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NATURAL WONDERS, INC. and  
9 WORLD OF SCIENCE, INC.

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**UNITED STATES BANKRUPTCY COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**  
**[OAKLAND DIVISION]**

In re: ) Jointly Administered for Procedural Purposes  
) Under Case No. 00-46943  
NATURAL WONDERS, INC., )  
a Delaware corporation, ) Chapter 11  
)  
Debtor and ) **JOINT PLAN OF REORGANIZATION**  
Debtor-in-Possession. )

----- )  
In re: )  
)  
WORLD OF SCIENCE, INC., )  
a New York corporation, )  
)  
Debtor and )  
Debtor-in-Possession. )  
----- )

1 This Joint Plan of Reorganization is proposed by Natural Wonders, Inc. and  
2 World of Science, Inc. (together, "Debtors" or "Proponents"). The Disclosure Statement for  
3 this Plan discusses the Debtors' history, business, properties, and results of operations and  
4 contains a summary of this Plan. All holders of Claims and Equity Interests are encouraged to  
5 read this Plan and the Disclosure Statement in their entirety before voting to accept or reject  
6 this Plan. No solicitation materials, other than the Disclosure Statement, the exhibits  
7 attached thereto or referenced therein, and the Ballot, have been approved by the Bankruptcy  
8 Court for use in soliciting acceptances or rejections of this Plan.

9 **I.**

10 **DEFINITIONS AND RULES OF CONSTRUCTION**

11 **A. Definitions.**

12 In addition to such other terms as are defined in other Articles of this Plan, the  
13 following terms (which appear in this Plan and the related Disclosure Statement as capitalized  
14 terms) as used in this Plan and the related Disclosure Statement, have the following meanings:

15 **1. "Administrative Expense"** means a Claim (a) for costs and expenses of  
16 administration of the Reorganization Cases incurred prior to the Effective Date and allowed  
17 under sections 503(b) or 507(b) of the Code, including all fees accrued or payable through the  
18 Effective Date under 28 U.S.C. Section 1930 and allowed by Final Order, (b) Allowed  
19 Reclamation Claims, and (c) the fees and costs of Professional Persons incurred after the  
20 Effective Date in connection with the preparation and approval of their final applications for  
21 compensation and reimbursement of expenses through the Effective Date.

22 **2. "Affiliates"** means all of the affiliates of the Debtors within the meaning  
23 of Section 101(2) of the Bankruptcy Code, which include NW Capital Management, Inc. and  
24 WOSI On The Web, Inc.

25 **3. "Allowed Claim"** means a Claim (a) that appears in the Schedules,  
26 except a Claim that is listed in the Schedules as disputed, contingent or unliquidated, or  
27 (b) with respect to which a proof of Claim has been filed with the Bankruptcy Court within the  
28 time ordered by the Bankruptcy Court, or if no time has been ordered by the Bankruptcy Court,

1 within the time prescribed by the Plan, the Code, the Bankruptcy Rules or by Local Rules, and  
2 to which no objection has been Filed within the time fixed by the Plan or the Bankruptcy  
3 Court, or (c) which is allowed by a Final Order of the Bankruptcy Court. No Claim shall be  
4 considered an Allowed Claim if an objection to the allowance thereof is interposed by the  
5 Debtors or other party in interest within the time fixed by the Plan or the Bankruptcy Court, if  
6 any, and such objection has not been denied by a Final Order. An Allowed Claim shall not  
7 include accrued interest after the Petition Date, except with respect to interest at the federal  
8 funds rate which shall be paid on Allowed Claims in Class 2 from and after the Effective Date  
9 only if all Allowed Claims in Class 2 have been paid in full and interest, if due, on Priority Tax  
10 Claims, has been paid in full.

11           **4. "Allowed Investments"** means only the following investments: demand  
12 and time deposits, such as short-term certificates of deposit in banks or other savings  
13 institutions rated AA or better by Moody's or Standard & Poor's or other high quality  
14 temporary liquid investments, such as United States Treasury Bills or Notes.

15           **5. "Allowed Reclamation Claims"** means either (a) those reclamation  
16 claims listed as "Allowed Reclamation Claims" on Exhibit G to the Disclosure Statement; or  
17 (b) those reclamation claims which are Allowed as reclamation claims meeting the  
18 requirements of Code Section 546(c) by Final Order.

19           **6. "Ballot"** means the form approved by the Bankruptcy Court for voting  
20 on acceptance or rejection of the Plan.

21           **7. "Bankruptcy Court"** means the United States Bankruptcy Court for the  
22 Northern District of California (Oakland Division), or, if such court ceases to exercise  
23 jurisdiction over the Reorganization Cases, then such court or adjunct thereof that exercises  
24 jurisdiction over the Reorganization Cases in lieu of the United States Bankruptcy Court for  
25 the Northern District of California (Oakland Division).

26           **8. "Bankruptcy Rules"** means, collectively, the: (a) Federal Rules of  
27 Bankruptcy Procedure, and (b) the Local Rules of the Bankruptcy Court, as applicable in the  
28 Reorganization Cases.

1           **9. "Budget"** means that operating budget for the Estate taking effect as of  
2 the Effective Date, which is agreed upon by the Estate Manager and the Committee in  
3 accordance with Article VI of this Plan.

4           **10. "Business Day"** means any day that is not a Saturday, Sunday or "legal  
5 holiday" as defined in Bankruptcy Rule 9006(a).

6           **11. "Cash on Hand"** means all Cash in the Estates on the Effective Date.

7           **12. "Cash"** means cash or cash equivalents.

8           **13. "Claim"** means a claim against the Debtors, whether or not asserted or  
9 allowed, as defined in Section 101(5) of the Code.

10          **14. "Claimant"** means the holder of a Claim.

11          **15. "Claims Objection Deadline"** means the date fixed under  
12 Section XI.A.1. hereof as the last day(s) to object to Claims Scheduled, Filed or deemed Filed  
13 in the Reorganization Cases.

14          **16. "Class"** means one of the classes of Claims or Equity Interests  
15 established under Article II of this Plan pursuant to Section 1122 of the Code.

16          **17. "Code"** means the Bankruptcy Code, Title 11 of the United States Code.

17          **18. "Committee"** means the Official Committee of Unsecured Creditors  
18 appointed by the Office of the United States Trustee in the Reorganization Case of Natural  
19 Wonders, Inc., as constituted prior to and on the Effective Date, and as it may thereafter be  
20 reconstituted in accordance with the Committee's bylaws. All references to the Committee  
21 herein include the duly-appointed members of the Committee.

22          **19. "Committee Accountants"** means Nielson Elggren LLP, or its  
23 successors.

24          **20. "Committee Counsel"** means Murphy, Sheneman, Julian & Rogers, or  
25 its successors.

26          **21. "Confirmation"** means the entry of the Confirmation Order.

27          **22. "Confirmation Date"** means the date on which Confirmation occurs.

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1                   **23. "Confirmation Hearing"** means the hearing held pursuant to  
2 Bankruptcy Rule 3020(b)(2), including any continuances thereof, at which the Bankruptcy  
3 Court will consider Confirmation of the Plan.

