Plan to be confirmed, the Court must find that the Plan complies with the requirements of the Bankruptcy Code. The Court will also consider any objections to the Plan.

**III. HOW ARE INVESTOR CLAIMS BEING
CALCULATED FOR DISTRIBUTION PURPOSES?**

As noted above, while Investors will be allowed to vote the aggregate Investor Claim amount on the Plan, for purposes of calculating distributions under the Plan, the Plan Recovery Trust and its professionals will perform a reconciliation to determine the correct net amounts for each Investor Claim, taking into account bankruptcy law that requires claims to be “netted” in a Ponzi situation. The actual netted Investor Claim amounts will determine the proportional share an investor will receive as distributions under the Plan in relation to the claim amounts of other Investors. The Plan Proponents have filed a motion seeking the entry of the **Investor Settlement Amount Procedures Order** - of which Investors will receive further written notice - which, if granted, will approve of the calculation methods described herein.

⁶ Such modified amount will be deemed a motion pursuant to Bankruptcy Rule 3018(a) for an order temporarily allowing such Investor Claim in a different amount solely for purposes of voting on the Plan (an “Investor Rule 3018 Motion”). If any objections are filed to an Investor Rule 3018 Motion by the Proponents or other party, the Investor Rule 3018 Motion will be heard at the confirmation hearing or at a later date in the Plan Proponents’ discretion.

Example:

Investor A invested \$100,000 in a Debtor on January 1, 2015. Investor A received 6% a year or \$500 per month until September 1, 2024.

Investor Lookback Period = September 12, 2017

Amount Invested = \$100,000

Prepetition Ponzi Distributions = \$42,000 (7 years x \$6,000)

Investor Claim for distribution purposes on account of Investor Tranche 1 Claim = \$100,000 - \$42,000 = \$58,000

Investor Claim for distribution purposes on account of Investor Tranche 2 Claim (if all Investor Tranche 1 Claims are paid off) = \$42,000

IV. CONCLUSION

The Debtors and the Committee, representing the best interests of Investors and other unsecured creditors, have diligently worked to ensure that the Plan being proposed to you meets their goals, from the outset of these cases, of treating Investors equally and fairly. **The Debtors and the Committee urge you to vote to accept the Plan.**

EXHIBIT B

Proposed Confirmation Hearing Notice

1 Tobias S. Keller (CA Bar No. 151445)
David A. Taylor (CA Bar No. 247433)
2 Thomas B. Rupp (CA Bar No. 278041)
KELLER BENVENUTTI KIM LLP
3 101 Montgomery Street, Suite 1950
San Francisco, CA 94104
4 Telephone: (415) 496-6723
5 E-mail: tkeller@kbbkllp.com
dtaylor@kbbkllp.com
6 trupp@kbbkllp.com

7 *Counsel to LeFever Mattson and Its
Affiliated Debtors and Debtors in Possession*

Debra I. Grassgreen (CA Bar No. 169978)
John D. Fiero (CA Bar No. 136557)
Jason H. Rosell (CA Bar No. 269126)
PACHULSKI STANG ZIEHL & JONES LLP
One Sansome Street, Suite 3430
San Francisco, CA 94104
Telephone: (415) 263-7000
E-mail: dgrassgreen@pszjlaw.com
jfiero@pszjlaw.com
jrosell@pszjlaw.com

*Counsel to the Official
Committee of Unsecured Creditors*

8 Richard L. Wynne (CA Bar No. 120349)
9 Erin N. Brady (CA Bar No. 215038)
Edward J. McNeilly (CA Bar No. 314588)
10 HOGAN LOVELLS US LLP
1999 Avenue of the Stars, Suite 1400
11 Los Angeles, California 90067
12 Telephone: (310) 785-4600
Email: richard.wynne@hoganlovells.com
erin.brady@hoganlovells.com
13 edward.mcneilly@hoganlovells.com

14 *Counsel to KS Mattson Partners, LP*

15
16 **UNITED STATES BANKRUPTCY COURT**
17 **NORTHERN DISTRICT OF CALIFORNIA**
18 **SANTA ROSA DIVISION**

19 In re
20 LEFEVER MATTSON,
a California corporation, *et al.*,¹
21 Debtors.

Case No. 24-10545 CN (Lead Case)
(Jointly Administered)
Chapter 11

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25 ¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax
26 identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton
27 Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other
28 Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in
these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification
numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors'
claims and noticing agent at <https://veritaglobal.net/LM>.

In re
KS MATTSON PARTNERS, LP,
Debtor.

**NOTICE OF (I) APPROVAL OF
DISCLOSURE STATEMENT; (II) HEARING
TO CONSIDER CONFIRMATION OF THE
PLAN; (III) DEADLINE FOR FILING
OBJECTIONS TO CONFIRMATION OF
THE PLAN; (IV) DEADLINE FOR VOTING
ON THE PLAN; (V) INVESTOR CLAIM
ESTIMATION PROCEDURES; AND
(V) RELATED MATTERS**

Confirmation Hearing Date:

Date: To Be Set
Time: To Be Set
Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 215
Oakland, CA 94612
Judge: Honorable Charles Novack

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On December 1, 2025, the above-captioned debtors and debtors in possession (the “Debtors”) filed the *Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. 2944] (as it may be amended or modified, including all exhibits thereto, the “Plan”) of the Debtors proposed by the Debtors and the Official Committee of Unsecured Creditors appointed in the above-captioned chapter 11 cases (the “Committee”). On December 1, 2025, the Debtors and Committee filed the *Second Amended Disclosure Statement in Support of the Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. 2945] (as it may be amended or modified, including all exhibits thereto, the “Disclosure Statement”); and a related summary of the Plan provided to Investors in Class 5 [Docket No. ____] (as amended, the “Plan Summary”).²

2. By an Order dated ____, 2025 [Docket No. ____] (the “Solicitations Procedures Order”), the Bankruptcy Court approved the Disclosure Statement as containing adequate information within the meaning of section 1125 of Bankruptcy Code.

3. By the Solicitation Procedures Order, the Bankruptcy Court established **January 21, 2026 at 11:59 p.m. (Pacific Time)** (the “Voting Deadline”) as the deadline by which ballots accepting or rejecting the Plan must be received. To be counted, your original ballot must actually

² Any capitalized terms not defined herein have the meaning ascribed to such terms in the Plan or Disclosure Statement, as applicable.

1 be **received** on or before the Voting Deadline by the Debtors' balloting agent, Verita Global, either
2 electronically as specified on your ballot or to the following address:

3 LeFever Mattson Ballot Processing Center
4 c/o KCC dba Verita
222 N. Pacific Coast Highway, Suite 300
5 El Segundo, CA 90245

6 4. Each unique Investor will receive one Class 5 Ballot on account of their Investor
7 Claim. Investors with substantially similar names, that list the same noticing address on their Claims,
8 and for which the Plan Proponents determine upon good faith are the same person or entity will be
9 treated as one Investor. For example, if the "Doe Family Trust" and the "Doe Family Trust, dated
10 January 1, 2000" provide the same address where notices should be sent on their Claims and/or
11 Interests and the Plan Proponents believe these entities are the same, then the "Doe Family Trust"
12 and the "Doe Family Trust, dated January 1, 2000" will be treated as a single Investor. However,
13 the "Doe Family Trust" and "Jane Doe" will not be considered a single Investor even if the relevant
14 Interests or Claims list the same noticing address as these Investors do not have substantially similar
15 names.

16 5. The Plan Supplement will be filed by the Debtors and the Committee by **December**
17 **19, 2025**, which will be served on all parties that have requested special notice in the cases under
18 Bankruptcy Rule 2002, and will be available to review and download for free from the Voting
19 Agent's website at <https://veritaglobal.net/LM> on and after the filing of the Plan Supplement.

20 6. On **January 23, 2026 at ____: ____ .m. (Pacific Time)**, or as soon thereafter as
21 counsel may be heard, a **status conference** ("Confirmation Status Conference") will be held before
22 the Honorable Charles Novack, United States Bankruptcy Judge to determine whether the hearing
23 on confirmation of the Plan will take place on **February 5, 2026 at 9:00 a.m. (Pacific Time) or**
24 **March 5, 2026 at 9:00 a.m. (Pacific Time)** (the "Confirmation Hearing"). Counsel and interested
25 parties may appear at the Confirmation Status Conference and Confirmation Hearing in person in
26 Courtroom 215 of the United States Bankruptcy Court, 1300 Clay Street in Oakland, California or
27 via Zoom video or telephone. The Zoom information will be included in each calendar posted
28 weekly, as applicable.

7. The Confirmation Hearing may be adjourned from time to time, without further notice. The Plan may be modified in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Plan, and other applicable law, without further notice, prior to or as a result of the Confirmation Hearing.

8. The below additional dates and deadlines have been approved. Track A will be followed if confirmation of the Plan requires a contested evidentiary hearing. Otherwise, Track B will be followed.

	Track A Contested Evidentiary Confirmation Hearing	Track B Uncontested Evidentiary Confirmation Hearing
Deadline to Serve Written Discovery	December 29, 2025	December 29, 2025
Deadline for parties to identify the topics on which they intend to submit expert reports (other than rebuttal expert reports)	December 29, 2025	December 29, 2025
Deadline to Serve Responses & Objections to Written Discovery	January 28, 2026	January 28, 2026
Deadline to identify expert witnesses	January 28, 2026	--
Document Productions Substantially Completed	January 28, 2026	--
Expert Reports Due	January 30, 2026	--
Deadline to Complete Depositions of Fact Witnesses (All fact and expert witnesses will have the option of being deposed either in person or by Zoom. If a witness chooses to be deposed in person, all parties may attend either in person or by Zoom, at their choosing)	January 30, 2026	--
Deadline for parties to identify expert witnesses who will submit rebuttal expert reports	January 30, 2026	--
Rebuttal Expert Reports Due	February 6, 2026	--
Deadline to Exchange <u>Fact</u> Deposition Designations and File Motions <i>in Limine</i> re <u>Fact</u> Witnesses	February 6, 2026	--

	Track A Contested Evidentiary Confirmation Hearing	Track B Uncontested Evidentiary Confirmation Hearing
Deadline to Depose Expert Witnesses	February 9, 2026	--
Deadline for Plan Proponents to file: (1) Responses to Objections to Plan Confirmation (2) Voting Report (3) Confirmation Brief	February 11, 2026	January 30, 2026
Deadline for the Plan Proponents to file Responses to Investors' Objections to Proposed Claim Amounts Solely for Voting Purposes	February 11, 2026	February 3, 2026
Deadline to Exchange <u>Expert</u> Deposition Designations and File Motions <i>in Limine</i> re <u>Expert</u> Witnesses	February 20, 2026	--
Deadline to Exchange Deposition Counter-Designations (Fact and Expert)	February 23, 2026	--
Deadline to Submit: (i) Joint Pretrial Order; (ii) Witness and Exhibit Lists; (iii) Oppositions to Motions in Limine; (iv) Objections to Deposition Counter-Designations	February 23, 2026	--
Final Pre-Trial Conference	February 26, 2026	--

9. Objections to confirmation of the Plan, including any supporting memoranda, if any, must (a) be in writing; (b) state the name and address of the objecting party and the nature of the claim or interest of such party; (c) state with particularity the basis and nature of any objection, where possible; and (d) be filed with the Bankruptcy Court and served on the following parties so that all objections are received on or before **January 21, 2026**: (a) Counsel to the LFM Debtors: Keller Benvenutti Kim LLP, Attn: Tobias Keller, David Taylor, Dara Silveira, and Thomas Rupp (tkeller@kbkllp.com, dtaylor@kbkllp.com, dsilveira@kbkllp.com, trupp@kbkllp.com), 101 Montgomery St., Suite 1950, San Francisco, CA 94104; (b) counsel to KSMP: Hogan Lovells US LLP, Attn: Richard Wynne, Erin Brady, and Edward McNeilly (richard.wynne@hoganlovells.com, erin.brady@hoganlovells.com, edward.mcneilly@hoganlovells.com); (c) counsel to the

Committee: Pachulski Stang Ziehl & Jones LLP, Attn: Debra Grassgreen, Jason Rosell, and Brooke Wilson (dgrassgreen@pszjlaw.com, jrosell@pszjlaw.com, bwilson@pszjlaw.com), One Sansome St., Suite 3430, San Francisco, CA 94104-4436; (d) Office of the United States Trustee, Northern District of California, 450 Golden Gate Avenue, Room 05-0153, San Francisco, CA 94102 (Attn: Jared A. Day) (jared.a.day@usdoj.gov); and (e) all other parties in interest that have filed requests for notice pursuant to Bankruptcy Rule 2002 in the Debtors' chapter 11 cases.

5. In accordance with Bankruptcy Rule 3017(a), requests for copies of the Disclosure Statement, the Plan, or the Motion by parties in interest may be made in writing to counsel for the Debtors or counsel for the Committee. Copies of the Disclosure Statement and the Plan (along with exhibits to each as they are filed with the Bankruptcy Court) and the Motion are available for review, at no charge, at <https://veritaglobal.net/LM>.

6. **IF YOU HAVE ANY QUESTIONS REGARDING YOUR CLAIM OR THE VOTING PROCEDURES, OR IF YOU NEED A BALLOT OR ADDITIONAL COPIES OF THE DISCLOSURE STATEMENT OR OTHER ENCLOSED MATERIALS, PLEASE CONTACT THE VOTING AGENT, VERITA GLOBAL, 1-(877) 709-4751 (U.S. / CANADA), 1-(425) 236-7321 (INTERNATIONAL) OR BY SUBMITTING AN INQUIRY AT: <https://veritaglobal.net/lm/inquiry>.**

Dated: December __, 2025

KELLER BENVENUTTI KIM LLP

By: /s/ DRAFT

David A. Taylor

Counsel to the LFM Debtors

PACHULSKI STANG ZIEHL & JONES LLP

By: /s/ DRAFT

Jason H. Rosell

Counsel to the Committee

HOGAN LOVELLS US LLP

By: /s/ DRAFT

Erin N. Brady

Counsel to KS Mattson Partners, LP

EXHIBIT C

Proposed Contents and Procedures for Serving Solicitation Package

THE SOLICITATION PACKAGE AND GENERAL NOTICE PROCEDURES¹

1. By the later of (i) December 12, 2025 or (ii) the fifth business day following entry of the Solicitation Procedures Order (defined below), the Plan Proponents will complete the mailing of Solicitation Packages by regular U.S. mail solely to (a) holders of Claims in the Classes entitled to vote on the Plan, (b) the Office of the United States Trustee, and (c) any other necessary or appropriate agencies and/or representatives of the United States federal government (the “Federal Government”) at the locations required by Bankruptcy Rule 2002(j).

2. The Solicitation Packages will contain hard copies of the following items:

- a. a cover letter (the “Cover Letter”) describing the contents of the Solicitation Package and which will direct parties to the website at which they may view the Disclosure Statement and the exhibits thereto, including the Plan and the exhibits attached thereto;
- b. the Bankruptcy Court order approving the Disclosure Statement (the “Solicitation Procedures Order”) (excluding exhibits);
- c. the Plan Summary – only in Solicitation Packages served on Investors in Class 5;
- d. the Confirmation Hearing Notice;
- e. a Ballot for holders of claims in Classes entitled to vote, including instructions set forth therein regarding how to complete the Ballot; and
- f. a Ballot return envelope.

3. Solicitation Packages will not be provided to the Non-Voting Classes except upon express request to do so. Holders of Claims or Interests in the Non-Voting Classes under the Plan will receive only the Confirmation Hearing Notice and the Notice of Non-Voting Status.

4. The addresses to be used when mailing the Solicitation Packages will be as follows:

- a. for persons or entities that have filed proofs of claim or interest that are entitled to a Ballot under the Tabulation/Estimation Procedures, at the address provided on the face of the filed proof of claim or interest;²

¹ A capitalized term used but not defined herein shall have the meaning ascribed to it in the Motion and/or the Plan, as applicable.

² To the extent that a person or entity has requested that Verita Global change or update the address associated with their file proof of claim or interest, Verita Global will send the Solicitation Package to such updated address.

- 1 b. for persons or entities that have not filed proofs of claim or interest that are
2 entitled to a Ballot under the Tabulation/Estimation Procedures, at the
3 address on the Debtors' current service list or Schedules;³
4 c. at the address for a claim transferee set forth in a valid notice of transfer of
5 claim; and
6 d. for the United States Trustee and the Federal Government, the addresses used
7 for notice filed in accordance with Bankruptcy Rule 2002.

8 5. If multiple Solicitation Packages would otherwise go to the same physical address,
9 the Plan Proponents shall be entitled, but not required, to combine the Solicitation Packages into a
10 single Solicitation Package with multiple ballots, even if the claimant names are not identical.

11 6. With respect to any Solicitation Packages and Confirmation Hearing Notices that are
12 returned by the United States Postal Service as undeliverable as a result of incomplete or inaccurate
13 addresses, the Debtors may, in their discretion, but without any requirement, attempt to determine a
14 correct address and resend the applicable materials. Any delay in such re-delivery, or the Debtors'
15 determination not to attempt any such redelivery, will not be deemed to be inadequate notice.

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27 ³ Includes all of the Debtors' filed Schedules of Assets and Liabilities, Statements of Financial Affairs, Omnibus List
28 of Equity Security Holders, and any and all amendments thereof.

EXHIBIT D-1

Proposed Form of Ballot (Class 3)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re

LEFEVER MATTSON,
a California corporation, *et al.*,¹

Debtors.

Case No. 24-10545 CN (Lead Case)

(Jointly Administered)

Chapter 11

In re

KS MATTSON PARTNERS, LP,

Debtor.

**BALLOT FOR ACCEPTING OR REJECTING JOINT CHAPTER 11 PLAN OF LEFEVER
MATTSON, KS MATTSON PARTNERS, LP, AND THEIR AFFILIATED DEBTORS
PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS**

CLASS 3-[•] – SECURED LENDER CLAIM

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS JANUARY 21, 2026 AT 11:59 P.M. (PACIFIC TIME)
--

This Ballot is submitted to you to solicit your vote to accept or reject the *Second Amended Joint Chapter 11 Plan of Liquidation* of LeFever Mattson, KS Mattson Partners, LP, and their affiliated Debtors (as may be amended or modified, the “Plan”), which is being proposed by the above-captioned debtors and debtors-in-possession (the “Debtors”) and the Official Committee of Unsecured Creditors (the “Committee” and, together with the Debtors, the “Plan Proponents”), and which is described in the *Amended Disclosure Statement in Support of the Second Amended Joint Chapter 11 Plan of Liquidation* (the “Disclosure Statement”). On December [], 2025, the Bankruptcy Court entered an order approving certain procedures and materials for the solicitation of votes to accept or reject the Plan (the “Solicitation Procedures Order”). Capitalized terms used in this Ballot and the attached instructions that are not otherwise defined have the meanings given to them in the Plan.

¹ The last four digits of LeFever Mattson’s tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP (“KSMP”) are 5060. KSMP’s address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://veritaglobal.net/LM>.

The Disclosure Statement provides information to assist you in deciding how to vote your Ballot. You should review the Plan and Disclosure Statement before you vote. You may wish to seek legal or other professional advice concerning the Plan and your classification and treatment under the Plan.

The Plan may be made binding on you whether or not you vote if the Plan (a) is accepted by the holders of at least two-thirds in amount and more than one-half in number of the claims in each impaired Class of claims who vote on the Plan; (b) otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code; and (c) the Bankruptcy Court enters an order confirming the Plan. Even if the requisite acceptances are not obtained, however, the Bankruptcy Court may still confirm the Plan if the Bankruptcy Court finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan; and (b) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code.

This Ballot is solely for purposes of voting to accept or reject the Plan. This Ballot is not for the purpose of allowance or disallowance of, or distribution on account of, Secured Lender Claims in Class 3.

There are two ways by which you may submit your Ballot: (i) you may submit your Ballot via the Voting Agent's online e-balloting portal (the "E-Balloting Portal") as directed below, or (ii) you may return your Ballot to the Voting Agent via mail, overnight courier, or hand delivery by following the instructions set forth below.

If you have any questions on how to properly complete this Ballot, please contact Verita Global at 1-877-709-4751 (U.S. / Canada), 1-424-236-7231 (International) or submit an inquiry at: <https://veritaglobal.net/lm/inquiry>. Please be advised that Verita Global cannot provide legal or other professional advice.

For your vote to be counted, this Ballot must be properly completed, signed, and returned so that it is *actually received* by the Voting Agent by no later than the Voting Deadline of **11:59 p.m. (Pacific Time) on January 21, 2026. Please submit a Ballot with your vote by one of the following methods:**

<p><u>If Submitting Your Vote Through the E-Balloting Portal:</u></p> <p>Verita Global will accept Ballots if properly completed through the E-Balloting Portal. To submit your Ballot via the E-Balloting Portal,</p> <p>Unique E-Ballot</p> <p>ID#: _____</p> <p>PIN#: _____</p>	<p><u>If by First Class Mail, Overnight Courier or Hand Delivery:</u></p> <p>LeFever Mattson Ballot Processing Center c/o KCC dba Verita 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p> <p>A pre-addressed return envelope has been enclosed for your convenience.</p>
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Verita Global's E-Balloting Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email or other means of electronic transmission will not be counted.

Each E-Ballot ID# is to be used solely for voting only those Claims described in your electronic Ballot. Please complete and submit an electronic Ballot for each E-Ballot ID# you receive, as applicable.

EXHIBIT D-2

Proposed Form of Ballot (Class 4)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re LEFEVER MATTSON, a California corporation, <i>et al.</i> , ¹ Debtors.	Case No. 24-10545 CN (Lead Case) (Jointly Administered) Chapter 11
In re KS MATTSON PARTNERS, LP, Debtor.	