4                   **24. "Confirmation Order"** means the order of the Bankruptcy Court  
5 confirming this Plan under Section 1129 of the Code.

6                   **25. "Convenience Claim - Type A"** means any Allowed Claim in an amount  
7 less than or equal to five hundred dollars (\$500.00), or an Allowed Claim which has been  
8 voluntarily reduced to that amount by the holder thereof. The holder of an Allowed Claim in  
9 excess of five hundred dollars (\$500.00) may elect to reduce its Allowed Claim to five  
10 hundred dollars (\$500.00) and be treated as a Convenience Claim - Type A by making the  
11 appropriate election on the Ballot. An election to participate as a Convenience Claim - Type A  
12 shall be deemed a waiver of such holder's right to participate in any other Class under the Plan.

13                   **26. "Convenience Claim - Type B"** means any Allowed Claim in an amount  
14 more than five hundred dollars (\$500.00), and less than or equal to two thousand five hundred  
15 dollars (\$2,500.00), or an Allowed Claim which has been voluntarily reduced to two thousand  
16 five hundred dollars (\$2,500.00) by the holder thereof. The holder of an Allowed Claim in  
17 excess of two thousand five hundred dollars (\$2,500.00) may elect to reduce its Allowed  
18 Claim to two thousand five hundred dollars (\$2,500.00) and be treated as a Convenience Claim  
19 - Type B by making the appropriate election on the Ballot. An election to participate as a  
20 Convenience Claim - Type B shall be deemed a waiver of such holder's right to participate in  
21 any other Class under the Plan.

22                   **27. "Debtors"** means Natural Wonders, Inc., a Delaware corporation and  
23 World of Science, Inc., a New York corporation.

24                   **28. "Debtors-in-Possession"** means the Debtors when acting in their  
25 capacity as debtors-in-possession prior to the Effective Date pursuant to Section 1107(a) of  
26 the Code.

27                   **29. "Debtors' Accountants"** means Deloitte & Touche, LLP, or its  
28 successors.

1                   **30. "Debtors' Counsel"** means Sheppard, Mullin, Richter & Hampton LLP, or  
2 its successors.

3                   **31. "Disbursing Agent"** means the Estate Manager who shall be responsible  
4 for causing Distributions to be made pursuant to this Plan.

5                   **32. "Disclosure Statement"** means the "Joint Disclosure Statement,"  
6 including all exhibits and schedules thereto, as relates to this Plan as such Disclosure  
7 Statement may be amended, modified or superseded, which is approved pursuant to  
8 Section 1125 of the Code by the Bankruptcy Court.

9                   **33. "Disclosure Statement Hearing"** means the hearing held pursuant to  
10 Bankruptcy Rule 3017(a), including any continuances thereof, at which the Bankruptcy Court  
11 considers and approves the adequacy of the Disclosure Statement.

12                   **34. "Disputed Claim"** means a Claim that is not an Allowed Claim.

13                   **35. "Disputed Claims Reserve"** has the meaning set forth in  
14 Section XI.B.5(2) of this Plan.

15                   **36. "Disputed Claims Reserve Account"** means a deposit account, interest  
16 bearing if possible, opened by the Estate Manager at an F.D.I.C. insured depository institution  
17 into which shall be deposited Cash representing "Unclaimed Property" (as such term is defined  
18 in Section XI.B.3 below) and Cash sufficient to fund the "Disputed Claims Reserve" (as  
19 defined in Section XI.B.5.(2) below.)

20                   **37. "Distributions"** means the Cash to be distributed under this Plan to  
21 holders of Allowed Claims.

22                   **38. "Effective Date"** means (a) if no stay of the Confirmation Order is at  
23 any time in effect, the eleventh (11th) Business Day after the Confirmation Date; or (b) if a  
24 stay of the Confirmation Order is in effect the first Business Day, after the later of (i) the date  
25 on which such stay is vacated, or any appeal, rehearing, remand or petition for certiorari is  
26 resolved in a manner that does not reserve or materially modify the Confirmation Order and  
27 (ii) the eleventh (11th) Business Day after the Confirmation Date. On the Effective Date, the  
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1 Estate of World of Science and the Estate of Natural Wonders shall be substantively  
2 consolidated.

3           **39. "Employee Benefit Programs"** means all health, dental, flexible  
4 medical payment, pension, welfare and retirement plans, and life and disability insurance  
5 policies, established by the Debtors for the benefit of their employees, whether or not such  
6 plans or programs were or had been terminated according to their terms before or after the  
7 Filing date or during the Reorganization Cases.

8           **40. "Equity Interest"** means an equity security, as defined in  
9 Section 101(16) of the Code.

10           **41. "Estates"** means the estates created in the Reorganization Cases on the  
11 Petition Date pursuant to Section 541 of the Code. The Estates shall continue to exist after  
12 the Effective Date (as a substantively-consolidated Estate, and after substantive consolidation  
13 shall be an "Estate") until the Reorganization Cases are closed.

14           **42. "Estate Management Agreement"** means the Natural Wonders, Inc. and  
15 World of Science, Inc. Estate Management Agreement, attached as Exhibit 1 hereto.

16           **43. "Estate Manager"** means the Estate Manager appointed pursuant to the  
17 Estate Management Agreement, and any substitute or replacement Estate Manager.

18           **44. "Estimated Amount"** means, with respect to any Disputed Claim, or  
19 group of Disputed Claims, the amount of such Claim or Claims, as estimated under  
20 Section XI.B. hereof.

21           **45. "Exhibit Filing Date"** means the date of the conclusion of the  
22 Disclosure Statement Hearing; provided, however, that the Proponent reserves the right to File  
23 amended or revised versions of any exhibit or Plan Agreement through and including the  
24 Confirmation Date. Any material modifications to the exhibits or the Plan Agreements shall  
25 be made on such notice as may be approved by the Bankruptcy Court.

26           **46. "File" or "Filed" or "Files" or "Filings"** means properly filed with  
27 the Bankruptcy Court in the Reorganization Cases, as reflected on the official docket of the  
28 Bankruptcy Court.

1           **47. "Final Order"** means an order, decision or judgment of the Bankruptcy  
2 Court, as of the date entered on its docket, which has not been reversed, stayed, modified or  
3 amended, which is in full force and effect, and as to which (a) the time to appeal or seek  
4 certiorari has expired and no appeal or petition for certiorari has been timely filed, or (b) any  
5 appeal that has been or may be taken or any petition for certiorari that has been or may be filed  
6 has been resolved by the highest court (or any other tribunal having appellate jurisdiction over  
7 such order, decision or judgment) to which the order, decision or judgment was appealed or  
8 from which certiorari was sought. "Final Order" also means any dispute fully and finally  
9 resolved without an order, decision or judgment of the Bankruptcy Court under the dispute  
10 resolution procedures of Article VIII below.

11           **48. "General Unsecured Claim"** means any Claim against the Debtors  
12 other than an Administrative Expense, a Priority Tax Claim, a Priority Claim, a Convenience  
13 Claim (Type A or Type B), an Equity Interest or a Post-Effective Date Claim.

14           **49. "Gross Proceeds"** means all Cash or other proceeds realized from any  
15 real or personal property of the Estates, whether tangible or intangible, and all interest, rents,  
16 profits and proceeds of, or earned on account of, assets of the Estates.

17           **50. "Intercompany Claims"** means any and all claims held by Natural  
18 Wonders against World of Science and any and all claims held by World of Science against  
19 Natural Wonders, at any time arising from and after the date Natural Wonders acquired all of  
20 the capital stock of World of Science on September 11, 2000.

21           **51. "Limited Notice List"** shall mean the limited notice list of Persons to  
22 receive service of notice created by order of the Bankruptcy Court dated December 18, 2000.

23           **52. "Natural Wonders"** means Natural Wonders, Inc., a Delaware  
24 corporation.

25           **53. "Notice of Effective Date"** means the notice to be mailed by the Estate  
26 Manager to the Limited Notice List and all holders of Claims against, and Equity Interests in,  
27 the Debtors, and all necessary governmental agencies notifying them of (a) entry of the  
28 Confirmation Order, (b) the occurrence of the Effective Date, (c) the rejection of executory

1 contracts and unexpired leases as provided in this Plan and the deadline for Claims relating to  
2 any rejected executory contracts and unexpired leases, (d) the deadline for filing motions for  
3 allowance of Administrative Expenses arising on or after December 17, 2000, through the  
4 Effective Date as provided in Section XI.A. hereof, and (e) the procedure to be followed for  
5 inclusion on the Post-Effective Date Limited Notice List.

6           **54. "Person"** means any individual, sole proprietorship, corporation, general  
7 partnership, limited partnership, association, joint stock company, joint venture, estate, trust,  
8 government or any political subdivision, governmental unit, official committee appointed by  
9 the United States Trustee, unofficial committee of creditors, or other entity.

10           **55. "Petition Date"** means December 17, 2000, the date the Debtors filed  
11 their petitions for relief under Chapter 11 of the Code.

12           **56. "Plan"** means this "Joint Plan of Reorganization," either in its present  
13 form or as it may be altered, amended, supplemented or modified from time to time in  
14 accordance with the Code and the Bankruptcy Rules.

15           **57. "Plan Agreement"** means any written contract, instrument, release,  
16 indenture, or other document or agreement (a) incorporated into the Plan, (b) designated as an  
17 exhibit to the Plan, or (c) entered into in connection with the Plan, which expressly states that  
18 it is intended to be a Plan Agreement, including the Estate Management Agreement. The Plan  
19 Agreements, or drafts thereof, shall be Filed on the Exhibit Filing Date. Plan Agreements  
20 which consist of contractual agreements among the signatories thereto shall not be amended  
21 or revised except as provided therefor in such agreements.

22           **58. "Plan Disbursement Account"** means a deposit account opened by the  
23 Estate Manager at an F.D.I.C. insured depository institution, interest-bearing if possible, into  
24 which shall be deposited Cash for Distribution to holders of Allowed Administrative Expenses  
25 and Allowed Claims under Section XI.B. below.

26           **59. "Post-Effective Date Claims"** means (a) the actual and necessary fees  
27 and expenses accrued on or after the Effective Date with respect to independent contractors,  
28 and Professional Persons engaged by the Estate Manager and the Committee, as set forth in

1 the Estate Management Agreement, to administer the Estate and conclude the Reorganization  
2 Cases, (b) the actual and necessary out-of-pocket expenses of the Committee, (c) any sales  
3 taxes, income taxes, franchise taxes or fees, license fees, personal property taxes, or real  
4 property taxes attributable to the Estate and accrued on or after the Effective Date, (d) all fees  
5 which accrue after the Effective Date which are payable pursuant to Section VI.E. hereof to the  
6 U.S. Trustee under 28 U.S.C. Section 1930(a)(6), and (e) all operating expenses and costs  
7 included in the Budget.

8           **60. "Post-Effective Date Limited Notice List"** means those persons listed  
9 on the Post-Effective Date Limited Notice List created pursuant to the procedures set forth in  
10 Section VI.G of this Plan.

11           **61. "Priority Claim"** means any Claim to the extent entitled to priority in  
12 payment under Sections 507(a)(3), (4) and (6) of the Code.

13           **62. "Priority Tax Claim"** means a Claim entitled to priority under section  
14 507(a)(8) of the Code, including interest, if due, and penalties to the extent in compensation  
15 for actual pecuniary loss.

16           **63. "Professional Person"** means (a) a Person retained or to be  
17 compensated pursuant to Sections 326, 327, 328, 330, 331, 503(b)(2), 1103 and/or 1107(b)  
18 of the Code, or (b) an accountant, attorney, appraiser, auctioneers, claims administrator, real  
19 estate consultant or other professional employed by the Estate Manager or the Committee on  
20 or after the Effective Date.

21           **64. "Proponents"** means the Debtors.

22           **65. "Pro Rata"** means proportionately so that the ratio of (a) the cumulative  
23 amount of all funds distributed or to be distributed on account of a particular Allowed Claim  
24 or Equity Interest to (b) the amount of such Allowed Claim or Equity Interest is the same as  
25 the ratio of (x) the cumulative amount of all funds distributed or to be distributed on account  
26 of all Allowed Claims or Equity Interests in a particular Class to (y) the amount of all Allowed  
27 Claims or Equity Interests of that Class.

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1                   **66. "Reorganization Cases"** means the cases under Chapter 11 of the Code  
2 commenced by the Debtors on the Petition Date.

3                   **67. "Reorganized Debtor"** means the substantively-consolidated Debtors as  
4 of the Effective Date and thereafter.

5                   **68. "Reorganization Law"** means (a) with respect to Natural Wonders,  
6 Sections 303 et seq. of the Delaware General Corporation Law, and (b) with respect to World  
7 of Science, Section 808 of the New York Business Corporation Law.

8                   **69. "Reserve Account"** means a deposit account, opened by the Estate  
9 Manager at an F.D.I.C. insured depository institution, interest-bearing if possible, into which  
10 shall be deposited Cash sufficient to fund the Budget.

11                   **70. "Responsible Individual"** means, until the Effective Date, Peter G.  
12 Hanelt, appointed by the Bankruptcy Court as Debtors' Responsible Individual. After the  
13 Effective Date, Responsible Individual shall mean the Estate Manager, who shall replace Peter  
14 G. Hanelt as Debtors' Responsible Individual.