**BALLOT FOR ACCEPTING OR REJECTING JOINT CHAPTER 11 PLAN OF LEFEVER
MATTSON, KS MATTSON PARTNERS, LP, AND THEIR AFFILIATED DEBTORS
PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS**

CLASS 4 – TRADE CLAIMS

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS JANUARY 21, 2026 AT 11:59 P.M. (PACIFIC TIME)
--

This Ballot is submitted to you to solicit your vote to accept or reject the *Second Amended Joint Chapter 11 Plan of Liquidation* of LeFever Mattson, KS Mattson Partners, LP, and their affiliated Debtors (as may be amended or modified, the “Plan”), which is being proposed by the above-captioned debtors and debtors-in-possession (the “Debtors”) and the Official Committee of Unsecured Creditors (the “Committee” and, together with the Debtors, the “Plan Proponents”), and which is described in the *Amended Disclosure Statement in Support of the Second Amended Joint Chapter 11 Plan of Liquidation* (the “Disclosure Statement”). On December [], 2025, the Bankruptcy Court entered an order approving certain procedures and materials for the solicitation of votes to accept or reject the Plan (the “Solicitation Procedures Order”). Capitalized terms used in this Ballot and the attached instructions that are not otherwise defined have the meanings given to them in the Plan.

¹ The last four digits of LeFever Mattson’s tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP (“KSMP”) are 5060. KSMP’s address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://veritaglobal.net/LM>.

The Disclosure Statement provides information to assist you in deciding how to vote your Ballot. You should review the Plan and Disclosure Statement. You may wish to seek legal or other professional advice concerning the Plan and your classification and treatment under the Plan.

The Plan may be made binding on you whether or not you vote if the Plan (a) is accepted by the holders of at least two-thirds in amount and more than one-half in number of the claims in each impaired Class of claims who vote on the Plan; (b) otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code; and (c) the Bankruptcy Court enters an order confirming the Plan. Even if the requisite acceptances are not obtained, however, the Bankruptcy Court may still confirm the Plan if the Bankruptcy Court finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan; and (b) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code.

This Ballot is solely for purposes of voting to accept or reject the Plan. This Ballot is not for the purpose of allowance or disallowance of, or distribution on account of, Trade Claims in Class 4.

There are two ways by which you may submit your Ballot: (i) you may submit your Ballot via the Voting Agent's online e-balloting portal (the "E-Balloting Portal") as directed below, or (ii) you may return your Ballot to the Voting Agent via mail, overnight courier, or hand delivery by following the instructions set forth below.

If you have any questions on how to properly complete this Ballot, please contact Verita Global at 1-877-709-4751 (U.S. / Canada), 1-424-236-7231 (International) or submit an inquiry at: <https://veritaglobal.net/lm/inquiry>. Please be advised that Verita Global cannot provide legal or other professional advice.

For your vote to be counted, this Ballot must be properly completed, signed, and returned so that it is *actually received* by the Voting Agent by no later than the Voting Deadline of **11:59 p.m. (Pacific Time) on January 21, 2026. Please submit a Ballot with your vote by one of the following methods:**

<p style="text-align: center;"><u>If Submitting Your Vote Through the E-Balloting Portal:</u></p> <p>Verita Global will accept Ballots if properly completed through the E-Balloting Portal. To submit your Ballot via the E-Balloting Portal,</p> <p style="text-align: center;">Unique E-Ballot</p> <p>ID#: _____</p> <p>PIN#: _____</p>	<p style="text-align: center;"><u>If by First Class Mail, Overnight Courier or Hand Delivery:</u></p> <p>LeFever Mattson Ballot Processing Center c/o KCC dba Verita 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p> <p>A pre-addressed return envelope has been enclosed for your convenience.</p>
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Verita Global's E-Balloting Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email or other means of electronic transmission will not be counted.

Each E-Ballot ID# is to be used solely for voting only those Claims described in your electronic Ballot. Please complete and submit an electronic Ballot for each E-Ballot ID# you receive, as applicable.

Ballots received after 11:59 p.m. (Pacific Time) on January 21, 2026 will not be counted. Ballots submitted by e-mail or facsimile transmission will not be accepted.

PLEASE COMPLETE THE FOLLOWING:

Item 1. Amount of Class 4 Claim. For purposes of voting to accept or reject the Plan, the undersigned certifies that the undersigned holds a Trade Claim in Class 4 against the Debtors in the amount set forth below.

Voting Amount: \$ _____

Item 2. Vote on the Plan. The undersigned Holder of a Trade Claim in Class 4 in the amount set forth in Item 1 above hereby votes to:

Check one box only: ☐ **Accept** (vote FOR) the Plan
 ☐ **Reject** (vote AGAINST) the Plan

<p>THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.</p>

Item 3. Certifications. By signing this Ballot, the undersigned acknowledges receipt of the Disclosure Statement and the other applicable solicitation materials and certifies that the undersigned is the claimant or has the power and authority to vote to accept or reject the Plan on behalf of the claimant. The undersigned understands that, if this Ballot is otherwise validly executed but is not timely submitted, does not indicate either acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan, this Ballot will not be counted.

YOUR RECEIPT OF THIS BALLOT DOES NOT SIGNIFY THAT YOUR CLAIM HAS BEEN OR WILL BE ALLOWED.

<p>Name of Holder: _____ (Print or Type)</p> <p>Signature: _____</p> <p>Name of Signatory: _____</p> <p>Title of Signatory: _____</p> <p>Address: _____</p> <p>Email Address: _____</p> <p>Date Completed: _____</p> <p>If your address or contact information has changed, please note the new information here.</p>

EXHIBIT D-3

Proposed Form of Ballot (Class 5 Investor Claims)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re

LEFEVER MATTSON,
a California corporation, *et al.*,¹

Debtors.

Case No. 24-10545 CN (Lead Case)

(Jointly Administered)

Chapter 11

In re

KS MATTSON PARTNERS, LP,

Debtor.

**(I) BALLOT FOR ACCEPTING OR REJECTING JOINT CHAPTER 11 PLAN OF LEFEVER
MATTSON, KS MATTSON PARTNERS, AND THEIR AFFILIATED DEBTORS
PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
AND (II) FORM FOR ESTIMATION OF INVESTOR CLAIM AMOUNT FOR VOTING PURPOSES**

CLASS 5 – INVESTOR CLAIMS

**THE VOTING DEADLINE TO ACCEPT OR REJECT THE
PLAN IS JANUARY 21, 2026 AT 11:59 P.M. (PACIFIC TIME)**

Why You Are Receiving This Ballot

The above-captioned Debtors and the Official Committee of Unsecured Creditors (the “Committee” and, together with the Debtors, the “Plan Proponents”) have proposed a bankruptcy plan, entitled the *Second Amended Joint Chapter 11 Plan of Liquidation* (as may be amended or modified, the “Plan”) of LeFever Mattson, KS Mattson Partners, and their affiliated Debtors.

You are being sent this Ballot because the Debtors’ records show that you are an “Investor” as defined in the Plan (*see* Plan Exhibit A, number 74) – *i.e.*, a Person or Entity that holds an Investor Claim.

¹ The last four digits of LeFever Mattson’s tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP (“KSMP”) are 5060. KSMP’s address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://veritaglobal.net/LM>.

Specifically, an “**Investor Claim**” is defined (at Plan Exhibit A, number 75) as “Claim arising from or relating to an Investment, including, without limitation, (a) all Claims (including any contract or related Claims) based on, arising out of, or related to any Investments including the validity, marketing, sale, and issuance thereof; (b) all Claims for fraud, unlawful dividend, fraudulent conveyance, fraudulent transfer, voidable transaction, or other avoidance claims under state or federal law; (c) all Claims arising from or related to the preparation or filing of the Debtors’ and/or their affiliates’ (including the KSMP Investment Entities’) federal, state, local, or other tax returns, forms, and other filings; (d) all Claims based on, arising out of, or related to the misrepresentation of any of the Debtors’ or the KSMP Investment Entities’ financial information, assets and properties, business operations, or related internal controls; (e) all Claims based on, arising out of, or related to any failure to disclose, or actual or attempted cover up or obfuscation of, any of the wrongful conduct described in the Disclosure Statement, including with respect to any alleged fraud related thereto and undisclosed loans; (f) all Claims based on aiding or abetting, entering into a conspiracy with, or otherwise supporting Investment-related torts committed by the Debtors, the KSMP Investment Entities, or their agents; and (g) any Claims arising from or relating to TIC Interests; *provided that* any and all Equity Interests asserted by a Person or Entity in the Debtors via a Proof of Interest shall be deemed to be an Investor Claim for purposes of classification and distributions under the Plan, without any further notice, motion, complaint, objection, or other action or order of the Court.” An “**Investment**” is defined (at Plan Exhibit A, number 73) as “any investment or investment product offered by any Debtor (whether directly or through an agent), including, without limitation, any investments, interests, or other rights with respect to any Debtor that were styled, marketed, or sold as, among others, partnership interests in limited partnerships, TIC Interests, or other interests in any real property (including the purchase or sale of a real property).”

On December [], 2025, the Bankruptcy Court entered an order approving, among other relief, certain procedures and materials for the solicitation of votes to accept or reject the Plan (the “Solicitation Procedures Order”). Capitalized terms used in this Ballot and the attached instructions that are not otherwise defined have the meanings given to them in the Plan.

This Ballot has been sent to you to (1) vote to accept or reject the Plan, (2) elect whether to contribute your Contributed Claims to the Plan Recovery Trust under the Plan, and (3) implement the estimation of your Class 5 Investor Claim (the maximum amount) for voting purposes only (not for distribution or other purposes under the Plan).

Information to Assist You In Voting and Completing This Ballot

The Plan Summary and the Disclosure Statement provide information to assist you in deciding how to vote your Ballot and to fill in and complete this Form as applicable. The Plan Summary and the Disclosure Statement have both approved by the Bankruptcy Code as containing adequate information required by the Bankruptcy Code. You should review the Plan Summary, the Disclosure Statement and the Plan before you vote and complete this Ballot and Form. You may wish to seek legal or other professional advice concerning the Plan and your classification and treatment under the Plan.

How Your Vote Impacts Confirmation of the Plan

The Plan may be made binding on you whether or not you vote if the Plan (a) is accepted by the holders of at least two-thirds in amount and more than one-half in number of the claims in each impaired Class of claims who vote on the Plan; (b) otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code; and (c) the Bankruptcy Court enters an order confirming the Plan. Even if the requisite acceptances are not obtained, however, the Bankruptcy Court may still confirm the Plan if the Bankruptcy Court finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan; and (b) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code.

How to Vote

There are two ways by which you may submit your Ballot: (i) you may submit your Ballot via the Voting Agent's online e-balloting portal (the "E-Balloting Portal") as directed below, or (ii) you may return your Ballot to the Voting Agent via mail, overnight courier, or hand delivery by following the instructions set forth below. ***Please note that if you disagree with the amount listed below on your Ballot and you believe you are entitled to vote a higher claim amount, and you modify such amount on the Ballot in accordance with the instructions below, YOU MUST SUBMIT YOUR MODIFIED PHYSICAL BALLOT VIA MAIL, OVERNIGHT COURIER OR HAND DELIVERY – YOU CANNOT SUBMIT SUCH MODIFIED BALLOT VIA THE ONLINE E-BALLOTING PORTAL.***

If you have any questions on how to properly complete this Ballot, please contact Verita Global at 1-877-709-4751 (U.S. / Canada), 1-424-236-7231 (International) or submit an inquiry at: <https://veritaglobal.net/lm/inquiry>. Please be advised that Verita Global cannot provide legal or other professional advice.

For your vote to be counted, this Ballot must be properly completed, signed, and returned so that it is *actually received* by the Voting Agent by no later than the Voting Deadline of **11:59 p.m. (Pacific Time) on January 21, 2026. Please submit a Ballot with your vote by one of the following methods:**

<p><u>If Submitting Your Vote Through the E-Balloting Portal:</u></p> <p>Verita Global will accept Ballots if properly completed through the E-Balloting Portal. To submit your Ballot via the E-Balloting Portal,</p> <p style="text-align: center;">Unique E-Ballot</p> <p>ID#: _____</p> <p>PIN#: _____</p> <p>NOT AVAILABLE IF YOU WISH TO CONTEST YOUR VOTING AMOUNT</p>	<p><u>If by First Class Mail, Overnight Courier or Hand Delivery:</u></p> <p>LeFever Mattson Ballot Processing Center c/o KCC dba Verita 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p> <p>A pre-addressed return envelope has been enclosed for your convenience.</p>
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Verita Global's E-Balloting Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email or other means of electronic transmission will not be counted.

Each E-Ballot ID# is to be used solely for voting only those Claims described in your electronic Ballot. Please complete and submit an electronic Ballot for each E-Ballot ID# you receive, as applicable.

Ballots received after 11:59 p.m. (Pacific Time) on January 21, 2026 will not be counted. Ballots submitted by e-mail or facsimile transmission will not be accepted.

Ballot for Voting and Estimation of Investor Claim Solely For Voting Purposes

This Ballot is for purposes of (1) voting to accept or reject the Plan, (2) electing whether to contribute your Contributed Claims to the Plan Recovery Trust under the Plan, and (3) establishing the estimated amount(s) of the voting Investor's Class 5 Investor Claim solely for tabulating the voting on the Plan, and no other purposes.

If you, the Investor, dispute the amount of the Investor's Class 5 Investor Claim stated in Item 1 below, and wish to assert a higher amount, you must carefully follow the instructions set forth below, including submitting additional documents or evidence in support of your asserted claim amount.

Your Investor Claim amount for voting purposes, as described herein, is solely for purposes of tabulating your vote to accept or reject the Plan, and is not for the purpose of allowance of your Investor Claim for purposes of receiving distributions pursuant to the Plan. The allowed amount of your Investor Claim for distribution purposes will be determined either in accordance with the Investor Settlement Amount Procedures Order, of which you will be receiving written notice, or by a final order of the Bankruptcy Court after notice and a hearing.

PLEASE COMPLETE THE FOLLOWING:

Item 1. Amount of Class 5 Investor Claim for Voting Purposes Only. For purposes of (1) voting to accept or reject the Plan and (2) establishing the estimated amount of the voting Investor's Investor Claim for voting purposes only, the undersigned certifies that the undersigned holds an Investor Claim in Class 5 against the Debtor(s) listed below in the amounts set forth below.

THE AMOUNT LISTED BELOW IS FOR VOTING PURPOSES ONLY, UNLESS YOU, THE INVESTOR, TIMELY AND PROPERLY DISPUTE THE AMOUNT.

(a) Investor Claim Amount per Debtors: \$

IF YOU BELIEVE THE AMOUNT LISTED ABOVE IN ITEM 1(a) IS INCORRECT AND YOU BELIEVE YOU ARE ENTITLED TO A HIGHER CLAIM AMOUNT, PLEASE CHECK THE APPLICABLE BOX BELOW AND PROVIDE THE ASSERTED CLAIM AMOUNT.

- ☐ Under penalty of perjury, I object to the proposed Investor Claim Amount above in Item 1(a) for voting purposes and believe the correct amount is: \$_____, and have attached a supporting explanation and documentation, which I certify are genuine and valid.

If you checked the box above, you must attach to this Ballot and provide to the Voting Agent a written explanation of the basis on which you dispute the Investor Claim Amount in Item 1(a) and all documentation supporting your asserted Claim Amount (e.g., copies of agreements, confirmation slips, account statements). Investors are encouraged to keep a copy of their submitted Ballot and all attachments for their records; all such documents will not be returned to you. Investors' asserted Claim Amounts are subject to the Debtors' rights to dispute such Claim Amounts pursuant to the Investor Claims Estimation Procedures. If you will be objecting to the proposed Investor Claim Amount, your completed Ballot and any attachments cannot be submitted through the E-Balloting Portal, but instead your Ballot, with attachments, must be mailed or delivered to the Voting Agent..

If you do not check the applicable box above, the amount of your Investor Claim listed in Item 1(a) for the sole purpose of voting on the Plan will not be modified. Whether or not you believe the claim amount listed in Item 1(a) is correct, please proceed to Items 2-4.

Item 2. Vote on the Plan. The undersigned Holder of an Investor Claim in Class 5 in the amount set forth in Item 1 above hereby votes to:

- Check one box only:** ☐ **Accept** (vote FOR) the Plan
☐ **Reject** (vote AGAINST) the Plan

THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

Item 3. Optional Opt-Out of Contributing Contributed Claims. It is optional for you to elect to contribute to the Plan Recovery Trust in exchange for a Pro Rata Distribution of Class D Plan Recovery Trust Units, any and all of your Contributed Claims (defined in **Exhibit A** to the Plan).

The claims to be contributed to the Plan Recovery Trust by the particular Investor, if it becomes a Contributing Claimant, are all of his, her or its **legal claims and causes of action, potential and actual, known and unknown, in any way related or connected to the Debtors, their predecessors, successors, and affiliates, and those parties listed as “Excluded Parties” in Exhibit B to the Plan**, that the Investor has against any person or entity other than the Debtors. Such claims to be transferred include, without limitation, claims and causes of action related to the marketing, sale, and issuance of any investments connected to the Debtors; fraudulent transfers, voidable transactions, and other similar avoidance claims under state or federal law; any misrepresentation of the Debtors’ finances and businesses; any cover-up of fraud or other wrongdoing by the Debtors or related parties discussed in the Disclosure Statement; and aiding or conspiring with the Debtors or agents to commit wrongful acts.

If you ***vote to accept the Plan and do not opt out of the Contributed Claim Election***, you will be deemed to contribute your Contributed Claims to the Plan Recovery Trust (unless your claims are listed on the Schedule of Disclaimed Contributed Claims, in which case you will not have contributed your claims under the Plan). If you ***elect to opt out by checking the box below***, you will not contribute, and shall retain, all such claims and causes of action (if any) described above and in the Plan.

☐ **I elect to OPT-OUT.**

THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU DO NOT OPT-OUT.

Item 4. Certifications. By signing this Ballot, under penalty of perjury, the undersigned acknowledges and certifies: (i) receipt of the Disclosure Statement and the other applicable solicitation materials; and (ii) that the undersigned is the claimant or has the power and authority to vote to accept or reject the Plan and make the other statements/elections set forth in Items 1-3 above on behalf of the claimant. The undersigned understands that, if this Ballot is otherwise validly executed but is not timely submitted, does not indicate either acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan, this Ballot will not be counted.

YOUR RECEIPT OF THIS BALLOT DOES NOT SIGNIFY THAT YOUR CLAIM HAS BEEN OR WILL BE ALLOWED.

Name of Holder: _____

Signature: _____

Name of Signatory: _____

Title of Signatory: _____

Address (if different than above): _____

Email Address: _____

Date Completed: _____

If your address or contact information has changed, please note the new information here.

EXHIBIT E

Proposed Tabulation/Estimation Procedures

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VOTE TABULATION/ESTIMATION PROCEDURES

Applicable to Class 3 Secured Lender Claims and Class 4 Trade Claims: Solely for the purpose of voting to accept or reject the Plan and not for purposes of allowance of, or distribution on account of, a Claim in Classes 3 and 4, each Claim within such Class shall be temporarily allowed in an amount equal to (i) the amount asserted in a timely filed proof of Claim, or, if no timely proof of Claim has been filed, (ii) the liquidated, non-contingent, undisputed amount of such Claim set forth in the Schedules,¹ subject to the following exceptions and/or conditions:

a. If a Claim is deemed Allowed pursuant to the Plan, such Claim shall be Allowed for voting purposes in the deemed Allowed amount set forth in the Plan.

b. If a Claim has been estimated for voting purposes or otherwise allowed for voting purposes by Order of the Court, such Claim shall be allowed in the amount so estimated or allowed by the Court for voting purposes only with respect to the Plan, and not for purposes of allowance or distribution, unless otherwise provided by Order of the Court.

c. If an objection to, or request for estimation of, a Claim has been filed, such Claim shall be temporarily disallowed or estimated for voting purposes only with respect to the Plan and not for purposes of allowance or distribution, except to the extent and in the manner as may be set forth in such objection or request for estimation.

d. If the voting amount of a Claim has been established by a stipulation, settlement, or other agreement filed by the Plan Proponents on or before the Voting Deadline, such Claim shall be allowed for voting purposes only with respect to the Plan, and not for purposes of allowance or distribution, in the stipulation, settled, or otherwise agreed-to amount.

e. If a Claim was listed in the Debtors' filed Schedules in an amount that is liquidated, non-contingent, and undisputed, and a proof of Claim was not filed by the Voting Record Date, such Claim is allowed for voting in the liquidated, non-contingent, undisputed amount set forth in the Debtors' filed Schedules.

f. If a Claim, for which a proof of Claim was timely filed, is listed as contingent, unliquidated, or disputed in part, such Claim is temporarily allowed in the amount that is liquidated, non-contingent, and undisputed for voting purposes only, and not for purposes of allowance or distribution.

g. If a Claim was timely filed for unknown or undetermined amounts, or is wholly unliquidated, or contingent (as determined on the face of the claim or after a reasonable review of the supporting documentation by the Plan Proponents and/or Voting Agent) and

¹ Includes all of the Debtors' filed Schedules of Assets and Liabilities, Statements of Financial Affairs, Omnibus List of Equity Security Holders, and any and all amendments thereof.

1 such claim has not been allowed, such Claim shall be temporarily allowed for voting
2 purposes only, and not for purposes of allowance or distribution, at \$1.00.

3 h. Claims filed for \$0.00 are not entitled to vote.

4 j. For purposes of the numerosity requirement of section 1126(c) of the Bankruptcy
5 Code, separate Claims held by a single creditor in a particular Class shall be aggregated as
6 if such creditor held one Claim against the Debtors in such Class, and the votes related to
7 such Claims shall be treated as a single vote to accept or reject the Plan.

8 k. Notwithstanding anything to the contrary contained herein, any creditor who has
9 filed or purchased duplicate Claims within the same Voting Class shall be provided with
10 only one Solicitation Package and one ballot for voting a single Claim in such Class,
11 regardless of whether the Debtors have objected to such duplicate Claims.

12 l. If a Claim has been amended by a later Claim that is filed on or prior to the Voting
13 Record Date, the later filed amending Claim shall be entitled to vote in a manner consistent
14 with these tabulation rules, and the earlier filed Claim shall be disallowed for voting
15 purposes, regardless of whether the Debtors have objected to such amended claim. Except
16 as otherwise ordered by the Court, any amendments to a Claim after the Voting Record Date
17 shall not be considered for purposes of these tabulation rules.

18 m. Any parties solely in relation to Claims or Interests that are not Investor Claims
19 (“Non-Investor Claims”) may file a motion pursuant to Bankruptcy Rule 3018(a) for an order
20 temporarily allowing such party’s Non-Investor Claim in a different amount for purposes of
21 voting to accept or reject the Plan (a “Non-Investor Rule 3018 Motion”). Any Non-Investor
22 Rule 3018 Motion must be filed and served on the Plan Proponents by **January 21, 2026**;
23 and any objections to any Non-Investor Rule 3018 Motion must be filed no later than
24 **January 28, 2026**. If any objections are filed to the Non-Investor Rule 3018 Motion, the
25 Non-Investor Rule 3018 Motion will be heard at the Confirmation Hearing or any later date
26 selected by the Plan Proponents.

27 n. With respect to Class 3 Secured Lender Claims, if a Holder of a Class 3 Claim is paid
28 in full between the Voting Record Date and the Confirmation Date, the Holder’s Class 3
vote on the Plan will not be counted. The Plan Proponents may file any claim objections
against a Secured Lender Claim for Plan voting purposes no later than 14 days before the
Confirmation Hearing, with any responses by the applicable Secured Lenders due no later
than 7 days before the Confirmation Hearing, with a hearing to be held on any unresolved
objections at the Confirmation Hearing or a later date selected by the Plan Proponents. The
Plan Proponents may enter into stipulations with Secured Lenders allowing their Class 3
Claims for voting purposes.

Applicable to Class 5 (Investor Claims):

- Unless otherwise provided in the tabulation rules described below, Claims of Investors in the Debtors’ enterprise will be estimated solely for voting purposes in the amount set forth in Item 1 of the Investors’ Class 5 Ballot (the “Proposed Claim Amount(s)”), which is based on the Debtors’ records and analysis by the Debtors’ and Committee’s professionals. If, however, the Investor disputes the Proposed Claim Amount, and wishes to assert a higher amount, the Investor must carefully follow the instructions set forth below and on the Investor’s Class 5 Ballot, including submitting additional

documents or evidence in support of the asserted claim amount (the “Asserted Claim Amount”), under penalty of perjury. Investors are encouraged to keep a copy of their submitted Ballot and all attachments for their records. Investors’ Asserted Claim Amounts are subject to the Debtors’ rights to dispute such claims, with any unresolved disputes to be heard at the Confirmation Hearing or at a later date selected by the Plan Proponents.

- If any Investor seeks to challenge the amount of its Claim for voting purposes, the Investor must write in a modified amount and return such modified Ballot to the Voting Agent by either mail, overnight courier, or by personal delivery so as to be received by the Voting Agent on or before the Voting Deadline. Modified Ballots shall not be accepted electronically. Any Ballot with a modified amount timely received shall be deemed an objection to the Proposed Claim Amount.
- If any Investor sets an Investor Claim amount on its Ballot that is less than the Proposed Claim Amount, the Class 5 Investor Claim will be temporarily allowed for voting purposes in the lesser amount.
- The Plan Proponents may enter into stipulations with Investors allowing their claims for voting purposes.

General Rules for Counting Votes to Accept or Reject Plan:

In tabulating the Ballots, the following additional procedures will apply:

1. Any Ballot that is properly completed, executed, and timely returned to the Balloting Agent, but does not indicate the acceptance or rejection of the Plan, or indicates both, will not be counted.
2. If a party casts more than one Ballot voting the same claim or interest before the Voting Deadline, the last properly executed Ballot received before the Voting Deadline will be deemed to reflect the voter’s intent and, thus, will supersede any prior Ballots.
3. Parties will be required to vote all of their claims or interests under the Plan either to accept or reject the Plan and may not split their votes.
4. Where any portion of a single claim has been transferred to a transferee, all holders of any portion of such single claim will be (i) treated as a single creditor for purposes of the numerosity requirements in section 1126(c) of the Bankruptcy Code (and for the other voting and solicitation procedures set forth herein) and (ii) required to vote every portion of such claim collectively either to accept or reject the Plan.
5. In the event that a Ballot or a group of Ballots within a Class received from a single party partially rejects and partially accepts the Plan, such Ballots will not be counted.

EXHIBIT F

Proposed Notice of Non-Voting Status

Tobias S. Keller (CA Bar No. 151445)
David A. Taylor (CA Bar No. 247433)
Thomas B. Rupp (CA Bar No. 278041)
KELLER BENVENUTTI KIM LLP
101 Montgomery Street, Suite 1950
San Francisco, CA 94104
Telephone: (415) 496-6723
E-mail: tkeller@kbbkllp.com
dtaylor@kbbkllp.com
trupp@kbbkllp.com

*Counsel to LeFever Mattson and Its
Affiliated Debtors and Debtors in Possession*

Debra I. Grassgreen (CA Bar No. 169978)
John D. Fiero (CA Bar No. 136557)
Jason H. Rosell (CA Bar No. 269126)
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Telephone: (415) 263-7000
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jfiero@pszjlaw.com
jrosell@pszjlaw.com

*Counsel to the Official Committee
of Unsecured Creditors*

Richard L. Wynne (CA Bar No. 120349)
Erin N. Brady (CA Bar No. 215038)
Edward J. McNeilly (CA Bar No. 314588)
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Telephone: (310) 785-4600
Email: richard.wynne@hoganlovells.com
erin.brady@hoganlovells.com
edward.mcneilly@hoganlovells.com

Counsel to KS Mattson Partners, LP

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re
LEFEVER MATTSON,
a California corporation, *et al.*,¹
Debtors.

Case No. 24-10545 CN (Lead Case)
(Jointly Administered)
Chapter 11

NOTICE OF NON-VOTING STATUS

In re
KS MATTSON PARTNERS, LP,
Debtor.

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>.

1 **PLEASE TAKE NOTICE THAT:**

2 1. On December 1, 2025, LeFever Mattson, KS Mattson Partners LP, and their affiliated
3 debtors and debtors in possession (collectively, “LFM” or the “Debtors”) and the Official
4 Committee of Unsecured Creditors (the “Committee” and together with the Debtors, the “Plan
5 Proponents”) filed the *Second Amended Joint Chapter 11 Plan of Liquidation* of the Debtors
6 [Docket No. 2944] (including all exhibits thereto and as amended, modified or supplemented from
7 time to time, the “Plan”).

8 2. On December 1, 2025, the Plan Proponents filed (a) a summary of the Plan for
9 Investors in Class 5 under the Plan (as amended, the “Plan Summary”); and (b) a related *Amended*
10 *Disclosure Statement in Support of Second Amended Joint Chapter 11 Plan of Liquidation* of the
11 Debtors [Docket No. 2945] (including all exhibits thereto and as amended, modified or
12 supplemented from time to time, the “Disclosure Statement”) under section 1125 of the Bankruptcy
13 Code.

14 3. By an Order dated December __, 2025 (the “Solicitation Procedures Order”), the
15 Bankruptcy Court approved the Disclosure Statement as containing adequate information within the
16 meaning of section 1125 of the Bankruptcy Code and approved certain procedures (collectively, the
17 “Solicitation Procedures”) for the solicitation and tabulation of votes to accept or reject the Plan,
18 and scheduled hearings on confirmation of the Plan.

19 4. The Plan Proponents (a) are required to mail voting materials to all creditors and
20 equity interest holders entitled to vote on the Plan and (b) are not required to provide voting materials
21 to such holders that are conclusively presumed to either accept or reject the Plan (collectively, the
22 “Non-Voting Classes”). Accordingly, you are receiving this Notice of Non-Voting Status for the
23 Plan instead of voting materials containing the Disclosure Statement and the Plan.

24 5. **If you wish to challenge the classification of your claim or interest *except with***
25 ***respect to any Investor Claims that are subject to certain other procedures set forth in the***
26 ***Solicitation Procedures Order***, you, pursuant to Bankruptcy Rule 3018(a), must file a motion (a
27 “Rule 3018 Motion”) for an order temporarily allowing your claim in an amount for purposes of
28 voting and serve such motion on the parties listed below so that it is received by **January 21, 2026**.

1 The request for relief sought in such Rule 3018 Motion will be heard at the Confirmation Hearing
2 (as defined below) or other date selected by the Plan Proponents or pursuant to further order of the
3 Court. Rule 3018 Motions that are not timely filed and served in the manner as set forth above will
4 not be considered.

5 6. The Plan Supplement will be filed by the Debtors and the Committee by December
6 19, 2025, which will be served on all parties that have requested special notice in the cases under
7 Bankruptcy Rule 2002, and will be available to review and download for free from the Voting
8 Agent's website at <https://veritaglobal.net/LM> on and after the filing of the Plan Supplement.

9 10. On **January 23, 2026 at ___:___ .m. (Pacific Time)**, or as soon thereafter as
10 counsel may be heard, a **status conference** ("Confirmation Status Conference") will be held before
11 the Honorable Charles Novack, United States Bankruptcy Judge to determine whether the hearing
12 on confirmation of the Plan will take place on **February 5, 2026 at 9:00 a.m. (Pacific Time) or**
13 **March 5, 2026 at 9:00 a.m. (Pacific Time)** (the "Confirmation Hearing"). Counsel and interested
14 parties may appear at the Confirmation Status Conference and Confirmation Hearing in person in
15 Courtroom 215 of the United States Bankruptcy Court, 1300 Clay Street in Oakland, California or
16 via Zoom video or telephone. The Zoom information will be included in each calendar posted
17 weekly, as applicable.

18 7. The Confirmation Hearing may be adjourned from time to time, without further
19 notice. The Plan may be modified in accordance with the Bankruptcy Code, the Federal Rules of
20 Bankruptcy Procedure, the Plan and other applicable law, without further notice, prior to or as a
21 result of the Confirmation Hearing.

22 8. Objections, if any, to the confirmation of the Plan must (a) be in writing; (b) state the
23 name and address of the objecting party and the nature of the claim or interest of such party; (c) state
24 with particularity the basis and nature of any objection; and (d) be filed with the Bankruptcy Court
25 at the address set forth below and served on the following **so that any such objections are received**
26 **no later than January 21, 2026:** (a) Counsel to the LFM Debtors: Keller Benvenuti Kim LLP,
27 Attn: Tobias Keller, David Taylor, Dara Silveira and Thomas Rupp (tkeller@kbbkllp.com,
28 dtaylor@kbbkllp.com, dsilveira@kbbkllp.com, trupp@kbbkllp.com), 101 Montgomery St., Suite 1950,

1 San Francisco, CA 94104; (b) counsel to KSMP: Hogan Lovells US LLP, Attn: Richard Wynne,
2 Erin Brady, and Edward McNeilly (richard.wynne@hoganlovells.com,
3 erin.brady@hoganlovells.com, edward.mcneilly@hoganlovells.com); (c) counsel to the
4 Committee: Pachulski Stang Ziehl & Jones LLP, Attn: Debra Grassgreen, Jason Rosell and Steven
5 Golden (dgrassgreen@pszjlaw.com, jrosell@pszjlaw.com, sgolden@pszjlaw.com), One Sansome
6 St., Suite 3430, San Francisco, CA 94104-4436; (d) Office of the United States Trustee, Northern
7 District of California, 450 Golden Gate Avenue, Room 05-0153, San Francisco, CA 94102 (Attn:
8 Jared A. Day) (jared.a.day@usdoj.gov); and (e) all other parties in interest that have filed requests
9 for notice pursuant to Bankruptcy Rule 2002 in the Debtors' chapter 11 cases.

10 9. In accordance with Bankruptcy Rule 3017(a), requests for copies of the Disclosure
11 Statement, the Plan, or the Motion by parties in interest may be made in writing to Debtors' counsel
12 or Verita Global by submitting an inquiry at <https://veritaglobal.net/lm/inquiry>. Copies of the
13 Disclosure Statement and the Plan (along with exhibits to each as they are filed with the Bankruptcy
14 Court) and the Motion are available for review, at no charge, at <https://veritaglobal.net/lm/inquiry>.

15 *[Signature page to follow]*
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28

1 Dated: December __, 2025

KELLER BENVENUTTI KIM LLP

2

3

By: /s/ DRAFT

4

Tobias S. Keller

5

David A. Taylor

6

Thomas B. Rupp

7

Counsel to the LFM Debtors

8

PACHULSKI STANG ZIEHL & JONES LLP

9

10

By: /s/ DRAFT

11

Debra Grassgreen

12

John D. Fiero

13

Jason H. Rosell

14

*Counsel to the Official Committee
of Unsecured Creditors*

15

HOGAN LOVELLS US LLP

16

17

By: /s/ DRAFT

18

Richard L. Wynne

19

Erin N. Brady

20

Edward J. McNeilly

21

Counsel to KS Mattson Partners, LP

22

23

24

25

26

27

28

EXHIBIT G

Proposed Order

Tobias S. Keller (CA Bar No. 151445)
David A. Taylor (CA Bar No. 247433)
Thomas B. Rupp (CA Bar No. 278041)
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dtaylor@kbbkllp.com
trupp@kbbkllp.com

*Counsel to LeFever Mattson and Its
Affiliated Debtors and Debtors in Possession*

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*Counsel to the Official Committee
of Unsecured Creditors*

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re
LEFEVER MATTSON,
a California corporation, *et al.*,¹
Debtors.

Case No. 24-10545 CN (Lead Case)
(Jointly Administered)
Chapter 11

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>.

In re
KS MATTSON PARTNERS, LP,
Debtor.

ORDER (I) APPROVING THE PLAN SUMMARY AND APPROVING DISCLOSURE STATEMENT; (II) SCHEDULING HEARING ON CONFIRMATION OF PLAN AND APPROVING THE FORM AND MANNER OF SERVICE OF THE CONFIRMATION HEARING NOTICE; (III) ESTABLISHING PROCEDURES FOR THE SOLICITATION AND TABULATION OF VOTES ON PLAN; (IV) ESTABLISHING PROCEDURES FOR THE ESTIMATION OF INVESTOR CLAIMS AND INTERESTS SOLELY FOR VOTING PURPOSES; AND (V) APPROVING RELATED MATTERS

Hearing Date:

Date: December 3, 2025
Time: 11:00 a.m. (Pacific Time)
Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 215
Oakland, CA 94612
Judge: Honorable Charles Novack

This matter coming before the Court on the *Amended Motion for an Order (I) Approving the Plan Summary and Approving Disclosure Statement; (II) Scheduling Hearing on Confirmation of Plan and Approving the Form and Manner of Service of the Confirmation Hearing Notice; (III) Establishing Procedures for the Solicitation and Tabulation of Votes on Plan; (IV) Establishing Procedures for Estimation of Investor Claims and Interests Solely for Voting Purposes; and (V) Approving Related Matters* [Docket No. 2569] (the “Motion”),² jointly filed by the above-captioned debtors and debtors-in-possession (the “Debtors”) and Official Committee of Unsecured Creditors (the “Committee” and together with the Debtors, the “Plan Proponents”), together with the *Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. 2944] (as it may be amended or modified, including all exhibits thereto, the “Plan”) of the Debtors proposed by the Plan Proponents, and the *Second Amended Disclosure Statement in Support of the Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. 2945] (the “Disclosure Statement”); the Court having reviewed the Motion and having heard the statements of counsel regarding the relief requested in the Motion at a hearing before the Court (the “Hearing”); and the Court having

² A capitalized term used but not defined herein shall have the meaning ascribed to it in the Motion.

1 determined that the legal and factual bases set forth in the Motion and at the Hearing establish just
2 cause for the relief granted herein;

3 **IT IS HEREBY ORDERED THAT:**

- 4 1. The Motion is **GRANTED**.
- 5 2. The Plan Summary is approved as part of the Solicitation Package.
- 6 3. The Disclosure Statement is approved as containing adequate information within the
7 meaning of section 1125 of the Bankruptcy Code.
- 8 4. The Confirmation Hearing Notice and Notice of Non-Voting Status are approved in
9 all respects.
- 10 5. The forms of Ballot are approved in all respects.
- 11 6. Settlement Offer Letters may be included in the same envelope as Ballots.
- 12 7. December 5, 2025 is established as the Voting Record Date for the purposes of
13 determining the creditors and equity interest holders entitled to receive the Solicitation Package and
14 to vote on the Plan or to receive the Notice of Non-Voting Status, subject to Vote Tabulation /
15 Estimation Procedures.
- 16 8. The Solicitation Package and Notices of Non-Voting Status shall be served by the
17 later of: (i) December 12, 2025, or (ii) the fifth business day following the entry of this Order.
- 18 9. If multiple Solicitation Packages would otherwise go to the same physical address,
19 the Plan Proponents shall be permitted, but not required, to combine the Solicitation Packages into
20 a single Solicitation Package with multiple ballots, even if the claimant names are not identical.
- 21 10. Any Plan Supplement must be filed by December 19, 2025.
- 22 11. Ballots must be received on or before **January 21, 2026 at 11:59 p.m. (Pacific**
23 **Time)** (“Voting Deadline”) in accordance with the instructions on the applicable Ballot, unless
24 extended by the Plan Proponents in writing.
- 25 12. The Vote Tabulation/Estimation Procedures attached as **Exhibit E** to the Motion are
26 approved in all respects.
- 27 13. Each unique Investor will receive one Class 5 Ballot on account of an Investor Claim.
28 Investors with substantially similar names, that list the same noticing address on their Claims, and

1 for which the Plan Proponents determine upon good faith are the same person or entity will be
2 treated as one Investor. For example, if the “Doe Family Trust” and the “Doe Family Trust, dated
3 January 1, 2000” provide the same address where notices should be sent on their Claims and/or
4 Interests and the Plan Proponents believe these entities are the same, then the “Doe Family Trust”
5 and the “Doe Family Trust, dated January 1, 2000” will be treated as a single Investor. However,
6 the “Doe Family Trust” and “Jane Doe” will not be considered a single Investor even if the relevant
7 Interests or Claims list the same noticing address as these Investors do not have substantially similar
8 names.

9 14. Pursuant to Bankruptcy Code sections 105(a) and 502(c) and Bankruptcy Rule
10 3018(a), all Investor Claims will be estimated and temporarily allowed solely for purposes of voting
11 on the Plan in the amount set forth in the applicable Class 5 Ballot, subject to the Investor’s right to
12 dispute the proposed estimated amount, as set forth in the Vote Tabulation/Estimation Procedures.

13 15. Any Rule 3018 Motion by a party other than an Investor on account of its Investor
14 Claim must be filed with the Court, together with proof of service thereof, and served upon: (i) the
15 Office of the United States Trustee; (ii) counsel for the Debtors; (iii) counsel for the Committee;
16 and (iv) any party that has requested notice pursuant to Bankruptcy Rule 2002 by hand delivery or
17 in a manner as will cause such objection to be received by all such parties on or before **January 21,**
18 **2026.** Any objections not filed and served as set forth above may not be considered by the Court.
19 Any objection to such Rule 3018 Motion must be filed by no later than **January 28, 2026.**
20 Responses, if any, in support of the Rule 3018 Motion must be filed no later than **February 3, 2026.**
21 Any such Rule 3018 Motion may be resolved by agreement between the Plan Proponents and the
22 movant without the requirement for further order or approval of the Court. As to any creditor filing
23 a Rule 3018 Motion, such creditor’s Ballot shall not be counted unless temporarily allowed by the
24 Court for voting purposes after notice and a hearing, prior to or at the Confirmation Hearing. Any
25 unresolved Rule 3018 Motion and objection(s) thereto shall be heard at the Confirmation Hearing
26 or any other date selected by the Plan Proponents or pursuant to further Court order.

27 16. With respect to Class 3 Secured Lender Claims, the Plan Proponents may file any
28 claim objections against a Secured Lender Claim for Plan voting purposes **no later than 14 days**

1 **before the Confirmation Hearing**, with any responses by the applicable Secured Lenders due **no**
2 **later than 7 days before the Confirmation Hearing**, with a hearing to be held on any unresolved
3 objections at the Confirmation Hearing or a later date selected by the Plan Proponents. The Plan
4 Proponents may enter into stipulations with Secured Lenders allowing their Class 3 Claims for
5 voting purposes.

6 17. Objections to confirmation of the Plan must be in writing, must conform to the
7 Bankruptcy Rules, must set forth the name of the objector, the nature and amount of Claims or
8 Interests held or asserted by the objector against the Debtors, the basis for the objection and the
9 specific grounds of the objection, and must be filed with the Bankruptcy Court, together with proof
10 of service thereof, and served upon: (i) the Office of the United States Trustee; (ii) counsel for the
11 Debtors; (iii) counsel for the Committee; and (iv) any party that has requested notice pursuant to
12 Bankruptcy Rule 2002 by hand delivery or in a manner as will cause such objection to be received
13 by all such parties on or before **January 21, 2026**. Any objections not filed and served as set forth
14 above may not be considered by the Court.

15 18. The below additional dates and deadlines have been approved. Track A will be
16 followed if confirmation of the Plan requires a contested evidentiary hearing. Otherwise, Track B
17 will be followed.