15                   **71. "Retained Claims and Defenses"** means the following:

16                   a. All claims and causes of action against the current and past  
17 officers and directors of either of the Debtors not barred by applicable statutes of limitation  
18 including, without limitation, claims for breach of duty, negligence, mismanagement and  
19 excessive compensation;

20                   b. All claims, causes of action and avoidance actions against any  
21 Person, including, without limitation, all claims under Code sections 544, 546, 547, 548, 549  
22 and 550, including, without limitation, claims arising against past or present stockholders,  
23 officers, directors and executives of World of Science and/or Natural Wonders arising out of  
24 or related to receipt of funds and other benefits in connection with the September 11, 2000  
25 merger transaction pursuant to which Natural Wonders acquired all of the capital stock of  
26 World of Science;

27                   c. All claims and causes of action that the Debtors or either of them  
28 may have against former investment advisors, including, without limitation, Raymond James &

1 Associates, Raymond James Financial, Inc., Thomas James, Renaissance Capital Group, Inc.,  
2 and Michelle K. Factor;

3 d. All claims and defenses asserted by Natural Wonders involving the  
4 class action lawsuits entitled Nikken USA, Inc. v. Homedics USA, Inc., et al. pending in the  
5 United States District Court, Central District of California, Case Nos. CV-99-9606-LGM and  
6 CV-99-10549-LGB;

7 e. All freight loss claims, all theft claims, fire loss claims and  
8 damage claims at any time arising against any Person, including those arising from a fire at  
9 Natural Wonders' facility at Cool Springs, Tennessee;

10 f. All claims against landlords and former landlords of the Debtors  
11 to recover overpayments of rent, common area maintenance and other charges, including,  
12 without limitations, those claims and causes of action, set forth in Brookstone Company, Inc.  
13 et al. v. Pyramid Company, et al. filed in the U.S. District Court for the Northern District of  
14 New York, Case No. 96 CV 1215;

15 g. All claims for amounts due either of the Debtors, by any Person,  
16 including without limitation, deposit refund claims and accounts receivable claims;

17 h. All defenses, counterclaims, third party claims, offset claims,  
18 indemnity claims and coverage claims arising out of or related to any Claim against either of  
19 the Debtors, whether based on the Code or any applicable law;

20 i. All claims related to taxes, including, without limitation, tax loss  
21 carryback claims, net operating loss claims, overpayment claims, offset and counterclaims;

22 j. All claims against financial institutions and any other Person for  
23 the turnover of funds, of, or due to, the Estates;

24 k. All rights, causes of action, claims, powers, privileges and  
25 licenses of the Estates and the Debtors;

26 l. All causes of action and claims arising under the Plan, the Plan  
27 Agreements and the Code;

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1 m. All claims for coverage under any and all insurance policies of the  
2 Debtors, or either of them;

3 n. All claims and causes of action of Natural Wonders under that  
4 certain Settlement Agreement and Mutual General Release dated June 15, 1999, with John H.  
5 Kockos, dba Kockos Real Estate, David Kimmel and K&HDC; and

6 o. All warranty claims of the Debtors, or either of them.

7 **72. "Scheduled"** means set forth on the Schedules of the Debtors.

8 **73. "Schedules"** means the Schedules of Assets and Liabilities and List of  
9 Equity Security Holders Filed by the Debtors pursuant to the Bankruptcy Rules, as the same  
10 have been or may be amended from time to time before the Effective Date.

11 **74. "Unclaimed Property"** has the meaning set forth in Section XI.B.3  
12 below.

13 **75. "World of Science"** means World of Science, Inc., a New York  
14 corporation.

15 **76. "World of Science Special Counsel"** means Yamamoto Kidd LLP, or  
16 its successors.

17 **B. Interpretation, Rules Of Construction, Computation Of Time.**

18 **1. Defined Terms.**

19 Any term used in this Plan that is not defined in this Plan but that is used in the  
20 Code or Bankruptcy Rules has the meaning assigned to that term in the Code or Bankruptcy  
21 Rules, as applicable, unless the context requires otherwise.

22 **2. Rules Of Interpretation.**

23 For purposes of this Plan:

24 a. Whenever from the context it is appropriate, each term, whether  
25 stated in the singular or the plural, shall include both the singular and the plural;

26 b. Any reference to a contract, instrument, release or other  
27 agreement or document being in a particular form or on particular terms and conditions means  
28

1 that such document shall be substantially in the form or substantially on the terms and  
2 conditions as delivered and Filed on or before the date of the Confirmation Hearing;

3 c. Any reference to an existing document or exhibit Filed or to be  
4 Filed means such document or exhibit, as it may have been or may be amended, modified or  
5 supplemented through and including the Confirmation Date with the express written consent of  
6 the Proponents and all other necessary or appropriate parties;

7 d. Unless otherwise specified in a particular reference, all  
8 references to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits  
9 of or to the Plan;

10 e. The words "herein," "hereof," "hereto," "hereunder" and others of  
11 similar import refer to the Plan in its entirety rather than to only a particular portion of the  
12 Plan;

13 f. Captions and headings to Articles and Sections are inserted for  
14 convenience of reference only and are not intended to be a part of or to affect the  
15 interpretation of the Plan;

16 g. All exhibits to this Plan are incorporated herein, regardless of  
17 when those exhibits are Filed;

18 h. Wherever the terms of the Confirmation Order, the Plan or a Plan  
19 Agreement contain a specific clause regarding a particular provision, such specific clause shall  
20 control over any general provision; provided, however, that the whole of each of the  
21 Confirmation Order, the Plan and the Plan Agreements shall be taken together to give effect to  
22 every part thereof, if reasonably practicable;

23 i. The rules of construction set forth in Section 102 of the Code  
24 shall apply; and

25 j. All references in the Plan to any one of the masculine, feminine  
26 and neutral genders shall be deemed to include references to both other such genders.

27 **3. Time Periods.**  
28

1 In computing any period of time prescribed or allowed by the Plan, the  
2 provisions of Bankruptcy Rule 9006(a) shall apply. Any reference to "day" or "days" shall  
3 mean calendar days, unless otherwise specified herein.

4 **II.**

5 **DESIGNATION OF CLASSES OF CLAIMS AND EQUITY INTERESTS**

6 The following is a designation of the Classes of Claims and Equity Interests  
7 under this Plan. Claims for Administrative Expenses and Priority Tax Claims have not been  
8 classified and are excluded from the following classes in accordance with Section 1123(a)(1)  
9 of the Code. A Claim or Equity Interest is classified in a particular Class only to the extent  
10 that the Claim or Equity Interest qualifies within the description of the Class and is classified  
11 in a different Class to the extent that any remainder of the Claim or Equity Interest qualifies  
12 within the description of such different Class. A Claim or Equity Interest is in a particular  
13 Class only to the extent that the Claim or Equity Interest is an Allowed Claim or Allowed  
14 Equity Interest in that Class and has not been paid, released, or otherwise satisfied before the  
15 Effective Date. The pre-petition Allowed Claims against Debtors and the Equity Interests of  
16 the Debtors shall be divided into the following classes:

17 Class 1 - Priority Claims.

18 Class 2 - General Unsecured Claims.

19 Class 3A - Convenience Claims - Type A.

20 Class 3B - Convenience Claims - Type B.

21 Class 4 - Equity Interests.

22 Disputes regarding the proper classification of Claims not specifically  
23 classified herein shall be resolved pursuant to the procedures established by the Code and  
24 Bankruptcy Rules and other applicable law, the Bankruptcy Court, and this Plan; such  
25 resolution shall not be a condition precedent to Confirmation or consummation of this Plan.

1 **III.**

2 **TREATMENT OF CLASSES OF CLAIMS AND INTERESTS**

3 **A. Class 1 - Priority Claims.**

4 Each Priority Claim that is an Allowed Claim shall receive payment of such  
5 Claim on or as soon as practicable after the Effective Date, or on such later date as such  
6 Priority Claim becomes an Allowed Claim (or as soon as practicable thereafter).