	Track A Contested Evidentiary Confirmation Hearing	Track B Uncontested Evidentiary Confirmation Hearing
Deadline to Serve Written Discovery	December 29, 2025	December 29, 2025
Deadline for parties to identify the topics on which they intend to submit expert reports (other than rebuttal expert reports)	December 29, 2025	December 29, 2025
Deadline to Serve Responses & Objections to Written Discovery	January 28, 2026	January 28, 2026
Deadline to identify expert witnesses	January 28, 2026	--
Document Productions Substantially Completed	January 28, 2026	--
Expert Reports Due	January 30, 2026	--

	Track A Contested Evidentiary Confirmation Hearing	Track B Uncontested Evidentiary Confirmation Hearing
Deadline to Complete Depositions of Fact Witnesses (All fact and expert witnesses will have the option of being deposed either in person or by Zoom. If a witness chooses to be deposed in person, all parties may attend either in person or by Zoom, at their choosing)	January 30, 2026	--
Deadline for parties to identify expert witnesses who will submit rebuttal expert reports	January 30, 2026	--
Rebuttal Expert Reports Due	February 6, 2026	--
Deadline to Exchange <u>Fact</u> Deposition Designations and File Motions <i>in Limine</i> re <u>Fact</u> Witnesses	February 6, 2026	--
Deadline to Depose Expert Witnesses	February 9, 2026	--
Deadline for Plan Proponents to file: (1) Responses to Objections to Plan Confirmation (2) Voting Report (3) Confirmation Brief	February 11, 2026	January 30, 2026
Deadline for the Plan Proponents to file Responses to Investors' Objections to Proposed Claim Amounts for Solely for Voting Purposes	February 11, 2026	February 3, 2026
Deadline to Exchange <u>Expert</u> Deposition Designations and File Motions <i>in Limine</i> re <u>Expert</u> Witnesses	February 20, 2026	--
Deadline to Exchange Deposition Counter-Designations (Fact and Expert)	February 23, 2026	--
Deadline to Submit: (i) Joint Pretrial Order; (ii) Witness and Exhibit Lists; (iii) Oppositions to Motions in Limine; (iv) Objections to Deposition Counter-Designations	February 23, 2026	--
Final Pre-Trial Conference	February 26, 2026	--

1 19. On **January 23, 2026** at ____: ____ .m. (**Pacific Time**), or as soon thereafter as
2 counsel may be heard, a **status conference** (“Confirmation Status Conference”) will be held before
3 the Honorable Charles Novack, United States Bankruptcy Judge to determine whether the hearing
4 on confirmation of the Plan will take place on **February 5, 2026 at 9:00 a.m. (Pacific Time) or**
5 **March 5, 2026 at 9:00 a.m. (Pacific Time)** (the “Confirmation Hearing”). Counsel and interested
6 parties may appear at the Confirmation Status Conference and Confirmation Hearing in person in
7 Courtroom 215 of the United States Bankruptcy Court, 1300 Clay Street in Oakland, California or
8 via Zoom video or telephone. The Zoom information will be included in each calendar posted
9 weekly, as applicable.

10 20. The Confirmation Hearing may be adjourned from time to time without further notice
11 to creditors and other parties-in-interest by an announcement of the adjourned date at the
12 Confirmation Hearing or any adjournment thereof or by an appropriate filing with the Court.

13 21. The relief granted herein shall apply to all Debtors.

14 22. The Plan Proponents are authorized to take or refrain from taking any action
15 necessary or appropriate to implement the terms of and the relief granted in this Order without
16 seeking further order of the Court.

17 23. The Plan Proponents are authorized to make non-substantive changes to the
18 Disclosure Statement, Plan, Plan Summary, Ballots, Confirmation Hearing Notice, Notice of Non-
19 Voting Status, and related documents without further order of the Court, including changes to
20 correct typographical and grammatical errors and to make conforming changes among the
21 aforementioned documents prior to their distribution.

22 24. This Court shall retain jurisdiction over all matters related to or arising from the
23 Motion or the interpretation or implementation of this Order.

24
25 ***** END OF ORDER *****
26
27
28

EXHIBIT H

Solicitation Package Cover Letter

December [●], 2025

Via First-Class Mail / Email

RE: LeFever Mattson, *et al.*, Chapter 11 Case No. 24-10545 (CN) (Jointly Administered)

To All Holders of Claims Entitled to Vote on the Plan:

You have received this letter and the enclosed materials because you are entitled to vote on the *Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. ●] (as may be altered, amended, modified, or supplemented from time to time, the “Plan”).¹

LeFever Mattson, a California corporation, (“LFM”) and certain of its affiliated debtors and debtors in possession (collectively, the “LFM Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Northern District of California (the “Bankruptcy Court”) on August 6, 2024; September 12, 2024; and October 2, 2024. On November 22, 2024, LFM and Debtor Windtree, LP filed an involuntary chapter 11 petition against KS Mattson Partners, LP (“KSMP,” and together with the LFM Debtors, the “Debtors”), and an order for relief granting the involuntary petition was entered by the Bankruptcy Court on June 9, 2025.

On [●], 2025, the Bankruptcy Court entered an order [Docket No. [●]] (the “Disclosure Statement Order”) (a) authorizing the Debtors and the Official Committee of Unsecured Creditors (the “Committee,” and together with the Debtors, the “Plan Proponents”) to solicit votes on the Plan; (b) approving the *Amended Disclosure Statement in Support of Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. ●] (as may be amended, supplemented, or modified from time to time, the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages (the “Solicitation Packages”); and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan.

YOU ARE RECEIVING THIS LETTER BECAUSE YOU ARE ENTITLED TO VOTE ON THE PLAN. THEREFORE, YOU SHOULD READ THIS LETTER CAREFULLY AND DISCUSS IT WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

In addition to this cover letter, the enclosed materials comprise your Solicitation Package and were approved by the Bankruptcy Court for distribution to Holders of Claims in connection with the solicitation of votes to accept or reject the Plan. **The Disclosure Statement and the Plan are available free of charge on the Debtors’ case website at <https://veritaglobal.net/lm>. If you would like to receive paper copies of any of these documents, please reach out to the Claims and Noticing Agent (as defined below) using their below contact information.** The Solicitation Package consists of the following, as applicable:

1. this letter;
2. the Bankruptcy Court order approving the Disclosure Statement;
3. the Plan Summary – only in Solicitation Packages served on Investors in Class 5;

¹ Capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the Plan or the Disclosure Statement, as applicable.

4. the Confirmation Hearing Notice;
5. a Ballot for holders of claims in Classes entitled to vote, including instructions set forth therein regarding how to complete the Ballot;
6. a Ballot return envelope; and
7. Investor Settlement Offer Letter – only in Solicitation Packages served on Investors in Class 5.

The Debtors and the Committee believe that the Plan, as proposed, provides the best possible outcome for all investor and creditor constituencies, and that the acceptance of the Plan is in the best interests of the Debtors' estates, Holders of Claims, including Investors, and all other parties-in-interest. Moreover, the Debtors and the Committee believe that any alternative other than confirmation of the Plan is not feasible and would result in extensive delays, increased administrative expenses, and lesser recoveries than those contemplated under the Plan.

**THE DEBTORS AND COMMITTEE STRONGLY URGE YOU TO PROPERLY AND TIMELY
SUBMIT YOUR BALLOT CASTING A VOTE TO ACCEPT THE PLAN IN ACCORDANCE
WITH THE INSTRUCTIONS IN YOUR BALLOT.**

THE VOTING DEADLINE IS JANUARY 21, 2026 AT 11:59 P.M. (PACIFIC TIME).

The materials in the Solicitation Package are intended to be self-explanatory. If you should have any questions, however, please feel free to contact Verita Global, the Claims and Noticing Agent retained by the Debtors in the Chapter 11 Cases (the "Claims and Noticing Agent"), by: (a) calling 1-877-709-4751 (U.S. / Canada), or 1-424-236-7231 (International); or (b) submitting an inquiry at: <https://veritaglobal.net/lm/inquiry>.

Please be advised that the Claims and Noticing Agent is authorized to answer questions about the Solicitation Packages and provide additional copies of the Solicitation Packages, Plan, and Disclosure Statement, but may *not* advise you as to whether you should vote to accept or reject the Plan or provide any legal advice.

Sincerely,

**LEFEVER MATTSON,
A CALIFORNIA CORPORATION, ET AL.**

By:
Name: Bradley Sharp
Title: Chief Restructuring Officer

KS MATTSON PARTNERS, LP

By:
Name: Robbin Itkin
Title: Responsible Individual

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS**

By:
Name: Kevin Katari
Title: Chairperson

EXHIBIT 5

Comparison of Revised Solicitation Exhibits to Solicitation Exhibits as Filed

EXHIBIT A

Plan Summary

THIS DOCUMENT IS NOT A SOLICITATION OF VOTES ON THE PLAN. VOTES MAY NOT BE SOLICITED UNTIL THE BANKRUPTCY COURT HAS APPROVED THE PLAN SUMMARY. THIS PLAN SUMMARY IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT. ALL OF THE INFORMATION IN THIS PROPOSED PLAN SUMMARY IS SUBJECT TO CHANGE.

PLAN SUMMARY FOR INVESTORS

LeFever Mattson, a California corporation, (“LFM”) its affiliated debtors and debtors in possession (collectively, the “LFM Debtors”), KS Mattson Partners LP (“KSMP”) and its affiliated debtors and debtors in possession (the “KSMP Debtors” and together with the LFM Debtors, the “Debtors”) and the Official Committee of Unsecured Creditors appointed in the Debtors’ chapter 11 bankruptcy cases (the “Committee” and together with the Debtors, the “Plan Proponents”)[†] have jointly proposed the ~~First~~Second Amended Joint Chapter 11 Plan of Liquidation (as may be amended or modified, the “Plan”).²¹

The ~~Plan Proponents’ proposed~~ Plan provides for a global settlement (the “Global Settlement”) of the outstanding Claims asserted against and Equity Interests asserted in the Debtors. The Global Settlement embodied in the Plan resolves the complex issues in these Chapter 11 Cases, including (a) substantive consolidation of the Debtors and the KSMP Investment Entities, (b) the Ponzi Finding (discussed further below), and (c) the allowance and treatment of Investor Claims. Under the Plan, all assets and liabilities of all Debtors and KSMP Investment Entities will be pooled and consolidated for distribution purposes, through substantive consolidation. The Global Settlement provides for a “**single pot**,” such that all assets and liabilities of ~~all the~~ Debtors and KSMP Investment Entities are pooled and consolidated for distribution purposes. Pursuant to applicable case law, all Investors are treated the same, as holders of tort claims, regardless of the type of documentation or instrument held. Pursuant to the Global Settlement, each Investor will receive a claim for money (or value of property) it invested in the Debtors or KSMP Investment Entities over time less any distributions the Investor received over the seven years prior to the Petition Date. This claim will receive a *pro rata* distribution of available assets and, only after such claim is paid in full, will there be any recovery on claims for expected profits, pursuant to the principles of “netting” in Ponzi scheme cases. However, as part of the Global Settlement, rather than netting from the suspected Ponzi scheme start date, the proposed Investor Settlement Amount Procedures Order will provide that only payments made to Investors seven years prior to September 12, 2024, will be offset/netted in calculating Investor Claims.

As discussed further below ~~and~~, in the Disclosure Statement, and in the comprehensive discussion of the facts and circumstances supporting the Global Settlement separately filed with

[†] ~~Debtor Live Oak Investments, LP is not a Plan Proponent; however, the Plan provides for the substantive consolidation of Debtor Live Oak Investments, LP with the other Debtors and its creditors and investors will be entitled to vote on the Plan.~~

²¹ Capitalized terms not otherwise defined herein are used as those terms are defined in the Plan. The Plan, Disclosure Statement, Investigation Report and other filed documents are available for review, at no charge, at <https://www.veritaglobal.net/LM>.

the Court at Docket No. 2568 (the “Investigation Report”),² the Global Settlement takes into account the extensive evidence supporting the determination that (i) the Debtors² and KSMP Investment Entities²—~~estates are hopelessly entangled and~~ should be ~~subject to substantive consolidation~~substantively consolidated; and (ii) the Debtors and KSMP Investment Entities were operated as a Ponzi scheme (the “Ponzi Finding”). These two conclusions flow directly from the wrongdoing that led to these Chapter 11 Cases: for decades, Kenneth W. Mattson (“Mattson”), former principal of the Debtors and KSMP Investment Entities, controlled the Debtors and KSMP Investment Entities as a single enterprise—disregarding their separate corporate forms—and caused them to engage in numerous fraudulent activities and transactions (collectively, the “Mattson Transactions”). The Mattson Transactions took many forms, including the sale of fictitious interests in many of the Debtors; the transfer of vast sums of money between and among LFM, KSMP, KSMP Investment Entities, and other Debtors; and the transfer among the Debtors and KSMP Investment Entities of properties encumbered with high-interest loans.

The Debtors and the Committee, through months of open cooperation, information gathering, and negotiation for the benefit of all Investors, have reached the Global Settlement aimed at: (i) mitigating the damage inflicted by the Debtors’ Ponzi scheme run by Mattson and potentially others; and (ii) developing a level playing field that treats all aggrieved Investors fairly, uniformly, and expeditiously. The Plan treats Investors and creditors fairly without incurring the considerable professional fees and costs (likely ~~in the tens~~in excess of millions of dollars\$10 million) that would be necessary to attempt to disentangle the Debtors ~~including KSMP~~ and KSMP Investment Entities, which were operated prepetition together, as a Ponzi scheme by Mattson. Critically, given the incomplete and deficient state of the Debtors’ books and records, even if such funds were expended, it is possible, and even likely, that the disentanglement would be unsuccessful.

The Plan provides for **one class of Investor Claims – Class 75**. Voting on the Plan will allow the Investor community to have a significant voice in the outcome of this case. To effectuate distributions to Investors, the Plan provides for the creation of the **Plan Recovery Trust**, which will own the Debtors’ and KSMP Investment Entities²—~~estates~~’ assets that are not sold during the course of the Chapter 11 Cases, will sell or otherwise dispose of those remaining assets to generate cash, and will distribute that (and other) cash to Investors. The Plan Recovery Trust also will own any viable litigation claims against third parties, including Mattson and others such as Timothy LeFever (“LeFever”), and may generate cash through prosecution or settlement of those claims. Cash will be distributed by the Plan Recovery Trust to Investors and other creditors over time (as the Plan Recovery Trust collects on or otherwise monetizes the Plan Recovery Trust Assets).³

² The Investigation Report can be accessed from the Debtors’ restructuring website at <https://veritaglobal.net/LM>.

³ Investors will also receive *pro rata* distributions from the Investor Forfeiture Fund in the event that there is any Forfeiture Property obtained by the DOJ, the SEC or another Governmental Unit.

The Debtors and the Committee understand the uncertain and devastating financial position that many Investors are in as a result of the Ponzi scheme, and believe that the Global Settlement reflected in the Plan represents the best outcome of these unfortunate circumstances, and importantly, provides the best prospect for Investors and other creditors *to receive distributions as soon as reasonably possible*. Confirmation of the Plan in the most expeditious manner is of paramount importance to the Investor community and the Plan Proponents believe is in the best interests of the estates and all creditors.

In brief, during these Chapter 11 Cases, the Debtors and the Committee have conducted a comprehensive joint investigation into the prepetition conduct of the Debtors and their principals and their affiliates (the “Joint Investigation”). As a result of the Joint Investigation, as explained further in the Investigation Report filed with the Court, the Debtors and the Committee have made the following material conclusions relevant to the Plan and confirmation thereof:

1. The Debtors and KSMP Investment Entities operated as a **Ponzi scheme**, a primary feature of which was a bank account maintained and primarily controlled by Mattson.
2. The Debtors’ books and records are in many ways **unreliable** and **incomplete**, and determining with absolute certainty the ownership structure of any Debtor in which LFM, KSMP, KSMP Investment Entity, or any other Debtor purported to sell ownership interests (collectively, the “Subsidiary Debtors”) would be cost prohibitive.
3. The Debtors’ prepetition operations created a **tangled web of intercompany loans and transfers** among the Subsidiary Debtors that would be cost prohibitive to untangle.
4. The Debtors **routinely moved real estate from one entity to another entity** for no apparent purpose other than to facilitate a 1031 like-kind exchange (under Sec. 1031 of the Internal Revenue Code), which may have also artificially inflated the book value of such property.

Under the circumstances, the Debtors and the Committee believe it is in the best interests of the Debtors’ Investors and creditors to propose the Global Settlement to be effectuated through the proposed Plan, that treats all Investors as fairly as possible, without incurring further professional fees related to the Joint Investigation and the issues raised thereby.

I. WHAT DOES THE PLAN PROPOSE?

The key terms of the Plan are summarized below. Among other things, these terms will govern: (1) how claims against the Debtors and KSMP Investment Entities are divided into classes in order of priority under the Bankruptcy Code; (2) how claims in each class will be treated; and (3) what becomes of the Debtors' and KSMP Investment Entities' assets and how they will generate cash for the benefit of Investors. This summary is provided as an **overview**, and is not meant to provide all of the information investors should rely on when considering whether to vote to accept or reject the Plan. That information can be found in the "Disclosure Statement" available at <https://www.veritaglobal.net/LM>.

The Plan generally provides for all of the Debtors' and KSMP Investment Entities' assets, including the Debtors' real properties and litigation claims against third parties, to be owned and governed by a single trust – the Plan Recovery Trust. The Plan Recovery Trustee will be selected by the Committee (subject to Court approval). Additionally, an oversight board (the "Oversight Board"), composed of members selected by the Committee, will have certain duties and rights and give direction concerning material decisions, as the Plan Recovery Trustee attempts to best monetize the Plan Recovery Trust's assets and pursues third party litigation claims.

Investors, placed in Class 75 (Investor Claims) under the Plan, will, in exchange for their allowed Investor Claims against the Debtors, become beneficiaries of the Plan Recovery Trust and will be entitled to distributions on their allowed claims (proportionally based on the total aggregate claims amount divided by the aggregate amount of cash available for distribution)⁴ from the net cash proceeds generated by the Plan Recovery Trust either directly or indirectly primarily from (1) operation of the properties, (2) real estate sales, and (3) litigation recoveries.

(1) *Is this a "single pot" plan?* Yes. The Plan consolidates all of the Debtors' and KSMP Investment Entities' assets into the Plan Recovery Trust on the Effective Date of the Plan. Litigation claims will go directly into the Plan Recovery Trust. After the Plan is confirmed and becomes effective, creditors of any ~~Debtor entity~~ of the Debtors and KSMP Investment Entities, including Investors, will be treated as if they have a claim against the entire corporate enterprise of the Debtors and KSMP Investment Entities,

⁴ Specifically, the Plan provides for a Plan Recovery Trust Waterfall in relation to Investor Claims, the amounts of which are divided into tranches: Holders of Investor Tranche 1 Claims entitled to receive Class A Plan Recovery Trust Units (in the Plan Recovery Trust); Holders of Investor Tranche 2 Claims entitled to receive Class B Plan Recovery Trust Units; and Holders of Contributed Claims (if applicable) entitled to receive Class C Plan Recovery Units. Contributed Claims are Causes of Action of a contributing Investor that the Investor has against any Person that is not a Debtor or related to a Debtor, its predecessors and affiliates, and Excluded Parties, including, without limitation, all Causes of Action based on, arising out of, or related to the marketing, sale, and issuance of any investments related to the Debtors, all Causes of Action for unlawful dividend, fraudulent conveyance, or other avoidance claims under state or federal law, all Causes of Action based on or relating to the misrepresentation of the Debtors' financial information and operations, all Causes of Action based on or related to any failure to disclose, or actual coverup of any of the wrongful conduct described in the Disclosure Statement, and all Causes of Action based on aiding or abetting or otherwise supporting torts committed by the Debtors and their agents. An Investor will be a Contributing Claimant, contributing its Contributed Claims to the Plan Recovery Trust, if it (a) votes to accept the Plan on its Ballot and (b) does not opt-out of the Contributed Claim Election on the Ballot, provided that the Investor's Causes of Action are not on the Schedule of Disclaimed Contributed Assets, in which case such Causes of Action will not be Contributed Claims.

rather than a particular ~~Debtor~~entity. This is referred to in the Plan as “substantive consolidation.”

To effectuate distributions to Investors, the Plan provides for the creation of the Plan Recovery Trust, which will own the Estates’ assets and will sell or otherwise dispose of those assets to generate cash, and will distribute that (and other) cash to Investors. The Plan Recovery Trust also will own litigation claims against third parties, including Mattson and others, and may generate cash through prosecution or settlement of those claims. Cash will be distributed by the Plan Recovery Trust to Investors and other creditors over time (as the Plan Recovery Trust collects on or otherwise monetizes the Plan Recovery Trust Assets).

(2) *Is there a “premium” or other benefit provided to certain types of Investors based on the type of investment they held?* No. Under the Plan, each investment, regardless of its form, will ultimately give rise to an “Investor Claim” which will be exchanged under the Plan for a beneficial interest in the Plan Recovery Trust. Each Investor’s claim will be calculated in the same manner, without regard to the type of investment held, and each Investor will receive a proportional recovery from the Plan Recovery Trust based on such Investor’s allowed claim amount (after netting and any clawbacks are taken into account). *Section III, below, provides additional information regarding how Investor Claims will be calculated.*

(3) *How much am I projected to receive on account of my Investor Tranche 1 Claim ~~/Plan Recovery Trust Interest~~ under the Plan?* The Debtors are projecting that Investors will receive between 21.1% and 40.6% on account of their Investor ~~Claims~~Tranche 1 Claim. **THE PROJECTED RECOVERY IS AN ESTIMATE ONLY AND ACTUAL RECOVERIES MAY DIFFER.**

II. HOW DOES THE PLAN GET CONFIRMED?

The Plan has been jointly proposed by the Debtors and the Committee. However, it is ultimately the votes of Investors (placed in Class 75) and the Bankruptcy Court that will decide whether the Plan is “confirmed.”

Voting – Acceptance & Rejection of Plan:

Impaired investor and creditor classes will be given the chance to vote to “accept” or “reject” the Plan. In order for an investor’s vote to be counted, that investor must return a ballot by the deadline established by the Bankruptcy Court. A class of claims accepts the Plan if (i) more than one-half in the number of creditors within a class who vote on the Plan vote to accept the Plan **and** (ii) at least two-thirds in amount of aggregate claims in the class who vote on the Plan vote to accept the Plan.⁵

⁵ Generally even if a class votes to “reject” the Plan, it can still be confirmed if additional requirements under the Bankruptcy Code, known as “cram down,” are met. To “cram down” the Plan on rejecting classes of claims, there must be at least one class of claims that is impaired that votes to accept the Plan.