7 **B. Class 2 - General Unsecured Claims.**

8 Each holder of a General Unsecured Claim that is an Allowed Claim shall  
9 receive a Pro Rata Distribution on account of such Claim in accordance with Article XI.  
10 Interest at the federal rate on judgments from the Effective Date shall be paid (on a Pro Rata  
11 Basis) to holders of Allowed Claims in Class 2 only after payment in full of all Allowed  
12 Claims in Class 2.

13 **C. Class 3A - Convenience Claims - Type A.**

14 Each holder of a Convenience Claim - Type A that is an Allowed Claim shall  
15 receive payment of such Claim in full on or as soon as practicable after the Effective Date, or  
16 on such later date as such Convenience Claim - Type A becomes an Allowed Claim (or as soon  
17 as practicable thereafter).

18 **D. Class 3B - Convenience Claims - Type B.**

19 Each holder of a Convenience Claim - Type B that is an Allowed Claim shall  
20 receive payment equal to fifty percent (50%) of such Allowed Claim, up to a maximum of one  
21 thousand two hundred fifty dollars (\$1,250.00), on, or as soon as practicable after the  
22 Effective Date, or on such later date as such Convenience Claim - Type B becomes an Allowed  
23 Claim (or as soon as practicable thereafter).

24 **E. Class 4 - Equity Interests.**

25 Each holder of an Allowed Equity Interest shall receive Pro Rata Distributions  
26 from Cash remaining in the Estate after payment in full of all Allowed Administrative  
27 Expenses, Allowed Priority Tax Claims, Allowed Priority Claims, Allowed General Unsecured  
28 Claims (plus interest on such Claims at the federal rate on judgments from and after the

1 Effective Date), and Allowed Convenience Claims and Post-Effective Date Claims, on account  
2 of their Allowed Equity Interests in accordance with the rights, preferences and privileges of  
3 such Allowed Equity Interests. Because World of Science is a wholly-owned subsidiary of  
4 Natural Wonders, Distributions on account of Allowed Equity Interests will be made only to  
5 Allowed Equity Interest holders in Natural Wonders.

6 **F. Unclassified - Administrative Expenses and Priority Tax Claims.**

7 Each Administrative Expense that is an Allowed Claim shall be paid in full on the  
8 later of the Effective Date (or as soon as practicable thereafter) or the date such  
9 Administrative Expense becomes an Allowed Claim (or as soon as practicable thereafter);  
10 provided, however, that Administrative Expenses representing liabilities incurred in the  
11 ordinary course of business by the Debtors shall be paid by the Estate Manager out of the  
12 Estate in accordance with the terms and conditions of any agreements relating thereto.

13 Each Priority Tax Claim that is an Allowed Claim shall be paid in full by the  
14 Estate Manager on the later of the Effective Date (or as soon as practicable thereafter) or the  
15 date such Priority Tax Claim becomes an Allowed Claim (or as soon as practicable thereafter).

16 **IV.**

17 **TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

18 **A. Rejection if Not Assumed.**

19 All executory contracts and unexpired leases not previously rejected by  
20 operation of law or by prior Final Order or by approved procedures of the Bankruptcy Court,  
21 and not expressly assumed prior to the Confirmation Date or the subject of a pending motion  
22 to assume as of the Confirmation Date, or listed in an Exhibit to the Plan filed on or before the  
23 Exhibit Filing Date as being assumed under the Plan, are rejected.

24 **B. Approval of Rejections.**

25 The Confirmation Order shall constitute an order of the Bankruptcy Court  
26 approving the rejection of the executory contracts and unexpired leases as provided for herein  
27 pursuant to Sections 365 and 1123(b)(2) of the Code, as of the Effective Date. If an executory  
28 contract under which either of the Debtors is a licensor of intellectual property (as defined in

1 Section 101(35A) of the Code) previously has been rejected or is hereby rejected, the  
2 licensee under such contract shall retain and may exercise its rights and remedies under  
3 Section 365(n) of the Code; provided, however, that nothing in this Plan or any Exhibits to the  
4 Plan shall constitute an admission by the Debtors, Reorganized Debtors, the Estates or the  
5 Estate Manager that the Debtors are a licensor of intellectual property or that Section 365(n)  
6 of the Code applies to any such contract.

7 **C. Objections to Rejection of Executory Contracts and Unexpired Leases.**

8 Any party in interest wishing to object to the rejection or assumption of an  
9 executory contract or unexpired lease identified for rejection or assumption as provided for  
10 herein or in an exhibit to the Plan filed by the Exhibit Filing Date shall, within the same  
11 deadline and in the same manner established for Filing objections to Confirmation, File and  
12 serve any objection to such rejection on the Debtors' Counsel, the Committee Counsel and the  
13 United States Trustee. Failure to File any such objection within the foregoing time period  
14 shall constitute consent to the rejection or assumption to the extent that such contract or lease  
15 is an executory contract or unexpired lease. Failure to File a timely objection shall not  
16 constitute a waiver of any claims, rights or damages which a party may hold as a result of any  
17 rejection, so long as such claims are asserted timely under Section IV.D. hereof.

18 **D. Bar Date for Rejection Damages.**

19 If the rejection of an executory contract or unexpired lease pursuant to this  
20 Article IV gives rise to a Claim by the other party or parties to such contract or lease, such  
21 Claim, to the extent that it is timely Filed and is an Allowed Claim, shall be classified in  
22 Class 2 (General Unsecured Claims); provided, however, that any General Unsecured Claim  
23 arising from an executory contract or unexpired lease rejected prior to the Effective Date or  
24 pursuant to this Plan shall not be enforceable against the Estate or the Estate Manager unless a  
25 proof of Claim is Filed and served on the Estate Manager, Debtors' Counsel, Committee  
26 Counsel, and the United States Trustee within thirty (30) days after the mailing of the Notice  
27 of Effective Date.

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**V.**

**IDENTIFICATION OF IMPAIRED AND UNIMPAIRED CLAIMS**

**A. Unimpaired Claims.**

Class 1 (Priority Claims), Class 3A (Convenience Claims - Type A) and Class 4 (Equity Interests) are unimpaired under the Plan. All unimpaired Claimants are deemed to have accepted the Plan, and will not be asked to vote to accept or reject the Plan.

**B. Impaired Claims.**

Class 2 (General Unsecured Claims) and Class 3B (Convenience Claims - Type B) are impaired by the Plan, and the holders thereof are entitled to vote to accept or reject the Plan.

**VI.**

**MEANS FOR EXECUTION AND IMPLEMENTATION OF THE PLAN**

**A. Substantive Consolidation.**

This Plan provides that the Estates of the two Debtors shall be substantively consolidated and that a motion seeking such relief will be filed and heard by the Bankruptcy Court contemporaneously with the hearing on the Disclosure Statement. Except as expressly provided in this Plan, the Debtors shall continue to maintain their separate corporate existence for all purposes other than the treatment of Claims under this Plan. Pursuant to the requested relief sought by the Debtors in the motion to substantively consolidate the Estates, and after the Effective Date (a) all Intercompany Claims will be eliminated; (b) all assets of both Estates will be merged, or treated as though they were merged, into the Reorganized Debtor; (c) any obligations of either Debtor and all guarantees thereof executed by, or joint liability of, either Debtor will be deemed to be the obligation of the Reorganized Debtor; (d) any Claims Filed or to be Filed in connection with any such obligation guaranteed, or joint liability, will be deemed one Claim against the Reorganized Debtor; (e) each and every Claim Filed or Scheduled in the individual case of either Debtor will be deemed Filed or Scheduled against the Reorganized Debtor. Furthermore, on and after the Effective Date, all Claims against either of the Debtors

1 based upon guarantees of collection, payment or performance, or joint liability of either of the  
2 Debtors, as to the obligations of the other Debtor, shall be discharged, released and of no  
3 further force and effect.

4 **B. General Provisions.**

5 1. This Plan contemplates that the Estate Manager will: liquidate all  
6 remaining assets of the Estate for the benefit of Claimants and otherwise administer the  
7 Reorganized Debtor; make prompt Distributions, and, in some cases final Distributions, to  
8 holders of Allowed Claims as of the Effective Date and thereafter as set forth in Article XI  
9 hereof; establish reasonable Cash reserves for Disputed Claims and for expenses incurred in  
10 administering the Estate after the Confirmation Date; and arrange for the orderly sale,  
11 liquidation, and collection of non-Cash assets of the Estate, including the commencement,  
12 continuation and/or settlement of the Retained Claims and Defenses.

13 2. On the Effective Date, all assets of the Estate shall remain in the Estate  
14 and shall be subject to the management, control and custody of the Estate Manager and the  
15 Committee pursuant to the terms of the Estate Management Agreement and the Plan.

16 3. On the Effective Date, the Estate Manager shall mail the Notice of  
17 Effective Date to the Limited Notice List, all required governmental agencies and all known  
18 holders of Claims against, and Equity Interests in, the Reorganized Debtor.

19 **C. Appointment and Powers of Estate Manager.**

20 1. The Estate Manager shall be Douglas C. Charboneau. His successor, if  
21 any, shall be appointed by the Committee. The Committee shall have the exclusive right to  
22 terminate the Estate Manager from his position with or without cause, upon a two-thirds vote  
23 of the Committee and upon twenty (20) days written notice, and to appoint a successor. If the  
24 Estate Manager is terminated without cause, he shall receive a severance payment of \$50,000.  
25 Any successor shall be appointed by majority vote of the Committee and approved by the  
26 Bankruptcy Court. The terminated Estate Manager shall serve until any successor has been  
27 appointed by the Bankruptcy Court.

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1           2.     On the Effective Date, all of the Estate shall be subject to the sole  
2 administration of the Estate Manager and the Committee.

3           3.     The Estate Manager shall liquidate the remaining non-Cash assets of the  
4 Estate, and shall be responsible for all Distributions to be made under or pursuant to the Plan.

5           4.     The Estate Manager shall have all the powers and duties set forth in this  
6 Plan, the Estate Management Agreement, the Plan Agreements, and under applicable law. The  
7 Estate Manager shall become, on the Effective Date of the Plan, the representative of the  
8 Estate under Sections 1123(b)(3) and 1129(a)(5) of the Code and Local Bankruptcy  
9 Rule 4002-1. On and after the Effective Date, the Estate Manager shall, together with the  
10 Committee, retain and may enforce any and all Retained Claims and Defenses.

11           5.     To the extent that the Estate Manager does not wish to administer an  
12 asset, then with (a) the consent of the Committee, or (b) an order of the Bankruptcy Court  
13 following notice and opportunity for hearing provided to Debtors Counsel, the Committee,  
14 Committee Counsel and Persons on the Post-Effective Date Limited Notice List, the Estate  
15 Manager shall be entitled to abandon the asset. Neither the Estate, the Estate Manager nor the  
16 Committee shall have any personal liability for assets abandoned in accordance with the  
17 foregoing procedure, and neither the Estate nor the Estate Manager shall have any liability or  
18 responsibility for further administering such abandoned assets or for any Claims attributable  
19 to such abandoned assets.

20           6.     The Estate Manager shall manage the Estate in a manner consistent with  
21 his sound business judgment and shall, from time to time, report his progress to the  
22 Committee. The Estate Manager shall also make himself reasonably available to address any  
23 questions or concerns by the Committee as to the Estate's administration.

24           **D.    Employment and Compensation of Estate Manager and his Professionals.**

25           The Estate Manager's compensation and permitted expenses are described in the  
26 Estate Management Agreement. From time to time after the Effective Date, the Estate  
27 Manager may employ, engage the services of, and compensate other Persons and Professional  
28 Persons (which may include professionals previously or concurrently employed by the

1 Committee or previously employed by the Debtors including, without limitation, Committee  
2 Counsel, Debtors' Counsel, World of Science Special Counsel, Committee Accountants and  
3 Debtors' Accountants), reasonably necessary to assist the Estate Manager in performing his  
4 duties under the Estate Management Agreement, and this Plan, without the necessity of further  
5 authorizations by the Bankruptcy Court, but with the consent of the Committee. The Estate  
6 shall compensate the Estate Manager's Professional Persons in accordance with the  
7 procedures set forth in the Estate Management Agreement and Article IX below.

8 **E. Plan Agreements.**

9 The Plan Agreements, and all rights, remedies, duties, compromises and  
10 obligations embodied therein, are essential to and constitute a material and integral part of this  
11 Plan; accordingly, the Plan Agreements are hereby incorporated into this Plan in their entirety  
12 by this reference as if set forth in full. Plan Agreements shall be filed by the Exhibit Filing  
13 Date. Any Plan Agreement may be modified, before or after the Effective Date, if the  
14 modification is consented to by the Committee and all the parties to such Plan Agreement so  
15 long as the Bankruptcy Court, after such notice as it deems appropriate, determines that the  
16 modification does not materially and adversely affect the rights of any Class of Claims or  
17 Equity Interests under the Plan.

18 **F. Status of the Debtors Post-Confirmation.**

19 On the Effective Date, the Estate Manager shall become the sole director and  
20 sole officer of the Reorganized Debtor and will become the Reorganized Debtor's  
21 Responsible Individual, as that term is understood under Local Bankruptcy Rule 4002-1, and  
22 other than as contemplated in the Plan: (i) Debtors shall conduct no business; and shall  
23 continue to exist only until dissolved in accordance with applicable law; (ii) Debtors shall have  
24 no employees after the Effective Date; (iii) Debtors, and the Reorganized Debtor through the  
25 Responsible Individual, shall have a duty to fully cooperate with the Committee in the  
26 performance of all its duties; (iv) pursuant to the Reorganization Law, Debtors shall be  
27 authorized to (a) wind up their affairs and dissolve, and (b) put into effect and carry out the  
28 terms of the Plan and any orders of the Bankruptcy Court entered in the Reorganization Cases,

1 without further action by their board of directors or shareholders; and (c) to the extent  
2 required under Section 1123(a)(6) of the Code, the Debtors' articles or certificates of  
3 incorporation and bylaws shall be deemed amended to prohibit the issuance by the Debtors of  
4 non-voting securities. After the Effective Date, Debtors and/or the Estate Manager may retain  
5 Debtors' Accountants, Debtors' Counsel, and World of Science Special Counsel as counsel  
6 without further order of the Bankruptcy Court. The Debtors and the Estate Manager may not  
7 retain other Professional Persons absent consent by the Committee or an order of the  
8 Bankruptcy Court. The Estate shall compensate the Debtors' and the Estate Manager's  
9 Professional Persons in accordance with the procedures set forth for all Professional Persons  
10 in the Estate Management Agreement and in Article IX below.