The ~~Debtors~~Plan Proponents must also show that the classification scheme under the Plan does not “unfairly discriminate” and that the Plan is “fair and equitable.” Here, all concerned have worked diligently to make sure these tests are met. Finally, the Plan must respect bankruptcy priority rules such that no junior claims or interests may receive a distribution until the non-accepting senior class is paid in full. This Plan complies with this rule.

(1) ***How do I vote on the Plan?*** You, as an Investor, should receive a ballot to vote on the Plan, included with other Plan solicitation materials. On its Class ~~7~~5 ballot, a holder of an Investor Claim will be entitled to vote the amount of such holder’s Investor Claim. What the Debtors believe to be the aggregate amount of the Investor Claim, without any “netting” or other adjustments implemented in a Ponzi scheme bankruptcy for claim allowance purposes, will be disclosed on each Investor’s ballot and will be deemed temporarily allowed for voting purposes. Each Investor will be allowed to write in a modified amount, signed under penalty of perjury, if it believes the listed amount is inaccurate.⁶ If the Investor class (Class ~~7~~5) votes to reject the Plan, the Debtors and the Committee will **not** move forward with the Plan. In that case, the Debtors and Committee will need to incur additional fees and expenses to develop an alternative path forward.

(2) ***What am I voting on when I vote to accept or reject the Plan?*** Your vote relates to whether you approve of the overall compromise of a one pot plan in which Investors are all treated equally regardless of the form of their investments, and the creation of the trust as the structure to hold and monetize the assets and make distributions to Investors. The projected recoveries are merely estimates of potential recoveries and could be lower or higher in actuality, so those should not be the focus of how to vote on the Plan. One potential alternative to the Plan as proposed is a chapter 7 liquidation. The Debtors and the Committee believe that the recoveries in a chapter 7 liquidation will be less than the recoveries under the Plan. Accordingly, the Debtors and the Committee believe the Plan is in the best interests of the Investors and all stakeholders.

Confirmation by the Court:

If the Court approves the Plan, the Plan will be deemed “confirmed.” In order for the Plan to be confirmed, the Court must find that the Plan complies with the requirements of the Bankruptcy Code. The Court will also consider any objections to the Plan.

III. HOW ARE INVESTOR CLAIMS BEING CALCULATED FOR DISTRIBUTION PURPOSES?

As noted above, while Investors will be allowed to vote the aggregate Investor Claim amount on the Plan, for purposes of calculating distributions under the Plan, the Plan Recovery Trust and its professionals will perform a reconciliation to determine the correct net amounts for

⁶ Such modified amount will be deemed a motion pursuant to Bankruptcy Rule 3018(a) for an order temporarily allowing such Investor Claim in a different amount solely for purposes of voting on the Plan (an “Investor Rule 3018 Motion”). If any objections are filed to an Investor Rule 3018 Motion by the Proponents or other party, the Investor Rule 3018 Motion will be heard at the confirmation hearing or at a later date in the Plan Proponents’ discretion.

each Investor Claim, taking into account bankruptcy law that requires claims to be “netted” in a Ponzi situation. The actual netted Investor Claim amounts will determine the proportional share an investor will receive as distributions under the Plan in relation to the claim amounts of other Investors. The Plan Proponents have filed a motion seeking the entry of the **Investor Settlement Amount Procedures Order** - of which Investors will receive further written notice - which, if granted, will approve of the calculation methods described herein.

Example:

Investor A invested \$100,000 in a Debtor on January 1, 2015. Investor A received 6% a year or \$500 per month until September 1, 2024.

Investor Lookback Period = September 12, 2017

Amount Invested = \$100,000

Prepetition Ponzi Distributions = \$42,000 (7 years x \$6,000)

Investor Claim for distribution purposes on account of Investor Tranche 1 Claim = \$100,000 - \$42,000 = \$58,000

Investor Claim for distribution purposes on account of Investor Tranche 2 Claim (if all Investor Tranche 1 Claims are paid off) = \$42,000

IV. CONCLUSION

The Debtors and the Committee, representing the best interests of Investors and other unsecured creditors, have diligently worked to ensure that the Plan being proposed to you meets their goals, from the outset of these cases, of treating Investors equally and fairly. **The Debtors and the Committee urge you to vote to accept the Plan.**

EXHIBIT B

Proposed Confirmation Hearing Notice

1 In re

2 KS MATTSON PARTNERS, LP,

3 Debtor.

PLAN; (III) DEADLINE FOR FILING
OBJECTIONS TO CONFIRMATION OF
THE PLAN; (IV) DEADLINE FOR VOTING
ON THE PLAN; (V) INVESTOR CLAIM
ESTIMATION PROCEDURES; AND
(V) RELATED MATTERS

Confirmation Hearing Date:

Date: ~~to be set~~ To Be Set

Time: ~~(Pacific time)~~ To Be Set

Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 215
Oakland, CA 94612

Judge: Honorable Charles Novack

8
9 **PLEASE TAKE NOTICE OF THE FOLLOWING:**

10 1. On ~~October 15~~ December 1, 2025, the above-captioned debtors and debtors in
11 possession (the “Debtors”) filed the ~~First~~ Second *Amended Joint Chapter 11 Plan of Liquidation*
12 [Docket No. 2944] (as it may be amended or modified, including all exhibits thereto, the “Plan”)
13 ~~[Docket No. ____]~~ of the Debtors proposed by the Debtors and the Official Committee of
14 Unsecured Creditors appointed in the ~~Debtors’~~ above-captioned chapter 11 cases (the
15 “Committee”). On ~~October 15~~ December 1, 2025, the Debtors and Committee filed the Second
16 *Amended Disclosure Statement in Support of the* ~~First~~ Second *Amended Joint Chapter 11 Plan of*
17 *Liquidation* [Docket No. 2945] (as it may be amended or modified, including all exhibits thereto,
18 the “Disclosure Statement”) ~~[Docket No. ____]~~; and a related summary of the Plan provided to
19 Investors in Class ~~7~~ 5 [Docket No. ____] (as amended, the “Plan Summary”) ~~[Docket No. ____]~~.²

20 2. By an Order dated _____, 2025 [Docket No. ____] (the “Solicitations
21 Procedures Order”), the Bankruptcy Court approved the Disclosure Statement as containing
22 adequate information within the meaning of section 1125 of Bankruptcy Code.

23 3. By the Solicitation Procedures Order, the Bankruptcy Court established
24 ~~_____~~ January 21, 2026 at 11:59 p.m. (Pacific Time) (the “Voting Deadline”) as the
25 deadline by which ballots accepting or rejecting the Plan must be received. To be counted, your
26 original ballot must actually be **received** on or before the Voting Deadline by the Debtors’

27 ² Any capitalized terms not defined herein have the meaning ascribed to such terms in the Plan or Disclosure
28 Statement, as applicable.

balloting agent, Verita Global, either electronically as specified on your ballot or to the following address:

LeFever Mattson Ballot Processing Center
c/o KCC dba Verita
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245

~~4. To be counted, your original ballot must actually be submitted electronically, or in a manner otherwise specified on the ballot, so that it is **received** on or before the Voting Deadline.~~

4. ~~5.~~ Each unique Investor will receive one ~~Investors'~~ Class 75 Ballot on account of
their Investor Claim. Investors with substantially similar names, that list the same noticing address
on their Claims, and for which the Plan Proponents determine upon good faith are the same person
or entity will be treated as one Investor. For example, if the “Doe Family Trust” and the “Doe
Family Trust, dated January 1, 2000” provide the same address where notices should be sent on
their Claims and/or Interests and the Plan Proponents believe these entities are the same, then the
“Doe Family Trust” and the “Doe Family Trust, dated January 1, 2000” will be treated as a single
Investor. However, the “Doe Family Trust” and “Jane Doe” will not be considered a single
Investor even if the relevant Interests or Claims list the same noticing address as these Investors
do not have substantially similar names.

5. ~~6.~~ The Plan Supplement will be filed by the Debtors and the Committee by **December 19, 2025**, which will be served on all parties that have requested special notice in the cases under Bankruptcy Rule 2002, and will be available to review and download for free from the Voting Agent's website at <https://veritaglobal.net/LM> on and after the filing of the Plan Supplement.

6. ~~7.~~ On ~~_____~~ January 23, 2026 at ~~___~~:~~___~~ ___.m. (Pacific Time), or as soon thereafter as counsel may be heard, a ~~hearing~~status conference (“Confirmation Status Conference”) will be held before the Honorable Charles Novack, United States Bankruptcy Judge to ~~consider~~determine whether the hearing on confirmation of the Plan, ~~as the same may be~~

~~amended or modified~~ will take place on February 5, 2026 at 9:00 a.m. (Pacific Time) or March 5, 2026 at 9:00 a.m. (Pacific Time) (the “Confirmation Hearing”). Counsel and interested parties may appear at the Confirmation Status Conference and Confirmation Hearing in person in Courtroom 215 of the United States Bankruptcy Court, 1300 Clay Street in Oakland, California or via Zoom video or telephone. The Zoom information will be included in each calendar posted weekly, as applicable.

7. ~~8.~~ The Confirmation Hearing may be adjourned from time to time, without further notice. The Plan may be modified in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Plan, and other applicable law, without further notice, prior to or as a result of the Confirmation Hearing.

8. ~~9.~~ The ~~following~~below additional dates and deadlines have been approved: Track A will be followed if confirmation of the Plan requires a contested evidentiary hearing. Otherwise, Track B will be followed.

		<u>Track A</u> <u>Contested Evidentiary</u> <u>Confirmation Hearing</u>	<u>Track B</u> <u>Uncontested Evidentiary</u> <u>Confirmation Hearing</u>
December 15, 2025	Deadline to Serve Written Discovery	<u>December 29, 2025</u>	<u>December 29, 2025</u>
December 15, 2025	Deadline for parties to identify the topics on which they intend to submit expert reports (other than rebuttal expert reports)	<u>December 29, 2025</u>	<u>December 29, 2025</u>
December 23, 2025	Deadline to Serve Responses & Objections to Written Discovery	<u>January 28, 2026</u>	<u>January 28, 2026</u>
January 7, 2026	Deadline to identify expert witnesses	<u>January 28, 2026</u>	<u>--</u>
January 7, 2026	Document Productions Substantially Completed	<u>January 28, 2026</u>	<u>--</u>
January 9, 2026	Expert Reports Due	<u>January 30, 2026</u>	<u>--</u>
January 14, 2026	Deadline to Complete Depositions of Fact Witnesses	<u>January 30, 2026</u>	<u>--</u>

		<u>Track A</u> <u>Contested Evidentiary</u> <u>Confirmation Hearing</u>	<u>Track B</u> <u>Uncontested Evidentiary</u> <u>Confirmation Hearing</u>
	(All fact and expert witnesses will have the option of being deposed either in person or by Zoom. If a witness chooses to be deposed in person, all parties may attend either in person or by Zoom, at their choosing)		
January 14, 2026	Deadline for parties to identify expert witnesses who will submit rebuttal expert reports	<u>January 30, 2026</u>	--
January 17, 2026	Rebuttal Expert Reports Due	<u>February 6, 2026</u>	--
January 19, 2026	Deadline to Exchange <u>Fact</u> Deposition Designations and File Motions <i>in Limine</i> re <u>Fact</u> Witnesses	<u>February 6, 2026</u>	--
January 27, 2026	Deadline to Depose Expert Witnesses	<u>February 9, 2026</u>	--
<u>Deadline for Plan Proponents to file:</u> <u>(1) Responses to Objections to Plan Confirmation</u> <u>(2) Voting Report</u> <u>(3) Confirmation Brief</u>		<u>February 11, 2026</u>	<u>January 30, 2026</u>
<u>Deadline for the Plan Proponents to file Responses to Investors' Objections to Proposed Claim Amounts Solely for Voting Purposes</u>		<u>February 11, 2026</u>	<u>February 3, 2026</u>
January 30, 2026	Deadline to Exchange <u>Expert</u> Deposition Designations and File Motions <i>in Limine</i> re <u>Expert</u> Witnesses	<u>February 20, 2026</u>	--
February 2, 2026	Deadline to Exchange Deposition Counter-Designations (Fact and Expert)	<u>February 23, 2026</u>	--
February 2, 2026	Deadline to Submit: (i) Joint Pretrial Order; (ii) Witness and Exhibit Lists; (iii)	<u>February 23, 2026</u>	--

1 with exhibits to each as they are filed with the Bankruptcy Court) and the Motion are available for
2 review, at no charge, at <https://veritaglobal.net/LM>.

3 6. **IF YOU HAVE ANY QUESTIONS REGARDING YOUR CLAIM OR THE**
4 **VOTING PROCEDURES, OR IF YOU NEED A BALLOT OR ADDITIONAL COPIES OF**
5 **THE DISCLOSURE STATEMENT OR OTHER ENCLOSED MATERIALS, PLEASE**
6 **CONTACT THE VOTING AGENT, VERITA GLOBAL, 1-(877) 709-4751 (U.S. /**
7 **CANADA), 1-(425) 236-7321 (INTERNATIONAL) OR BY SUBMITTING AN INQUIRY**
8 **AT: <https://veritaglobal.net/lm/inquiry>.**

9 Dated: December , 2025 KELLER BENVENUTTI KIM LLP

10 By: /s/ DRAFT

11 ~~Tobias S. Keller~~

David A. Taylor

12 ~~Thomas B. Rupp~~

Counsel to the LFM Debtors

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PACHULSKI STANG ZIEHL & JONES LLP

By: /s/ DRAFT

~~Debra Grassgreen~~

~~John D. Fiero~~

Jason H. Rosell

~~Steven W. Golden~~

~~Counsel to the Official Committee of Unsecured Creditors~~

HOGAN LOVELLS US LLP

By: /s/ DRAFT

~~Richard L. Wynne~~

Erin N. Brady

~~Edward J. McNeilly~~

Counsel to KS Mattson Partners, LP

EXHIBIT C

Proposed Contents and Procedures for Serving Solicitation Package

1 **THE SOLICITATION PACKAGE AND GENERAL NOTICE PROCEDURES¹**

2 1. By ~~not~~the later ~~than~~of (i) December ~~31~~2, 2025 or (ii) the fifth business day
3 following entry of the Solicitation Procedures Order (defined below), the Plan Proponents will
4 complete the mailing of Solicitation Packages by regular U.S. mail solely to (a) holders of Claims
5 in the Classes entitled to vote on the Plan, (b) the Office of the United States Trustee, and (c) any
6 other necessary or appropriate agencies and/or representatives of the United States federal
7 government (the “Federal Government”) at the locations required by Bankruptcy Rule 2002(j).

8 2. The Solicitation Packages will contain hard copies of the following items:

- 9 a. a cover letter (the “Cover Letter”) describing the contents of the Solicitation
10 Package and which will direct parties to the website at which they may view
11 the Disclosure Statement and the exhibits thereto, including the Plan and
12 the exhibits attached thereto;
13 b. the Bankruptcy Court order approving the Disclosure Statement (the
14 “Solicitation Procedures Order”) (excluding exhibits);
15 c. the Plan Summary – only in Solicitation Packages served on Investors in
16 Class ~~7~~5;
17 d. the Confirmation Hearing Notice;
18 e. a Ballot for holders of claims in Classes entitled to vote, including
19 instructions set forth therein regarding how to complete the Ballot; and
20 f. a Ballot return envelope.

21 3. Solicitation Packages will not be provided to the Non-Voting Classes except upon
22 express request to do so. Holders of Claims or Interests in the Non-Voting Classes under the Plan
23 will receive only the Confirmation Hearing Notice and the Notice of Non-Voting Status.

24 4. The addresses to be used when mailing the Solicitation Packages will be as
25 follows:
26
27

28 ¹ A capitalized term used but not defined herein shall have the meaning ascribed to it in the Motion and/or the Plan,
 as applicable.

- a. for persons or entities that have filed proofs of claim or interest that are entitled to a Ballot under the Tabulation/Estimation Procedures, at the address provided on the face of the filed proof of claim or interest;²
- b. for persons or entities that have not filed proofs of claim or interest that are entitled to a Ballot under the Tabulation/Estimation Procedures, at the address on the Debtors' current service list or Schedules;²³
- c. at the address for a claim transferee set forth in a valid notice of transfer of claim; and
- d. for the United States Trustee and the Federal Government, the addresses used for notice filed in accordance with Bankruptcy Rule 2002.

5. If multiple Solicitation Packages would otherwise go to the same physical address, the Plan Proponents shall be entitled, but not required, to combine the Solicitation Packages into a single Solicitation Package with multiple ballots, even if the claimant names are not identical.

6. With respect to any Solicitation Packages and Confirmation Hearing Notices that are returned by the United States Postal Service as undeliverable as a result of incomplete or inaccurate addresses, the Debtors may, in their discretion, but without any requirement, attempt to determine a correct address and resend the applicable materials. Any delay in such re-delivery, or the Debtors' determination not to attempt any such redelivery, will not be deemed to be inadequate notice.

² To the extent that a person or entity has requested that Verita Global change or update the address associated with their file proof of claim or interest, Verita Global will send the Solicitation Package to such updated address.

²³ Includes all of the Debtors' filed Schedules of Assets and Liabilities, Statements of Financial Affairs, Omnibus List of Equity Security Holders, and any and all amendments thereof.

EXHIBIT D-1

Proposed Form of Ballot (Class 3)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re LEFEVER MATTSON, a California corporation, <i>et al.</i> , ¹ Debtors.	Case No. 24-10545 CN (Lead Case) (Jointly Administered) Chapter 11
In re KS MATTSON PARTNERS, LP, Debtor.	

**BALLOT FOR ACCEPTING OR REJECTING JOINT CHAPTER 11 PLAN OF LEFEVER
MATTSON, KS MATTSON PARTNERS, LP, AND THEIR AFFILIATED DEBTORS
PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS**

CLASS 3-~~[●]~~ – ~~SOLD-PROPERTY~~ SECURED LENDER ~~CLAIMS~~ CLAIM

**THE VOTING DEADLINE TO ACCEPT OR REJECT THE
PLAN IS JANUARY 21, 2026 AT 11:59 P.M. (PACIFIC TIME)**

This Ballot is submitted to you to solicit your vote to accept or reject the ~~First~~Second Amended Joint Chapter 11 Plan of Liquidation of LeFever Mattson, KS Mattson Partners, LP, and their affiliated Debtors (as may be amended or modified, the “Plan”), which is being proposed by the above-captioned debtors and debtors-in-possession (the “Debtors”) ~~(excluding Live Oak Investments, LP)~~ and the Official Committee of Unsecured Creditors (the “Committee” and, together with the Debtors ~~other than Live Oak Investments, LP~~, the “Plan Proponents”), and which is described in the ~~accompanying disclosure statement~~Amended Disclosure Statement in Support of the Second Amended Joint Chapter 11 Plan of Liquidation (the “Disclosure Statement”). On December [], 2025, the Bankruptcy Court entered an order approving certain procedures and materials for the solicitation of votes to accept or reject the Plan (the “Solicitation Procedures Order”). Capitalized terms used in this Ballot and the

¹ The last four digits of LeFever Mattson’s tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP (“KSMP”) are 5060. KSMP’s address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://veritaglobal.net/LM>.

attached instructions that are not otherwise defined have the meanings given to them in the Plan.

The Disclosure Statement provides information to assist you in deciding how to vote your Ballot. You should review the Plan and Disclosure Statement before you vote. You may wish to seek legal or other professional advice concerning the Plan and your classification and treatment under the Plan.

The Plan may be made binding on you whether or not you vote if the Plan (a) is accepted by the holders of at least two-thirds in amount and more than one-half in number of the claims in each impaired Class of claims who vote on the Plan; (b) otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code; and (c) the Bankruptcy Court enters an order confirming the Plan. Even if the requisite acceptances are not obtained, however, the Bankruptcy Court may still confirm the Plan if the Bankruptcy Court finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan; and (b) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code.

This Ballot is solely for purposes of voting to accept or reject the Plan. This Ballot is not for the purpose of allowance or disallowance of, or distribution on account of, ~~Sold Property~~ Secured Lender Claims in Class 3.

There are two ways by which you may submit your Ballot: (i) you may submit your Ballot via the Voting Agent's online e-balloting portal (the "E-Balloting Portal") as directed below, or (ii) you may return your Ballot to the Voting Agent via mail, overnight courier, or hand delivery by following the instructions set forth below.

If you have any questions on how to properly complete this Ballot, please contact Verita Global at 1-877-709-4751 (U.S. / Canada), 1-424-236-7231 (International) or submit an inquiry at: <https://veritaglobal.net/lm/inquiry>. Please be advised that Verita Global cannot provide legal or other professional advice.

For your vote to be counted, this Ballot must be properly completed, signed, and returned so that it is *actually received* by the Voting Agent by no later than the Voting Deadline of 11:59 p.m. (Pacific Time) on ~~January 20~~ January 21, 2026. Please submit a Ballot with your vote by one of the following methods:

<p><u>If Submitting Your Vote Through the E-Balloting Portal:</u></p> <p>Verita Global will accept Ballots if properly completed through the <u>E-Balloting Portal</u>. To submit your Ballot via the E-Balloting Portal,</p> <p>Unique E-Ballot ID#: _____ PIN#: _____</p>	<p><u>If by First Class Mail, Overnight Courier or Hand Delivery:</u></p> <p>LeFever Mattson Ballot Processing Center c/o KCC dba Verita 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p> <p>A pre-addressed return envelope has been enclosed for your convenience.</p>
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Verita Global's E-Balloting Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email or other means of electronic transmission will

not be counted.

Each E-Ballot ID# is to be used solely for voting only those Claims described in your electronic Ballot. Please complete and submit an electronic Ballot for each E-Ballot ID# you receive, as applicable.

Ballots received after 11:59 p.m. (Pacific Time) on January 21, 2026 will not be counted. Ballots submitted by e-mail or facsimile transmission will not be accepted.

PLEASE COMPLETE THE FOLLOWING:

Item 1. Amount of Class 3 Claim. For purposes of voting to accept or reject the Plan, the undersigned certifies that the undersigned holds a ~~Sold Property~~ Secured Lender Claim in Class 3 against the Debtors ~~listed below~~ in the amount set forth below.

Voting Amount: \$ _____

Debtor(s): _____

Voting Amount: \$ _____

Item 2. Vote on the Plan. The undersigned Holder of a ~~Sold Property~~ Secured Lender Claim in Class 3 in the amount set forth in Item 1 above hereby votes to:

Check one box only: ☐ Accept (vote FOR) the Plan

☐ Reject (vote AGAINST) the Plan

THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

Item 3. Certifications. By signing this Ballot, the undersigned acknowledges receipt of the Disclosure Statement and the other applicable solicitation materials and certifies that the undersigned is the claimant or has the power and authority to vote to accept or reject the Plan on behalf of the claimant. The undersigned understands that, if this Ballot is otherwise validly executed but is not timely submitted, does not indicate either acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan, this Ballot will not be counted.

YOUR RECEIPT OF THIS BALLOT DOES NOT SIGNIFY THAT YOUR CLAIM HAS BEEN OR WILL BE ALLOWED.

Name of Holder: _____

(Print or Type)

Signature: _____

Name of Signatory: _____

Title of Signatory: _____

Address: _____

Email Address: _____

Date Completed: _____

If your address or contact information has changed, please note the new information here.

EXHIBIT D-2

Proposed Form of Ballot (Class 4)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re

LEFEVER MATTSON,
a California corporation, *et al.*,¹

Debtors.

Case No. 24-10545 CN (Lead Case)

(Jointly Administered)

Chapter 11

In re

KS MATTSON PARTNERS, LP,

Debtor.

**~~BALLOT FOR ACCEPTING OR REJECTING JOINT CHAPTER 11 PLAN OF LEFEVER
MATTSON, KS MATTSON PARTNERS, LP, AND THEIR AFFILIATED DEBTORS
PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS~~**

~~CLASS 4—RETAINED PROPERTY SECURED LENDER CLAIMS~~

**~~THE VOTING DEADLINE TO ACCEPT OR REJECT THE
PLAN IS _____, 2026 AT 11:59 P.M. (PACIFIC TIME)~~**

~~This Ballot is submitted to you to solicit your vote to accept or reject the *First Amended Joint Chapter 11 Plan of Liquidation* of LeFever Mattson, KS Mattson Partners, LP, and their affiliated Debtors (as may be amended or modified, the “Plan”), which is being proposed by the above-captioned debtors and debtors in possession (the “Debtors”) (excluding Live Oak Investments, LP) and Official Committee of Unsecured Creditors (the “Committee” and, together with the Debtors, the “Plan Proponents”), and which is described in the accompanying disclosure statement (the “Disclosure Statement”). On _____, 2025, the Bankruptcy Court entered an order approving certain procedures and materials for the solicitation of votes to accept or reject the Plan (the “Solicitation Procedures Order”). Capitalized terms used in this Ballot and the attached instructions that are not otherwise defined have the meanings~~

¹ The last four digits of LeFever Mattson’s tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP (“KSMP”) are 5060. KSMP’s address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://veritaglobal.net/LM>.

~~given to them in the Plan.~~

~~The Disclosure Statement provides information to assist you in deciding how to vote your Ballot. You should review the Plan and Disclosure Statement before you vote. You may wish to seek legal or other professional advice concerning the Plan and your classification and treatment under the Plan.~~

~~The Plan may be made binding on you whether or not you vote if the Plan (a) is accepted by the holders of at least two-thirds in amount and more than one-half in number of the claims in each impaired Class of claims who vote on the Plan; (b) otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code; and (c) the Bankruptcy Court enters an order confirming the Plan. Even if the requisite acceptances are not obtained, however, the Bankruptcy Court may still confirm the Plan if the Bankruptcy Court finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan; and (b) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code.~~

~~This Ballot is solely for purposes of voting to accept or reject the Plan. This Ballot is not for the purpose of allowance or disallowance of, or distribution on account of, Retained Property Secured Lender Claims in Class 4.~~

~~There are two ways by which you may submit your Ballot: (i) you may submit your Ballot via the Voting Agent's online e-balloting portal (the "E-Balloting Portal") as directed below, or (ii) you may return your Ballot to the Voting Agent via mail, overnight courier, or hand delivery by following the instructions set forth below.~~

~~If you have any questions on how to properly complete this Ballot, please contact Verita Global at 1-877-709-4751 (U.S. / Canada), 1-424-236-7231 (International) or submit an inquiry at: <https://veritaglobal.net/lm/inquiry>. Please be advised that Verita Global cannot provide legal or other professional advice.~~

~~**For your vote to be counted, this Ballot must be properly completed, signed, and returned so that it is actually received by the Voting Agent by no later than the Voting Deadline of 11:59 p.m. (Pacific Time) on _____, 2026. Please submit a Ballot with your vote by one of the following methods:**~~

<p><u>If Submitting Your Vote Through the E-Balloting Portal:</u></p> <p>Verita Global will accept Ballots if properly completed through the E-Balloting Portal. To submit your Ballot via the E-Balloting Portal,</p> <p>Unique E-Ballot</p> <p>ID#: _____</p> <p>PIN#: _____</p>	<p><u>If by First Class Mail, Overnight Courier or Hand Delivery:</u></p> <p>LeFever Mattson Ballot Processing Center c/o KCC dba Verita 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p> <p>A pre-addressed return envelope has been enclosed for your convenience.</p>
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~~not be counted.~~

~~Each E-Ballot ID# is to be used solely for voting only those Claims described in your electronic Ballot. Please complete and submit an electronic Ballot for each E-Ballot ID# you receive, as applicable.~~

~~Ballots received after 11:59 p.m. (Pacific Time) on _____, 2026 will not be counted. Ballots submitted by e-mail or facsimile transmission will not be accepted.~~

~~PLEASE COMPLETE THE FOLLOWING:~~

~~Item 1. _____ Amount of Class 4 Claim. For purposes of voting to accept or reject the Plan, the undersigned certifies that the undersigned holds a Retained Property Secured Lender Claim in Class 4 against the Debtors listed below in the amount set forth below.~~

~~Voting Amount: \$ _____~~

~~Debtor(s): _____~~

~~Item 2. _____ Vote on the Plan. The undersigned Holder of a Retained Property Secured Lender Claim in Class 4 in the amount set forth in Item 1 above hereby votes to:~~

~~Check one box only: ☐ Accept (vote FOR) the Plan~~

~~_____ ☐ Reject (vote AGAINST) the Plan~~

~~THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.~~

~~Item 3. _____ Certifications. By signing this Ballot, the undersigned acknowledges receipt of the Disclosure Statement and the other applicable solicitation materials and certifies that the undersigned is the claimant or has the power and authority to vote to accept or reject the Plan on behalf of the claimant. The undersigned understands that, if this Ballot is otherwise validly executed but is not timely submitted, does not indicate either acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan, this Ballot will not be counted.~~

~~YOUR RECEIPT OF THIS BALLOT DOES NOT SIGNIFY THAT YOUR CLAIM HAS BEEN OR WILL BE ALLOWED.~~

Name of Holder: _____

(Print or Type)

Signature: _____

Name of Signatory: _____

Title of Signatory: _____

Address: _____

Email Address: _____

Date Completed: _____

~~If your address or contact information has changed, please note the new information here.~~

EXHIBIT D-3

~~Proposed Form of Ballot Class 5)~~

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

<div>In re</div> <div>LEFEVER MATTSON, a California corporation, <i>et al.</i>,[†]</div> <div>Debtors.</div>	<div>Case No. 24-10545-CN (Lead Case)</div> <div>(Jointly Administered)</div> <div>Chapter 11</div>
<div>In re</div> <div>KS MATTSON PARTNERS, LP,</div> <div>Debtor.</div>	

**BALLOT FOR ACCEPTING OR REJECTING JOINT CHAPTER 11 PLAN OF LEFEVER
MATTSON, KS MATTSON PARTNERS, LP, AND THEIR AFFILIATED DEBTORS
PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS**

CLASS 5—SETTLED SECURED LENDER CLAIMS

**THE VOTING DEADLINE TO ACCEPT OR REJECT THE
PLAN IS _____, 2026 AT 11:59 P.M. (PACIFIC TIME)**

This Ballot is submitted to you to solicit your vote to accept or reject the *First Amended Joint Chapter 11 Plan of Liquidation* of LeFever Mattson, KS Mattson Partners, LP, and their affiliated Debtors (as may be amended or modified, the “Plan”), which is being proposed by the above-captioned debtors and debtors in possession (the “Debtors”) (excluding Live Oak Investments, LP) and the Official Committee of Unsecured Creditors (the “Committee” and, together with the Debtors other than Live Oak Investments, LP, the “Plan Proponents”), and which is described in the accompanying disclosure statement (the “Disclosure Statement”). On _____, 2025, the Bankruptcy Court entered an order approving certain procedures and materials for the solicitation of votes to accept or reject the Plan (the “Solicitation Procedures Order”). Capitalized terms used in this Ballot and the attached instructions that

[†]—The last four digits of LeFever Mattson’s tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP (“KSMP”) are 5060. KSMP’s address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://veritaglobal.net/LM>.

~~are not otherwise defined have the meanings given to them in the Plan.~~

~~The Disclosure Statement provides information to assist you in deciding how to vote your Ballot. You should review the Plan and Disclosure Statement. You may wish to seek legal or other professional advice concerning the Plan and your classification and treatment under the Plan.~~

~~The Plan may be made binding on you whether or not you vote if the Plan (a) is accepted by the holders of at least two-thirds in amount and more than one-half in number of the claims in each impaired Class of claims who vote on the Plan; (b) otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code; and (c) the Bankruptcy Court enters an order confirming the Plan. Even if the requisite acceptances are not obtained, however, the Bankruptcy Court may still confirm the Plan if the Bankruptcy Court finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan; and (b) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code.~~

~~This Ballot is solely for purposes of voting to accept or reject the Plan. This Ballot is not for the purpose of allowance or disallowance of, or distribution on account of, Settled Secured Lender Claims in Class 5.~~

~~There are two ways by which you may submit your Ballot: (i) you may submit your Ballot via the Voting Agent's online e-balloting portal (the "E-Balloting Portal") as directed below, or (ii) you may return your Ballot to the Voting Agent via mail, overnight courier, or hand delivery by following the instructions set forth below.~~

~~If you have any questions on how to properly complete this Ballot, please contact Verita Global at 1-877-709-4751 (U.S. / Canada), 1-424-236-7231 (International) or submit an inquiry at: <https://veritaglobal.net/lm/inquiry>. Please be advised that Verita Global cannot provide legal or other professional advice.~~

~~**For your vote to be counted, this Ballot must be properly completed, signed, and returned so that it is actually received by the Voting Agent by no later than the Voting Deadline of 11:59 p.m. (Pacific Time) on _____, 2026. Please submit a Ballot with your vote by one of the following methods:**~~

<p><u>If Submitting Your Vote Through the E-Balloting Portal:</u></p> <p><u>Verita Global will accept Ballots if properly completed through the E-Balloting Portal. To submit your Ballot via the E-Balloting Portal,</u></p> <p><u>Unique E-Ballot</u></p> <p>ID#: _____</p> <p>PIN#: _____</p>	<p><u>If by First Class Mail, Overnight Courier or Hand Delivery:</u></p> <p>LeFever Mattson Ballot Processing Center c/o KCC dba Verita 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p> <p><u>A pre-addressed return envelope has been enclosed for your convenience.</u></p>
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~~Each E-Ballot ID# is to be used solely for voting only those Claims described in your electronic Ballot.~~

Please complete and submit an electronic Ballot for each E-Ballot ID# you receive, as applicable.

~~Ballots received after 11:59 p.m. (Pacific Time) on _____, 2026 will not be counted. Ballots submitted by e-mail or facsimile transmission will not be accepted.~~

~~PLEASE COMPLETE THE FOLLOWING:~~

~~Item 1. Amount of Class 5 Claim. For purposes of voting to accept or reject the Plan, the undersigned certifies that the undersigned holds a Settled Secured Lender Claim in Class 5 against the Debtors listed below in the amount set forth below.~~

~~Voting Amount: \$ _____~~

~~Debtor(s): _____~~

~~Item 2. Vote on the Plan. The undersigned Holder of a Settled Secured Lender Claim in Class 5 in the amount set forth in Item 1 above hereby votes to:~~

~~Check one box only: ☐ Accept (vote FOR) the Plan~~

~~_____ ☐ Reject (vote AGAINST) the Plan~~

~~THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.~~

~~Item 3. Certifications. By signing this Ballot, the undersigned acknowledges receipt of the Disclosure Statement and the other applicable solicitation materials and certifies that the undersigned is the claimant or has the power and authority to vote to accept or reject the Plan on behalf of the claimant. The undersigned understands that, if this Ballot is otherwise validly executed but is not timely submitted, does not indicate either acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan, this Ballot will not be counted.~~

~~YOUR RECEIPT OF THIS BALLOT DOES NOT SIGNIFY THAT YOUR CLAIM HAS BEEN OR WILL BE ALLOWED.~~

Name of Holder: _____

(Print or Type)

Signature: _____

Name of Signatory: _____

Title of Signatory: _____

Address: _____

Email Address: _____

Date Completed: _____

If your address or contact information has changed, please note the new information here.

EXHIBIT D-4

Proposed Form of Ballot (Class 6)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

<div>In re</div> <div>LEFEVER MATTSON, a California corporation, <i>et al.</i>,[†]</div> <div>Debtors.</div>	<div>Case No. 24-10545-CN (Lead Case)</div> <div>(Jointly Administered)</div> <div>Chapter 11</div>
<div>In re</div> <div>KS MATTSON PARTNERS, LP,</div> <div>Debtor.</div>	

**BALLOT FOR ACCEPTING OR REJECTING JOINT CHAPTER 11 PLAN OF LEFEVER
MATTSON, KS MATTSON PARTNERS, LP, AND THEIR AFFILIATED DEBTORS
PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS**

CLASS ~~64~~ – TRADE CLAIMS

**THE VOTING DEADLINE TO ACCEPT OR REJECT THE
PLAN IS JANUARY 21, 2026 AT 11:59 P.M. (PACIFIC TIME)**

This Ballot is submitted to you to solicit your vote to accept or reject the ~~First~~Second Amended Joint Chapter 11 Plan of Liquidation of LeFever Mattson, KS Mattson Partners, LP, and their affiliated Debtors (as may be amended or modified, the “Plan”), which is being proposed by the above-captioned debtors and debtors-in-possession (the “Debtors”) ~~(excluding Live Oak Investments, LP)~~ and the Official Committee of Unsecured Creditors (the “Committee”) and, together with the Debtors ~~other than Live Oak Investments, LP~~, the “Plan Proponents”, and which is described in the ~~accompanying disclosure statement~~Amended Disclosure Statement in Support of the Second Amended Joint Chapter 11 Plan of Liquidation (the “Disclosure Statement”). On ~~December []~~December [], 2025, the Bankruptcy Court entered an order approving certain procedures and materials for the solicitation of votes to accept or reject the Plan (the “Solicitation Procedures Order”). Capitalized terms used in this Ballot and the

[†] ~~The last four digits of LeFever Mattson’s tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP (“KSMP”) are 5060. KSMP’s address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://veritaglobal.net/LM>.~~

attached instructions that are not otherwise defined have the meanings given to them in the Plan.

The Disclosure Statement provides information to assist you in deciding how to vote your Ballot. You should review the Plan and Disclosure Statement. You may wish to seek legal or other professional advice concerning the Plan and your classification and treatment under the Plan.

The Plan may be made binding on you whether or not you vote if the Plan (a) is accepted by the holders of at least two-thirds in amount and more than one-half in number of the claims in each impaired Class of claims who vote on the Plan; (b) otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code; and (c) the Bankruptcy Court enters an order confirming the Plan. Even if the requisite acceptances are not obtained, however, the Bankruptcy Court may still confirm the Plan if the Bankruptcy Court finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan; and (b) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code.

This Ballot is solely for purposes of voting to accept or reject the Plan. This Ballot is not for the purpose of allowance or disallowance of, or distribution on account of, Trade Claims in Class ~~64~~.

There are two ways by which you may submit your Ballot: (i) you may submit your Ballot via the Voting Agent's online e-balloting portal (the "E-Balloting Portal") as directed below, or (ii) you may return your Ballot to the Voting Agent via mail, overnight courier, or hand delivery by following the instructions set forth below.

If you have any questions on how to properly complete this Ballot, please contact Verita Global at 1-877-709-4751 (U.S. / Canada), 1-424-236-7231 (International) or submit an inquiry at: <https://veritaglobal.net/lm/inquiry>. Please be advised that Verita Global cannot provide legal or other professional advice.

For your vote to be counted, this Ballot must be properly completed, signed, and returned so that it is *actually received* by the Voting Agent by no later than the Voting Deadline of 11:59 p.m. (Pacific Time) on ~~January 20~~ January 21, 2026. Please submit a Ballot with your vote by one of the following methods:

<p><u>If Submitting Your Vote Through the E-Balloting Portal:</u></p> <p>Verita Global will accept Ballots if properly completed through the E-Balloting Portal. To submit your Ballot via the E-Balloting Portal,</p> <p>Unique E-Ballot</p> <p>ID#: _____</p> <p>PIN#: _____</p>	<p><u>If by First Class Mail, Overnight Courier or Hand Delivery:</u></p> <p>LeFever Mattson Ballot Processing Center c/o KCC dba Verita 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p> <p>A pre-addressed return envelope has been enclosed for your convenience.</p>
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Verita Global's E-Balloting Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email or other means of electronic transmission will not be counted.

Each E-Ballot ID# is to be used solely for voting only those Claims described in your electronic Ballot. Please complete and submit an electronic Ballot for each E-Ballot ID# you receive, as applicable.

Ballots received after 11:59 p.m. (Pacific Time) on January 21, 2026 will not be counted. Ballots submitted by e-mail or facsimile transmission will not be accepted.

PLEASE COMPLETE THE FOLLOWING:

Item 1. Amount of Class 64 Claim. For purposes of voting to accept or reject the Plan, the undersigned certifies that the undersigned holds a Trade Claim in Class 64 against the Debtors ~~listed below~~ in the amount set forth below.

~~Voting Amount:~~ \$ _____

~~Debtor(s):~~ _____

Voting Amount: \$ _____

Item 2. Vote on the Plan. The undersigned Holder of a Trade Claim in Class 64 in the amount set forth in Item 1 above hereby votes to:

Check one box only: ☐ **Accept** (vote FOR) the Plan
 ☐ **Reject** (vote AGAINST) the Plan

THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

Item 3. Certifications. By signing this Ballot, the undersigned acknowledges receipt of the Disclosure Statement and the other applicable solicitation materials and certifies that the undersigned is the claimant or has the power and authority to vote to accept or reject the Plan on behalf of the claimant. The undersigned understands that, if this Ballot is otherwise validly executed but is not timely submitted, does not indicate either acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan, this Ballot will not be counted.

YOUR RECEIPT OF THIS BALLOT DOES NOT SIGNIFY THAT YOUR CLAIM HAS BEEN OR WILL BE ALLOWED.

Name of Holder: _____

(Print or Type)

Signature: _____

Name of Signatory: _____

Title of Signatory: _____

Address: _____

Email Address: _____

Date Completed: _____

If your address or contact information has changed, please note the new information here.

EXHIBIT D-53

Proposed Form of Ballot (Class 75 Investor Claims)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re

LEFEVER MATTSON,
a California corporation, *et al.*,¹

Debtors.

Case No. 24-10545 CN (Lead Case)

(Jointly Administered)

Chapter 11

In re

KS MATTSON PARTNERS, LP,

Debtor.

**(I) BALLOT FOR ACCEPTING OR REJECTING JOINT CHAPTER 11 PLAN OF LEFEVER
MATTSON, KS MATTSON PARTNERS, AND THEIR AFFILIATED DEBTORS
PROPOSED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
AND (II) FORM FOR ESTIMATION OF INVESTOR CLAIM AMOUNT FOR VOTING PURPOSES**

CLASS ~~75~~ – INVESTOR CLAIMS

**THE VOTING DEADLINE TO ACCEPT OR REJECT THE
PLAN IS JANUARY 21, 2026 AT 11:59 P.M. (PACIFIC TIME)**

Why You Are Receiving This Ballot

The above-captioned Debtors ~~(excluding Live Oak Investments, LP)~~ and the Official Committee of Unsecured Creditors (the “Committee” and, together with the Debtors, the “Plan Proponents”) have proposed a bankruptcy plan, entitled the ~~First~~Second Amended Joint Chapter 11 Plan of Liquidation (as may be amended or modified, the “Plan”) of LeFever Mattson, KS Mattson Partners, and their affiliated Debtors.

You are being sent this Ballot because ~~either: (i)~~ the Debtors’ records show that you are an “Investor” as defined in the Plan (see Plan Exhibit A, number 74) – i.e., a Person or Entity that ~~purchased~~holds an Investor Claim.

¹ The last four digits of LeFever Mattson’s tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP (“KSMP”) are 5060. KSMP’s address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://veritaglobal.net/LM>.