11 **G. Post-Effective Date Limited Notice List.**

12 Because the Limited Notice List in these Reorganization Cases is comprised of  
13 approximately 435 Persons, and because certain of such Persons may not desire to continue to  
14 receive notices after the Effective Date, the Plan provides for the establishment of a Post-  
15 Effective Date Limited Notice List. Persons on such Post-Effective Date Limited Notice List  
16 will be given certain notices and in some cases an opportunity to object to certain matters  
17 under the Plan. Any Person desiring to be included in the Post-Effective Date Limited Notice  
18 List must (1) File a request to be included on the Post-Effective Date Limited Notice List and  
19 include thereon its name, contact person, address, telephone number and facsimile number,  
20 within 30 days after the Effective Date, and (2) concurrently serve a copy of its request to be  
21 included on the Post-Effective Date Limited Notice List on Debtors' Counsel and Committee  
22 Counsel. On or before 60 days after the Effective Date, Debtors' Counsel shall compile a list  
23 of all Persons on the Post-Effective Date Limited Notice List and file such list with the  
24 Bankruptcy Court, and serve copies of such list on the Committee, Committee Counsel, World  
25 of Science Special Counsel and the Estate Manager. The Office of the U.S. Trustee, the  
26 Securities and Exchange Commission, and members of the Committee shall be automatically  
27 included on the Post-Effective Date Limited List and need not file a request to be included  
28 thereon.

1           **H. United States Trustee Fees.**

2           All unpaid fees due to the United States Trustee from the Petition Date through  
3 the calendar quarter in which the Effective Date occurs shall be paid on the Effective Date by  
4 the Estate and shall be based upon all Distributions by the Estate on or prior to the Effective  
5 Date. Commencing with the calendar quarter following the quarter in which the Effective Date  
6 occurs, the Estate Manager shall pay to the United States Trustee from the assets of the Estate  
7 such amounts as are required to be paid under 28 U.S.C. Section 1930(a)(6).

8           **I. Windup of Affiliate Affairs.**

9           The Estate Manager, as the Responsible Individual, shall be authorized, to the  
10 fullest extent permitted under the Reorganization Law, to take any and all actions that either of  
11 the Debtors, as the sole or majority shareholders of any of the Affiliates, could otherwise take  
12 under applicable nonbankruptcy law, including, without limitation, the power to elect the board  
13 of directors of any Affiliate and to appoint or remove any officer or agent of any Affiliate.  
14 The Affiliates shall be liquidated and their remaining assets converted to Cash which Cash will  
15 be Distributed under this Plan.

16           **J. Treatment of Employee Benefit Programs.**

17           As soon as practicable following the Effective Date, to the extent not otherwise  
18 accomplished prior to the Effective Date, a Plan Agreement shall specify whether the Debtors  
19 shall terminate, discontinue, transfer or otherwise modify any extant Employee Benefit  
20 Programs pursuant to the respective terms of such programs and applicable nonbankruptcy law.  
21 All rights are reserved to assert that the agreements underlying any of the Employee Benefit  
22 Programs constitute executory contracts which may be rejected pursuant to Article IV of this  
23 Plan. Any amounts recovered, realized or refunded upon the termination or other cessation of  
24 the Employee Benefit Programs, shall be distributed under the Plan Agreement according to  
25 the responsibilities undertaken by the Reorganized Debtor for an Employee Benefit Program  
26 following the Effective Date.

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1 **VII.**

2 **THE COMMITTEE**

3 **A. Survival of the Committee.**

4 The Committee shall continue after the Effective Date and shall exercise the  
5 rights and powers set forth in this Article and in the Estate Management Agreement. The  
6 Committee shall be governed by its bylaws and shall have the power to amend such bylaws in  
7 accordance with the terms of such bylaws.

8 **B. Rights, Powers and Duties of the Committee.**

9 **1. Powers of Committee, Generally.** After the Effective Date and until  
10 the Reorganization Cases are closed or dismissed, the Committee shall continue to have all  
11 the powers and duties provided under Section 1103 of the Bankruptcy Code, under the Plan and  
12 under the Estate Management Agreement. The Committee is also appointed as an additional  
13 representative of the Estate under Section 1123(b)(3) of the Code with the same powers as the  
14 Estate Manager, subject to the limitations set forth below and the limitations set forth in the  
15 Estate Management Agreement.

16 **2. Authority to Pursue Claims and Rights.** The Estate Manager, with the  
17 assistance of Debtors' Counsel, shall make the initial determination of (i) which Claims  
18 against the Estate are objectionable; (ii) whether to assert avoidance actions against any  
19 member of the Committee; (iii) defenses to any Filed reclamation claims which are not  
20 Allowed Reclamation Claims Filed by members of the Committee and (iv) whether to pursue  
21 any of the Retained Claims and Defenses, other than those assigned to the Committee, and  
22 shall pursue such actions as are required. The Committee, with the assistance of Committee  
23 Counsel, shall make the initial determination of (i) whether to assert any avoidance actions  
24 against any Person who is not a Committee member, (ii) whether to assert defenses to any  
25 reclamation claims which are not Allowed Reclamation Claims Filed by any Person who is not  
26 a Committee member, or (iii) whether to assert and pursue any of the matters described in  
27 subparts (a), (b) and (c) in the definition of Retained Claims and Defenses (Section I.A.71  
28 hereof) (the "Avoidance and Insider Claims"). The Committee may retain a law firm willing to

1 pursue the Avoidance and Insider Claims on a contingency fee basis. If the Estate Manager or  
2 Debtors' Counsel elect not to pursue any one of the Retained Claims and Defenses initially  
3 assigned to them, including but not limited to an objection to a Claim, because of a conflict of  
4 interest of Debtors' Counsel or for any other reason, the Committee may pursue such action  
5 on behalf of the Estate and the Reorganized Debtor. If the Committee or Committee Counsel  
6 elects not to pursue any one of the Retained Claims and Defenses assigned to them because of  
7 a conflict of interest of the Committee or Committee Counsel, or for any other reason, the  
8 Estate Manager and Debtors' Counsel may pursue such action on behalf of the Estate and the  
9 Reorganized Debtor. If neither Debtors' Counsel nor Committee Counsel pursue a given  
10 matter due to conflicts of interest or because of the expense of hiring such counsel on a non-  
11 contingent fee basis, then either the Committee (on behalf of the Estate) or the Estate  
12 Manager, (on behalf of the Estate, and with the Committee's consent), may employ an  
13 independent Professional Person as special counsel for that purpose, to pursue such matter.  
14 The Committee and Committee Counsel shall be precluded from asserting any Retained Claim  
15 or Defense against or objecting to a Claim of a member of the Committee, and if the  
16 Committee is required to deliberate about such a matter, the member involved shall be  
17 excluded from deliberations regarding such matter. To implement this Plan, either Debtors'  
18 Counsel, World of Science Special Counsel or Committee Counsel may represent the Estate  
19 Manager and/or the Committee with respect to any Retained Claims or Defenses or any other  
20 matter on behalf of the Estate or the Reorganized Debtor, but the parties and their Professional  
21 Persons shall exercise reasonable care and best efforts to avoid duplication of services and  
22 expenses. In furtherance of the foregoing, both the Committee and the Estate Manager are  
23 hereby appointed under Code § 1123(b)(3) as representatives of the Estate and of the  
24 Reorganized Debtor.