Specifically, an “Investor Claim” is defined (at Plan Exhibit A, number 75) as “Claim arising from or ~~made relating to~~ an Investment ~~offered by or related to~~, including, without limitation, (a) all Claims (including any contract or related Claims) based on, arising out of, or related to any Investments including the validity, marketing, sale, and issuance thereof; (b) all Claims for fraud, unlawful dividend, fraudulent conveyance, fraudulent transfer, voidable transaction, or other avoidance claims under state or federal law; (c) all Claims arising from or related to the preparation or filing of the Debtors’ and/or their affiliates’ (including the KSMP Investment Entities’) federal, state, local, or other tax returns, forms, and other filings; (d) all Claims based on, arising out of, or related to the misrepresentation of any of the Debtors’ or the KSMP Investment Entities’ financial information, assets and properties, business operations, or related internal controls; (e) all Claims based on, arising out of, or related to any failure to disclose, or actual or attempted cover up or obfuscation of, any of the wrongful conduct described in the Disclosure Statement, including with respect to any alleged fraud related thereto and undisclosed loans; (f) all Claims based on aiding or abetting, entering into a conspiracy with, or otherwise supporting Investment-related torts committed by the Debtors, the KSMP Investment Entities, or their agents; and (g) any Claims arising from or relating to TIC Interests; *provided that* any and all Equity Interests asserted by a Person or Entity in the Debtors via a Proof of Interest shall be deemed to be an Investor Claim for purposes of classification and distributions under the Plan, without any further notice, motion, complaint, objection, or other action or order of the Court.” An “Investment” is defined (at Plan Exhibit A, number 73) as “any investment or investment product offered by any Debtor (whether directly or through an agent), including, without limitation, any investments, interests, or other rights with respect to any Debtor that were styled, marketed, or sold as, among others, partnership interests in limited partnerships, TIC Interests, or other interests in any real property, ~~or (ii) you have filed a Proof of Claim or Proof of Interest in the Chapter 11 Cases that asserts Investor claims, including the purchase or sale of a real property).~~”

On ~~December []~~, 2025, the Bankruptcy Court entered an order approving, among other relief, certain procedures and materials for the solicitation of votes to accept or reject the Plan (the “Solicitation Procedures Order”). Capitalized terms used in this Ballot and the attached instructions that are not otherwise defined have the meanings given to them in the Plan.

This Ballot has been sent to you to (1) vote to accept or reject the Plan, (2) elect whether to contribute your Contributed Claims to the Plan Recovery Trust under the Plan, and (3) implement the estimation of your Class ~~75~~ Investor Claim (the maximum amount) for voting purposes only (not for distribution or other purposes under the Plan).

Information to Assist You In Voting and Completing This Ballot

The Plan Summary and the Disclosure Statement provide information to assist you in deciding how to vote your Ballot and to fill in and complete this Form as applicable. The Plan Summary and the Disclosure Statement have both approved by the Bankruptcy Code as containing adequate information required by the Bankruptcy Code. You should review the Plan Summary, the Disclosure Statement and the Plan before you vote and complete this Ballot and Form. You may wish to seek legal or other professional advice concerning the Plan and your classification and treatment under the Plan.

How Your Vote Impacts Confirmation of the Plan

The Plan may be made binding on you whether or not you vote if the Plan (a) is accepted by the holders of at least two-thirds in amount and more than one-half in number of the claims in each impaired Class of claims who vote on the Plan; (b) otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code; and (c) the Bankruptcy Court enters an order confirming the Plan. Even if the requisite acceptances are not obtained, however, the Bankruptcy Court may still confirm the Plan if the Bankruptcy Court finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan; and (b) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code.

How to Vote

There are two ways by which you may submit your Ballot: (i) you may submit your Ballot via the Voting Agent's online e-balloting portal (the "E-Balloting Portal") as directed below, or (ii) you may return your Ballot to the Voting Agent via mail, overnight courier, or hand delivery by following the instructions set forth below. ***Please note that if you disagree with the amount listed below on your Ballot and you believe you are entitled to vote a higher claim amount, and you modify such amount on the Ballot in accordance with the instructions below, YOU MUST SUBMIT YOUR MODIFIED PHYSICAL BALLOT VIA MAIL, OVERNIGHT COURIER OR HAND DELIVERY – YOU CANNOT SUBMIT SUCH MODIFIED BALLOT VIA THE ONLINE E-BALLOTING PORTAL.***

If you have any questions on how to properly complete this Ballot, please contact Verita Global at 1-877-709-4751 (U.S. / Canada), 1-424-236-7231 (International) or submit an inquiry at: <https://veritaglobal.net/lm/inquiry>. Please be advised that Verita Global cannot provide legal or other professional advice.

For your vote to be counted, this Ballot must be properly completed, signed, and returned so that it is actually received by the Voting Agent by no later than the Voting Deadline of 11:59 p.m. (Pacific Time) on January 21, 2026. Please submit a Ballot with your vote by one of the following methods:

<p><u>If Submitting Your Vote Through the E-Balloting Portal:</u></p> <p>Verita Global will accept Ballots if properly completed through the E-Balloting Portal. To submit your Ballot via the E-Balloting Portal,</p> <p>Unique E-Ballot ID#: _____ PIN#: _____</p> <p>NOT AVAILABLE IF YOU WISH TO CONTEST YOUR VOTING AMOUNT</p>	<p><u>If by First Class Mail, Overnight Courier or Hand Delivery:</u></p> <p>LeFever Mattson Ballot Processing Center c/o KCC dba Verita 222 N. Pacific Coast Highway, Suite 300 El Segundo, CA 90245</p> <p>A pre-addressed return envelope has been enclosed for your convenience.</p>
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Verita Global's E-Balloting Portal is the sole manner in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email or other means of electronic transmission will not be counted.

Each E-Ballot ID# is to be used solely for voting only those Claims described in your electronic Ballot. Please complete and submit an electronic Ballot for each E-Ballot ID# you receive, as applicable.

Ballots received after 11:59 p.m. (Pacific Time) on January 21, 2026 will not be counted. Ballots submitted by e-mail or facsimile transmission will not be accepted.

Ballot for Voting and Estimation of Investor Claim ~~Estimation~~ Solely For Voting Purposes

This Ballot is for purposes of (1) voting to accept or reject the Plan, (2) electing whether to contribute your Contributed Claims to the Plan Recovery Trust under the Plan, and (3) establishing the estimated amount(s) of the voting Investor's Class ~~75~~ Investor Claim solely for tabulating the voting on the Plan, and no other purposes.

If you, the Investor, dispute the amount of the Investor's Class 75 Investor Claim stated in Item 1 below, and wish to assert a higher amount, you must carefully follow the instructions set forth below, including submitting additional documents or evidence in support of your asserted claim amount.

Your Investor Claim amount for voting purposes, as described herein, is solely for purposes of tabulating your vote to accept or reject the Plan, and is not for the purpose of allowance of your Investor Claim for purposes of receiving distributions pursuant to the Plan. The allowed amount of your Investor Claim for distribution purposes will be determined either in accordance with the Investor Settlement Amount Procedures Order, of which you will be receiving written notice, or by a final order of the Bankruptcy Court after notice and a hearing.

PLEASE COMPLETE THE FOLLOWING:

Item 1. Amount of Class 75 Investor Claim for Voting Purposes Only. For purposes of (1) voting to accept or reject the Plan and (2) establishing the estimated amount of the voting Investor's Investor Claim for voting purposes only, the undersigned certifies that the undersigned holds an Investor Claim in Class 75 against the Debtor(s) listed below in the amounts set forth below.

THE AMOUNT LISTED BELOW IS FOR VOTING PURPOSES ONLY, UNLESS YOU, THE INVESTOR, TIMELY AND PROPERLY DISPUTE THE AMOUNT.

(a) **Investor Claim Amount per Debtors:** \$ ~~[pre-populated with amount]~~ ~~[See Debtors' calculation in Attachment 1.]~~

IF YOU BELIEVE THE AMOUNT LISTED ABOVE IN ITEM 1(a) IS INCORRECT AND YOU BELIEVE YOU ARE ENTITLED TO A HIGHER CLAIM AMOUNT, PLEASE CHECK THE APPLICABLE BOX BELOW AND PROVIDE THE ASSERTED CLAIM AMOUNT.

☐ Under penalty of perjury, I object to the proposed Investor Claim Amount above in Item 1(a) for voting purposes and believe the correct amount is: \$ _____, and have attached a supporting explanation and documentation, which I certify are genuine and valid.

If you checked the box above, you must attach to this Ballot and provide to the Voting Agent a written explanation of the basis on which you dispute the Investor Claim Amount in Item 1(a) and all documentation supporting your asserted Claim Amount (e.g., copies of agreements, confirmation slips, account statements). Investors are encouraged to keep a copy of their submitted Ballot and all attachments for their records; all such documents will not be returned to you. Investors' asserted Claim Amounts are subject to the Debtors' rights to dispute such Claim Amounts pursuant to the Investor Claims Estimation Procedures. If you will be objecting to the proposed Investor Claim Amount, your completed Ballot and any attachments cannot be submitted through the E-Balloting Portal, but instead your Ballot, with attachments, must be mailed or delivered to the Voting Agent..

If you do not check the applicable box above, the amount of your Investor Claim listed in Item 1(a) for the sole purpose of voting on the Plan will not be modified. Whether or not you believe the claim amount listed in Item 1(a) is correct, please proceed to Items 2-4.

Item 2. Vote on the Plan. The undersigned Holder of an Investor Claim in Class 65 in the amount set forth in Item 1 above hereby votes to:

Check one box only: ☐ Accept (vote FOR) the Plan

☐ **Reject** (vote AGAINST) the Plan

THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

Item 3. Optional Opt-Out of Contributing Contributed Claims. It is optional for you to elect to contribute to the Plan Recovery Trust in exchange for a Pro Rata Distribution of Class D Plan Recovery Trust Units, any and all of your Contributed Claims (defined in **Exhibit A** to the Plan).

The claims to be contributed to the Plan Recovery Trust by the particular Investor, if it becomes a Contributing Claimant, are all of his, her or its **legal claims and causes of action, potential and actual, known and unknown, in any way related or connected to the Debtors, their predecessors, successors, and affiliates, and those parties listed as “Excluded Parties” in Exhibit B to the Plan**, that the Investor has against any person or entity other than the Debtors. Such claims to be transferred include, without limitation, claims and causes of action related to the marketing, sale, and issuance of any investments connected to the Debtors; fraudulent transfers, voidable transactions, and other similar avoidance claims under state or federal law; any misrepresentation of the Debtors’ finances and businesses; any cover-up of fraud or other wrongdoing by the Debtors or related parties discussed in the Disclosure Statement; and aiding or conspiring with the Debtors or agents to commit wrongful acts.

If you *vote to accept the Plan and do not opt out of the Contributed Claim Election*, you will be deemed to contribute your Contributed Claims to the Plan Recovery Trust (unless your claims are listed on the Schedule of Disclaimed Contributed Claims, in which case you will not have contributed your claims under the Plan). If you *elect to opt out by checking the box below*, you will not contribute, and shall retain, all such claims and causes of action (if any) described above and in the Plan.

~~☐ **NO, I elect to NOT contribute my Contributed Claims to the Plan Recovery Trust.**~~

☐ **I elect to OPT-OUT.**

THE DEBTORS AND THE COMMITTEE RECOMMEND THAT YOU DO NOT OPT-OUT.

Item 4. Certifications. By signing this Ballot, under penalty of perjury, the undersigned acknowledges and certifies: (i) receipt of the Disclosure Statement and the other applicable solicitation materials; and (ii) that the undersigned is the claimant or has the power and authority to vote to accept or reject the Plan and make the other statements/elections set forth in Items 1-3 above on behalf of the claimant. The undersigned understands that, if this Ballot is otherwise validly executed but is not timely submitted, does not indicate either acceptance or rejection of the Plan or indicates both an acceptance and rejection of the Plan, this Ballot will not be counted.

YOUR RECEIPT OF THIS BALLOT DOES NOT SIGNIFY THAT YOUR CLAIM HAS BEEN OR WILL BE ALLOWED.

Name of Holder: ~~[Prepopulate with address]~~

Signature: _____

Name of Signatory: _____

Title of Signatory: _____

Address (if different than above): _____

Email Address: _____

Date Completed: _____

If your address or contact information has changed, please note the new information here.

Sample Only

Attachment 1

Investor Claim Amount – Total Amount Invested	\$
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Total Amount Invested	Amount Invested — (minus) Withdrawals Prior to Ponzi Start Date (September 12, 2017)
Amount Invested	Actual dollars invested by or on behalf of an Investor as of the applicable Petition Date. ² Note: Includes cash in related to initial investments via 1031 exchange and excludes appreciated investment roll overs.
Withdrawals Prior to Ponzi Start Date	Withdrawals and other payments to an Investor as a return on invested capital prior to the Ponzi start date (September 12, 2017).

Date of Amount Invested (List Chronologically) (Month/Day/Year)	Amount Invested	Confirm Amount Invested (check box if applicable)	Withdrawal Amount Prior to Ponzi Start Date	Confirm Withdrawals Prior to Ponzi Start Date (check box if applicable)
		<input type="checkbox"/>		<input type="checkbox"/>
		<input type="checkbox"/>		<input type="checkbox"/>

² — The Petition Date is, as applicable, (a) August 6, 2024, when used in reference to Windscape Apartments, LLC; (b) October 2, 2024, when used in reference to Pinewood Condominiums, LP and Ponderosa Pines, LP; (c) November 22, 2024, when used in reference to K S Mattson Partners, LP; and (d) September 12, 2024, when used in reference to all other Debtors.

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~~* If you need additional space, provide and attach the required information on separate, numbered sheets in the same format as above and print your name and the last four digits of your Social Security or Taxpayer Identification Number at the top of each additional sheet.~~

EXHIBIT E

Proposed Tabulation/Estimation Procedures

VOTE TABULATION/ESTIMATION PROCEDURES

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1 Applicable to Class 3 ~~Sold Property~~ Secured Lender Claims, Class 4 ~~Retained Property~~
2 ~~Secured Lender Claims~~, and Class 64 Trade Claims: Solely for the purpose of voting to accept
3 or reject the Plan and not for purposes of allowance of, or distribution on account of, a Claim in
4 Classes 3, ~~4~~, and 64, each Claim within such Class shall be temporarily allowed in an amount
5 equal to (i) the amount asserted in a timely filed proof of Claim, or, if no timely proof of Claim
6 has been filed, (ii) the liquidated, non-contingent, undisputed amount of such Claim set forth in
7 the Schedules,¹ subject to the following exceptions and/or conditions:

8 a. If a Claim is deemed Allowed pursuant to the Plan, such Claim shall be Allowed
9 for voting purposes in the deemed Allowed amount set forth in the Plan.

10 b. If a Claim has been estimated for voting purposes or otherwise allowed for voting
11 purposes by Order of the Court, such Claim shall be allowed in the amount so estimated or
12 allowed by the Court for voting purposes only with respect to the Plan, and not for
13 purposes of allowance or distribution, unless otherwise provided by Order of the Court.

14 c. If an objection to, or request for estimation of, a Claim has been filed ~~by the Voting~~
15 ~~Record Date~~, such Claim shall be temporarily disallowed or estimated for voting purposes
16 only with respect to the Plan and not for purposes of allowance or distribution, except to
17 the extent and in the manner as may be set forth in such objection or request for estimation.

18 d. If the voting amount of a Claim has been established by a stipulation, settlement, or
19 other agreement filed by the Plan Proponents on or before the Voting Deadline, such Claim
20 shall be allowed for voting purposes only with respect to the Plan, and not for purposes of
21 allowance or distribution, in the stipulation, settled, or otherwise agreed-to amount.

22 e. If a Claim was listed in the Debtors' filed Schedules in an amount that is liquidated,
23 non-contingent, and undisputed, and a proof of Claim was not filed by the Voting Record
24 Date, such Claim is allowed for voting in the liquidated, non-contingent, undisputed
25 amount set forth in the Debtors' filed Schedules.

26 f. If a Claim, for which a proof of Claim was timely filed, is listed as contingent,
27 unliquidated, or disputed in part, such Claim is temporarily allowed in the amount that is
28 liquidated, non-contingent, and undisputed for voting purposes only, and not for purposes
of allowance or distribution.

g. If a Claim was timely filed for unknown or undetermined amounts, or is wholly
unliquidated, or contingent (as determined on the face of the claim or after a reasonable
review of the supporting documentation by the Plan Proponents and/or Voting Agent) and
such claim has not been allowed, such Claim shall be temporarily allowed for voting
purposes only, and not for purposes of allowance or distribution, at \$1.00.

h. Claims filed for \$0.00 are not entitled to vote.

¹ Includes all of the Debtors' filed Schedules of Assets and Liabilities, Statements of Financial Affairs, Omnibus
List of Equity Security Holders, and any and all amendments thereof.

j. For purposes of the numerosity requirement of section 1126(c) of the Bankruptcy Code, separate Claims held by a single creditor in a particular Class shall be aggregated as if such creditor held one Claim against the Debtors in such Class, and the votes related to such Claims shall be treated as a single vote to accept or reject the Plan.

k. Notwithstanding anything to the contrary contained herein, any creditor who has filed or purchased duplicate Claims within the same Voting Class shall be provided with only one Solicitation Package and one ballot for voting a single Claim in such Class, regardless of whether the Debtors have objected to such duplicate Claims.

1. If a Claim has been amended by a later Claim that is filed on or prior to the Voting Record Date, the later filed amending Claim shall be entitled to vote in a manner consistent with these tabulation rules, and the earlier filed Claim shall be disallowed for voting purposes, regardless of whether the Debtors have objected to such amended claim. Except as otherwise ordered by the Court, any amendments to a Claim after the Voting Record Date shall not be considered for purposes of these tabulation rules.

m. Any parties solely in relation to Claims or Interests that are not Investor Claims (“Non-Investor Claims”) may file a motion pursuant to Bankruptcy Rule 3018(a) for an order temporarily allowing such party’s Non-Investor Claim in a different amount for purposes of voting to accept or reject the Plan (a “Non-Investor Rule 3018 Motion”). Objections Any Non-Investor Rule 3018 Motion must be filed and served on the Plan Proponents by January 21, 2026; and any objections to any Non-Investor Rule 3018 Motion must be filed no later than **January 7²⁸, 2026**. If any objections are filed to the Non-Investor Rule 3018 Motion, the Non-Investor Rule 3018 Motion will be heard at the Confirmation Hearing or any later date selected by the Plan Proponents.

n. With respect to Class 3 Secured Lender Claims, if a Holder of a Class 3 Claim is paid in full between the Voting Record Date and the Confirmation Date, the Holder's Class 3 vote on the Plan will not be counted. The Plan Proponents may file any claim objections against a Secured Lender Claim for Plan voting purposes no later than 14 days before the Confirmation Hearing, with any responses by the applicable Secured Lenders due no later than 7 days before the Confirmation Hearing, with a hearing to be held on any unresolved objections at the Confirmation Hearing or a later date selected by the Plan Proponents. The Plan Proponents may enter into stipulations with Secured Lenders allowing their Class 3 Claims for voting purposes.

Applicable to Class 75 (Investor Claims):

- Unless otherwise provided in the tabulation rules described below, Claims of Investors in the Debtors’ enterprise will be estimated solely for voting purposes in the amount set forth in Item 1 of the Investors’ Class [75](#) Ballot (the “Proposed Claim Amount(s)”), which is based on the Debtors’ records and analysis by the Debtors’ and Committee’s professionals. If, however, the Investor disputes the Proposed Claim Amount, and wishes to assert a higher amount, the Investor must carefully follow the instructions set forth below and on the Investor’s Class [75](#) Ballot, including submitting additional documents or evidence in support of the asserted claim amount (the “Asserted Claim Amount”), under penalty of perjury. Investors are encouraged to keep a copy of their submitted Ballot and all attachments for their records. Investors’ Asserted Claim Amounts are subject to the Debtors’ rights to dispute such claims,

1 with any unresolved disputes to be heard at the Confirmation Hearing or at a later date
2 selected by the Plan Proponents.

- 3 • If any Investor seeks to challenge the amount of its Claim for voting purposes, the
4 Investor must write in a modified amount and return such modified Ballot to the
5 Voting Agent by either mail, overnight courier, or by personal delivery so as to be
6 received by the Voting Agent on or before the Voting Deadline. Modified Ballots
7 shall not be accepted electronically. Any Ballot with a modified amount timely
8 received shall be deemed an objection to the Proposed Claim Amount.
- 9 • If any Investor sets an Investor Claim amount on its Ballot that is less than the
10 Proposed Claim Amount, the Class 75 Investor Claim will be temporarily allowed for
11 voting purposes in the lesser amount.
- 12 • The Plan Proponents may enter into stipulations with Investors allowing their claims
13 for voting purposes.

14 **General Rules for Counting Votes to Accept or Reject Plan:**

15 In tabulating the Ballots, the following additional procedures will apply:

- 16 1. Any Ballot that is properly completed, executed, and timely returned to the
17 Balloting Agent, but does not indicate the acceptance or rejection of the Plan, or
18 indicates both, will not be counted.
- 19 2. If a party casts more than one Ballot voting the same claim or interest before the
20 Voting Deadline, the last properly executed Ballot received before the Voting
21 Deadline will be deemed to reflect the voter's intent and, thus, will supersede any
22 prior Ballots.
- 23 3. Parties will be required to vote all of their claims or interests under the Plan either
24 to accept or reject the Plan and may not split their votes.
- 25 4. Where any portion of a single claim has been transferred to a transferee, all holders
26 of any portion of such single claim will be (i) treated as a single creditor for
27 purposes of the numerosity requirements in section 1126(c) of the Bankruptcy Code
28 (and for the other voting and solicitation procedures set forth herein) and (ii)
required to vote every portion of such claim collectively either to accept or reject
the Plan.
5. In the event that a Ballot or a group of Ballots within a Class received from a single
party partially rejects and partially accepts the Plan, such Ballots will not be
counted.

EXHIBIT F

Proposed Notice of Non-Voting Status

1 Tobias S. Keller (CA Bar No. 151445)
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2 Thomas B. Rupp (CA Bar No. 278041)
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7 *Counsel to LeFever Mattson and Its*
8 *Affiliated Debtors and Debtors in Possession*

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15 *Counsel to KS Mattson Partners, LP*

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*Counsel to the Official Committee
of Unsecured Creditors*

17 **UNITED STATES BANKRUPTCY COURT**
18 **NORTHERN DISTRICT OF CALIFORNIA**
19 **SANTA ROSA DIVISION**

20 In re

Case No. 24-10545 CN (Lead Case)

21 LEFEVER MATTSON,
22 a California corporation, *et al.*,¹

26 ¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification
27 number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la
28 Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd.,
Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of
the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such
information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>.

(Jointly Administered)

Chapter 11

In re

KS MATTSON PARTNERS, LP,

Debtor.

NOTICE OF NON-VOTING STATUS

PLEASE TAKE NOTICE THAT:

1. On ~~October 15~~December 1, 2025, LeFever Mattson, KS Mattson Partners LP, and their affiliated debtors and debtors in possession (collectively, “LFM” or the “Debtors”) and the Official Committee of Unsecured Creditors (the “Committee” and together with the Debtors ~~other than Live Oak Investments, LP~~, the “Plan Proponents”) filed the ~~First~~Second Amended Joint Chapter 11 Plan of Liquidation of the Debtors [Docket No. ~~_____~~2944] (including all exhibits thereto and as amended, modified or supplemented from time to time, the “Plan”).

2. On ~~October 15~~December 1, 2025, the Plan Proponents filed (a) a summary of the Plan for Investors in Class ~~7~~5 under the Plan (as amended, the “Plan Summary”); and (b) a related Amended Disclosure Statement in Support of Second Amended Joint Chapter 11 Plan of Liquidation of the Debtors [Docket No. ~~_____~~2945] (including all exhibits thereto and as amended, modified or supplemented from time to time, the “Disclosure Statement”) under section 1125 of the Bankruptcy Code.

3. By an Order dated December, 2025 (the “Solicitation Procedures Order”), the Bankruptcy Court approved the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code and approved certain procedures (collectively, the “Solicitation Procedures”) for the solicitation and tabulation of votes to accept or reject the Plan, and scheduled hearings on confirmation of the Plan.

4. The Plan Proponents (a) are required to mail voting materials to all creditors and equity interest holders entitled to vote on the Plan and (b) are not required to provide voting materials to such holders that are conclusively presumed to either accept or reject the Plan (collectively, the “Non-Voting Classes”). Accordingly, you are receiving this Notice of

Non-Voting Status for the Plan instead of voting materials containing the Disclosure Statement and the Plan.

5. If you wish to challenge the classification of your claim or interest *except with respect to any Investor Claims that are subject to certain other procedures set forth in the Solicitation Procedures Order*, you, pursuant to Bankruptcy Rule 3018(a), must file a motion (a “Rule 3018 Motion”) for an order temporarily allowing your claim in an amount for purposes of voting and serve such motion on the parties listed below so that it is received by January 21, 2026. The request for relief sought in such Rule 3018 Motion will be heard at the Confirmation Hearing (as defined below) or other date selected by the Plan Proponents or pursuant to further order of the Court. Rule 3018 Motions that are not timely filed and served in the manner as set forth above will not be considered.

6. The Plan Supplement will be filed by the Debtors and the Committee by December 19, 2025, which will be served on all parties that have requested special notice in the cases under Bankruptcy Rule 2002, and will be available to review and download for free from the Voting Agent's website at <https://veritaglobal.net/LM> on and after the filing of the Plan Supplement.

10. ~~7.~~ On ~~January 23, 2025~~ January 23, 2026 at ~~___ a:___~~ ___.m. (Pacific Time), or as soon thereafter as counsel may be heard, a ~~hearing~~ status conference (“Confirmation Status Conference”) will be held before the Honorable Charles Novack, United States Bankruptcy Judge to ~~consider~~ determine whether the hearing on confirmation of the Plan will take place on February 5, 2026 at 9:00 a.m. (Pacific Time) or March 5, 2026 at 9:00 a.m. (Pacific Time) (the “Confirmation Hearing”). Counsel and interested parties may appear at the ~~hearing~~ Confirmation Status Conference and Confirmation Hearing in person in Courtroom 215 of the United States Bankruptcy Court, 1300 Clay Street in Oakland, California or via Zoom video or telephone. The Zoom information will be included in each calendar posted weekly, as applicable.

7. ~~8.~~ The Confirmation Hearing may be adjourned from time to time, without further notice. The Plan may be modified in accordance with the Bankruptcy Code, the Federal Rules of

1 Bankruptcy Procedure, the Plan and other applicable law, without further notice, prior to or as a
2 result of the Confirmation Hearing.

3 8. ~~9.~~ Objections, if any, to the confirmation of the Plan must (a) be in writing; (b) state
4 the name and address of the objecting party and the nature of the claim or interest of such party;
5 (c) state with particularity the basis and nature of any objection; and (d) be filed with the
6 Bankruptcy Court at the address set forth below and served on the following **so that any such**
7 **objections are received no later than January 21, 2026 ~~at 11:59 p.m. (Pacific~~**
8 **~~Time)~~**: (a) Counsel to the LFM Debtors: Keller Benvenutti Kim LLP, Attn: Tobias Keller, David
9 Taylor, Dara Silveira and Thomas Rupp (tkeller@kbbkllp.com, dtaylor@kbbkllp.com,
10 dsilveira@kbbkllp.com, trupp@kbbkllp.com), 101 Montgomery St., Suite 1950, San Francisco, CA
11 94104; (b) counsel to KSMP: Hogan Lovells US LLP, Attn: Richard Wynne, Erin Brady, and
12 Edward McNeilly (richard.wynne@hoganlovells.com, erin.brady@hoganlovells.com,
13 edward.mcneilly@hoganlovells.com); (c) counsel to the Committee: Pachulski Stang Ziehl &
14 Jones LLP, Attn: Debra Grassgreen, Jason Rosell and Steven Golden (dgrassgreen@pszjlaw.com,
15 jrosell@pszjlaw.com, sgolden@pszjlaw.com), One Sansome St., Suite 3430, San Francisco, CA
16 94104-4436; (d) Office of the United States Trustee, Northern District of California, 450 Golden
17 Gate Avenue, Room 05-0153, San Francisco, CA 94102 (Attn: Jared A. Day)
18 (jared.a.day@usdoj.gov); and (e) all other parties in interest that have filed requests for notice
19 pursuant to Bankruptcy Rule 2002 in the Debtors' chapter 11 cases.

20 9. ~~10.~~ In accordance with Bankruptcy Rule 3017(a), requests for copies of the
21 Disclosure Statement, the Plan, or the Motion by parties in interest may be made in writing to
22 Debtors' counsel or Verita Global by submitting an inquiry at <https://veritaglobal.net/lm/inquiry>.
23 Copies of the Disclosure Statement and the Plan (along with exhibits to each as they are filed with
24 the Bankruptcy Court) and the Motion are available for review, at no charge, at
25 <https://veritaglobal.net/lm/inquiry>.

26 *[Signature page to follow]*
27
28

Dated: December , 2025 KELLER BENVENUTTI KIM LLP

By: /s/ DRAFT

Tobias S. Keller

David A. Taylor

Thomas B. Rupp

Counsel to the LFM Debtors

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PACHULSKI STANG ZIEHL & JONES LLP

By: /s/ DRAFT

Debra Grassgreen

John D. Fiero

Jason H. Rosell

~~Steven W. Golden~~

*Counsel to the Official Committee
of Unsecured Creditors*

HOGAN LOVELLS US LLP

By: /s/ DRAFT

Richard L. Wynne

Erin N. Brady

Edward J. McNeilly

Counsel to KS Mattson Partners, LP

EXHIBIT G

Proposed Order

1 In re

2 KS MATTSON PARTNERS, LP,

3 Debtor.

4 **STATEMENT; (II) SCHEDULING HEARING**
5 **ON CONFIRMATION OF PLAN AND**
6 **APPROVING THE FORM AND MANNER OF**
7 **SERVICE OF THE CONFIRMATION**
8 **HEARING NOTICE; (III) ESTABLISHING**
9 **PROCEDURES FOR THE SOLICITATION**
10 **AND TABULATION OF VOTES ON PLAN;**
11 **(IV) ESTABLISHING PROCEDURES FOR**
12 **THE ESTIMATION OF INVESTOR CLAIMS**
13 **AND INTERESTS SOLELY FOR VOTING**
14 **PURPOSES; AND (V) APPROVING RELATED**
15 **MATTERS**

16 **Hearing Date:**

17 Date: ~~to be set~~ December 3, 2025

18 Time: 11:00 a.m. (Pacific ~~time~~ Time)

19 Place: United States Bankruptcy Court
20 1300 Clay Street, Courtroom 215
21 Oakland, CA 94612

22 Judge: Honorable Charles Novack

23 This matter coming before the Court on the *Amended Motion for an Order (I) Approving*
24 *the Plan Summary and Approving Disclosure Statement; (II) Scheduling Hearing on Confirmation*
25 *of Plan and Approving the Form and Manner of Service of the Confirmation Hearing Notice; (III)*
26 *Establishing Procedures for the Solicitation and Tabulation of Votes on Plan; (IV) Establishing*
27 *Procedures for Estimation of Investor Claims and Interests Solely for Voting Purposes; and (V)*
28 *Approving Related Matters* [Docket No. 2569] (the “Motion”),² ~~[Docket No. [•]]~~, jointly filed by
the above-captioned debtors and debtors-in-possession (the “Debtors”) and Official Committee of
Unsecured Creditors (the “Committee” and together with the Debtors, the “Plan Proponents”),
together with the Second Amended Joint Chapter 11 Plan of Liquidation [Docket No. 2944] (as it
may be amended or modified, including all exhibits thereto, the “Plan”) of the Debtors proposed
by the Plan Proponents, and the Second Amended Disclosure Statement in Support of the Second
Amended Joint Chapter 11 Plan of Liquidation [Docket No. 2945] (the “Disclosure Statement”);
the Court having reviewed the Motion and having heard the statements of counsel regarding the
relief requested in the Motion at a hearing before the Court (the “Hearing”); and the Court having
determined that the legal and factual bases set forth in the Motion and at the Hearing establish just
cause for the relief granted herein;

29 **IT IS HEREBY ORDERED THAT:**

30 ² A capitalized term used but not defined herein shall have the meaning ascribed to it in the Motion.

- 1 1. The Motion is **GRANTED**.
- 2 2. The Plan Summary is approved as part of the Solicitation Package.
- 3 3. The Disclosure Statement is approved as containing adequate information within
- 4 the meaning of section 1125 of the Bankruptcy Code.
- 5 4. The Confirmation Hearing Notice and Notice of Non-Voting Status are approved in
- 6 all respects.
- 7 5. The forms of Ballot are approved in all respects.
- 8 6. Settlement Offer Letters may be included in the same envelope as Ballots.
- 9 7. ~~6. _____~~ December 5, 2025 is established as the Voting Record Date for the
- 10 purposes of determining the creditors and equity interest holders entitled to receive the Solicitation
- 11 Package and to vote on the Plan or to receive the Notice of Non-Voting Status, subject to Vote
- 12 Tabulation / Estimation Procedures.
- 13 8. ~~7.~~ The Solicitation Package and Notices of Non-Voting Status shall be served by
- 14 ~~_____, 2025~~ the later of: (i) December 12, 2025, or (ii) the fifth business day following the
- 15 entry of this Order.
- 16 9. ~~8.~~ If multiple Solicitation Packages would otherwise go to the same physical
- 17 address, the Plan Proponents shall be permitted, but not required, to combine the Solicitation
- 18 Packages into a single Solicitation Package with multiple ballots, even if the claimant names are
- 19 not identical.
- 20 10. ~~9.~~ Any Plan Supplement must be filed by ~~_____~~ December 19, 2025.
- 21 11. ~~10.~~ Ballots must be received on or before ~~_____~~ January 21, 2026 at
- 22 **11:59 p.m. (Pacific Time)** (“Voting Deadline”) in accordance with the instructions on the
- 23 applicable Ballot, unless extended by the Plan Proponents in writing.
- 24 12. ~~11.~~ The Vote Tabulation/Estimation Procedures attached as **Exhibit E** to the
- 25 Motion are approved in all respects.
- 26 13. ~~12.~~ Each unique Investor will receive one ~~Investors’~~ Class ~~75~~ Ballot on account of
- 27 an Investor Claim. Investors with substantially similar names, that list the same noticing address
- 28

1 on their Claims, and for which the Plan Proponents determine upon good faith are the same person
2 or entity will be treated as one Investor. For example, if the “Doe Family Trust” and the “Doe
3 Family Trust, dated January 1, 2000” provide the same address where notices should be sent on
4 their Claims and/or Interests and the Plan Proponents believe these entities are the same, then the
5 “Doe Family Trust” and the “Doe Family Trust, dated January 1, 2000” will be treated as a single
6 Investor. However, the “Doe Family Trust” and “Jane Doe” will not be considered a single
7 Investor even if the relevant Interests or Claims list the same noticing address as these Investors
8 do not have substantially similar names.

9 14. ~~13.~~ Pursuant to Bankruptcy Code sections 105(a) and 502(c) and Bankruptcy Rule
10 3018(a), all Investor Claims will be estimated and temporarily allowed solely for purposes of
11 voting on the Plan in the amount set forth in the applicable Class ~~7~~5 Ballot, subject to the
12 Investor’s right to dispute the proposed estimated amount, as set forth in the Vote
13 Tabulation/Estimation Procedures.

14 15. ~~14.~~ Any Rule 3018 Motion by a party other than an Investor on account of its
15 Investor Claim must be filed with the Court, together with proof of service thereof, and served
16 upon: (i) the Office of the United States Trustee; (ii) counsel for the Debtors; (iii) counsel for the
17 Committee; and (iv) any party that has requested notice pursuant to Bankruptcy Rule 2002 by
18 hand delivery or in a manner as will cause such objection to be received by all such parties on or
19 before ~~_____~~ January 21, 2026 ~~at 11:59 p.m. (Pacific Time)~~. Any objections not filed and
20 served as set forth above may not be considered by the Court. Any objection to such Rule 3018
21 Motion must be filed by no later than ~~_____~~ January 28, 2026. ~~Replies~~ Responses, if any, in
22 support of the Rule 3018 Motion must be filed no later than ~~_____~~ February 3, 2026. Any
23 such Rule 3018 Motion may be resolved by agreement between the Plan Proponents and the
24 movant without the requirement for further order or approval of the Court. As to any creditor
25 filing a Rule 3018 Motion, such creditor’s Ballot shall not be counted unless temporarily allowed
26 by the Court for voting purposes after notice and a hearing, prior to or at the Confirmation
27 Hearing. Any unresolved Rule 3018 Motion and objection(s) thereto shall be heard at the
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Confirmation Hearing or any other date selected by the Plan Proponents or pursuant to further Court order.

16. With respect to Class 3 Secured Lender Claims, the Plan Proponents may file any claim objections against a Secured Lender Claim for Plan voting purposes no later than 14 days before the Confirmation Hearing, with any responses by the applicable Secured Lenders due no later than 7 days before the Confirmation Hearing, with a hearing to be held on any unresolved objections at the Confirmation Hearing or a later date selected by the Plan Proponents. The Plan Proponents may enter into stipulations with Secured Lenders allowing their Class 3 Claims for voting purposes.

17. ~~15.~~ Objections to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules, must set forth the name of the objector, the nature and amount of Claims or Interests held or asserted by the objector against the Debtors, the basis for the objection and the specific grounds of the objection, and must be filed with the Bankruptcy Court, together with proof of service thereof, and served upon: (i) the Office of the United States Trustee; (ii) counsel for the Debtors; (iii) counsel for the Committee; and (iv) any party that has requested notice pursuant to Bankruptcy Rule 2002 by hand delivery or in a manner as will cause such objection to be received by all such parties on or before January 21, 2026 at 11:59 p.m. (Pacific Time). Any objections not filed and served as set forth above may not be considered by the Court.

~~16. Any party supporting the Plan may file a reply to any objection to confirmation of the Plan by _____, 2026.~~

~~17. The Plan Voting Report shall be filed by _____, 2026.~~

18. The ~~following~~below additional dates and deadlines ~~are~~have been approved: Track A will be followed if confirmation of the Plan requires a contested evidentiary hearing. Otherwise, Track B will be followed.

		<u>Track A</u> <u>Contested Evidentiary</u> <u>Confirmation Hearing</u>	<u>Track B</u> <u>Uncontested Evidentiary</u> <u>Confirmation Hearing</u>
December 15,	Deadline to Serve Written	<u>December 29, 2025</u>	<u>December 29, 2025</u>

1 20. The Confirmation Hearing may be adjourned from time to time without further
2 notice to creditors and other parties-in-interest by an announcement of the adjourned date at the
3 Confirmation Hearing or any adjournment thereof or by an appropriate filing with the Court.

4 21. The relief granted herein shall apply to all Debtors.

5 22. The Plan Proponents are authorized to take or refrain from taking any action
6 necessary or appropriate to implement the terms of and the relief granted in this Order without
7 seeking further order of the Court.

8 23. The Plan Proponents are authorized to make non-substantive changes to the
9 Disclosure Statement, Plan, [Plan Summary](#), Ballots, Confirmation Hearing Notice, Notice of
10 Non-Voting Status, and related documents without further order of the Court, including changes to
11 correct typographical and grammatical errors and to make conforming changes among the
12 aforementioned documents prior to their distribution.

13 24. This Court shall retain jurisdiction over all matters related to or arising from the
14 Motion or the interpretation or implementation of this Order.

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16 ***** END OF ORDER *****
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EXHIBIT H

Solicitation Package Cover Letter

December [●], 2025

Via First-Class Mail / Email

RE: LeFever Mattson, et al., Chapter 11 Case No. 24-10545 (CN) (Jointly Administered)

To All Holders of Claims Entitled to Vote on the Plan:

You have received this letter and the enclosed materials because you are entitled to vote on the *Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. ●] (as may be altered, amended, modified, or supplemented from time to time, the “Plan”).¹

LeFever Mattson, a California corporation, (“LFM”) and certain of its affiliated debtors and debtors in possession (collectively, the “LFM Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Northern District of California (the “Bankruptcy Court”) on August 6, 2024; September 12, 2024; and October 2, 2024. On November 22, 2024, LFM and Debtor Windtree, LP filed an involuntary chapter 11 petition against KS Mattson Partners, LP (“KSMP,” and together with the LFM Debtors, the “Debtors”), and an order for relief granting the involuntary petition was entered by the Bankruptcy Court on June 9, 2025.

On [●], 2025, the Bankruptcy Court entered an order [Docket No. [●]] (the “Disclosure Statement Order”) (a) authorizing the Debtors and the **Official Committee of Unsecured Creditors** (the “Committee,” and together with the Debtors, the “Plan Proponents”) to solicit votes on the Plan; (b) approving the *Amended Disclosure Statement in Support of Second Amended Joint Chapter 11 Plan of Liquidation* [Docket No. ●] (as may be amended, supplemented, or modified from time to time, the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages (the “Solicitation Packages”); and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan.

YOU ARE RECEIVING THIS LETTER BECAUSE YOU ARE ENTITLED TO VOTE ON THE PLAN. THEREFORE, YOU SHOULD READ THIS LETTER CAREFULLY AND DISCUSS IT WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

In addition to this cover letter, the enclosed materials comprise your Solicitation Package and were approved by the Bankruptcy Court for distribution to Holders of Claims in connection with the solicitation of votes to accept or reject the Plan. **The Disclosure Statement and the Plan are available free of charge on the Debtors’ case website at <https://veritaglobal.net/lm>. If you would like to receive paper copies of any of these documents, please reach out to the Claims and Noticing Agent (as defined below) using their below contact information.** The Solicitation Package consists of the following, as applicable:

1. _____ this letter;

¹ Capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the Plan or the Disclosure Statement, as applicable.

2. the Bankruptcy Court order approving the Disclosure Statement;
3. the Plan Summary – only in Solicitation Packages served on Investors in Class 5;
4. the Confirmation Hearing Notice;
5. a Ballot for holders of claims in Classes entitled to vote, including instructions set forth therein regarding how to complete the Ballot;
6. a Ballot return envelope; and
7. Investor Settlement Offer Letter – only in Solicitation Packages served on Investors in Class 5.

The Debtors and the Committee believe that the Plan, as proposed, provides the best possible outcome for all investor and creditor constituencies, and that the acceptance of the Plan is in the best interests of the Debtors' estates, Holders of Claims, including Investors, and all other parties-in-interest. Moreover, the Debtors and the Committee believe that any alternative other than confirmation of the Plan is not feasible and would result in extensive delays, increased administrative expenses, and lesser recoveries than those contemplated under the Plan.

**THE DEBTORS AND COMMITTEE STRONGLY URGE YOU TO PROPERLY AND TIMELY
SUBMIT YOUR BALLOT CASTING A VOTE TO ACCEPT THE PLAN IN ACCORDANCE
WITH THE INSTRUCTIONS IN YOUR BALLOT.**

THE VOTING DEADLINE IS JANUARY 21, 2026 AT 11:59 P.M. (PACIFIC TIME).

The materials in the Solicitation Package are intended to be self-explanatory. If you should have any questions, however, please feel free to contact Verita Global, the Claims and Noticing Agent retained by the Debtors in the Chapter 11 Cases (the "Claims and Noticing Agent"), by: (a) calling 1-877-709-4751 (U.S. / Canada), or 1-424-236-7231 (International); or (b) submitting an inquiry at: <https://veritaglobal.net/lm/inquiry>.

Please be advised that the Claims and Noticing Agent is authorized to answer questions about the Solicitation Packages and provide additional copies of the Solicitation Packages, Plan, and Disclosure Statement, but may **not** advise you as to whether you should vote to accept or reject the Plan or provide any legal advice.

Sincerely,

LEFEVER MATTSON,
A CALIFORNIA CORPORATION, ET AL.

By:
Name: Bradley Sharp
Title: Chief Restructuring Officer

KS MATTSON PARTNERS, LP

By:
Name: Robbin Itkin
Title: Responsible Individual

OFFICIAL COMMITTEE OF UNSECURED
CREDITORS

By:
Name: Kevin Katari
Title: Chairperson