25 **3. Powers of Committee Over Estate Manager.** The Committee shall  
26 have the power to (a) monitor and supervise the Estate Manager; (b) remove the Estate  
27 Manager, with or without cause after proper notice; (c) appoint a replacement Estate Manager;  
28 (d) in the event of a breach by the Estate Manager, take such action as the Committee deems

1 necessary to protect the interests of the Estate, all as more specifically detailed and on the  
2 terms and conditions set forth in the Estate Management Agreement.

3           **4. Other.** The powers, rights and duties of the Committee, as described in  
4 the Estate Management Agreement, apply as though fully set forth herein.

5           **C. Employment and Compensation of Committee and its Professionals.**

6           **1.** The Committee may continue to retain Committee Counsel and  
7 Committee Accountants to assist and advise it. Additionally, the Committee may retain such  
8 other Professionals Persons as reasonably necessary without Bankruptcy Court approval. The  
9 Estate shall compensate the Committee's Professional Persons in accordance with the  
10 procedures set forth in the Estate Management Agreement and Article IX below.

11           **2.** Committee members shall serve without compensation, but shall be  
12 entitled to reimbursement of their reasonable and necessary out of pocket expenses.  
13 Committee members shall submit a detailed invoice to the Estate Manager, which invoice shall  
14 be paid within thirty (30) days of the submission thereof. If the Estate Manager objects to a  
15 portion of the invoice, the Estate Manager shall timely pay the undisputed portion of the  
16 invoice and shall reserve monies in the amount of the disputed invoice pending resolution of  
17 the objection by (i) written agreement between the member submitting the invoice and the  
18 Estate Manager, or (ii) resolution of the disputed amount by the Bankruptcy Court pursuant to  
19 a Final Order.

20           **3.** The Estate Manager shall honor all agreements made by the Committee  
21 with its Professional Persons for the payment of professional fees and expenses, including  
22 advanced retainers. Professionals employed by the Committee, including Committee Counsel,  
23 shall be entitled to payment for their services and expenses in accordance with Article IX  
24 below.

25           **D. Limitation of Liability.**

26           All actions by the Committee as contemplated in the Plan or otherwise in the  
27 administration of the Reorganization Cases shall be conclusively deemed to be actions within  
28 the scope of Section 1103(c) of the Bankruptcy Code. Except as otherwise provided by

1 applicable law, neither the Committee nor its members, agents or professionals shall be liable  
2 to any Person for any act taken or omitted by it or them, and the Committee and its members,  
3 agents and professionals may, in good faith, exercise or refrain from exercising any right, duty,  
4 obligation or power. In addition, except as provided under applicable law, neither the  
5 Committee nor any of its members shall be liable for the acts or omissions of any Estate  
6 Manager, any Person employed by the Estate Manager or the Debtors, any other Claimant, or  
7 any of the Debtors' officers, directors, employees, agents or professionals.

8 **E. Indemnification.**

9 The Estate Management Agreement provides certain indemnities to the  
10 Committee and its members, arising out of the Committee's and its members' duties or role  
11 under the Plan, the Estate Management Agreement and Sections 1102, 1103 and 1123 of the  
12 Code.

13 **F. Termination of Committee.**

14 The Committee shall be dissolved and its members discharged upon entry of  
15 final decrees in the Reorganization Cases, and all remaining fees and expenses of Professional  
16 Persons retained by the Committee shall have been paid in full or otherwise disallowed by  
17 Final Order of the Bankruptcy Court.

18 **VIII.**

19 **NOTICE TO CREDITORS AND OTHER INTERESTED PARTIES**

20 At such time as the Estate Manager or the Committee proposes to enter into an  
21 agreement, settlement, compromise, sale, assignment or adjustment or otherwise take an  
22 action on behalf of the Estate, the Estate Manager or the Committee, as the case may be,  
23 proposing such action shall transmit only to the other and its counsel and to the Post-Effective  
24 Date Limited Notice List a written notice setting forth the proposed action with copies of all  
25 pertinent documentation, and the recipient of such notice shall have ten (10) calendar days to  
26 transmit a written objection thereto. If a written objection is timely made and the Estate  
27 Manager and the Committee and the objecting party are unable promptly to resolve the dispute,  
28 such matter shall be presented to the Bankruptcy Court as a matter for resolution. Absent

1 timely objection, a proposed agreement, settlement, compromise, sale, assignment,  
2 adjustment or other action shall be binding on the Estate and the Reorganized Debtor without  
3 the necessity for approval by the Bankruptcy Court; provided, however, the Estate Manager and  
4 the Committee may, in their respective discretion, seek Bankruptcy Court approval of any  
5 matter.

## 6 **IX.**

### 7 **COMPENSATION AND REIMBURSEMENT OF PROFESSIONAL PERSONS.**

#### 8 **A. Pre-Effective Date Compensation.**

9 All Professional Persons requesting compensation or reimbursement of  
10 expenses under Section 327, 328, 330, 331, 503(b)(2), 1103 and/or 1107(b) of the Code for  
11 services rendered before the Effective Date, and for costs and expenses incurred after the  
12 Effective Date in preparing and presenting such requests for compensation and reimbursement  
13 of expenses, except to the extent otherwise ordered by the Bankruptcy Court, shall file and  
14 serve on Debtors' Counsel, Committee Counsel, the Estate Manager and the United States  
15 Trustee an Application for Final Allowance of Compensation and Expenses (collectively, the  
16 "Final Fee Applications") no later than thirty (30) days after the Effective Date of the Plan.  
17 The Estate Manager shall prepare a notice of the Final Fee Applications and obtain from the  
18 Bankruptcy Court a hearing date for the Final Fee Applications and a date by which all  
19 objections to Final Fee Applications must be filed and served. Notice of Final Fee  
20 Applications, the hearing date on the Final Fee Applications and the last date to object to Final  
21 Fee Applications will be filed and served on the United States Trustee, persons on the Post-  
22 Effective Date Limited Notice List and all Professional Persons who file Final Fee  
23 Applications.

#### 24 **B. Post-Effective Date Compensation.**

25 Professional Persons retained by the Reorganized Debtor, the Estate Manager  
26 and/or the Committee shall be entitled to payment of their post-Effective Date fees and  
27 reimbursement of expenses on a monthly basis. Professional Persons shall mail or deliver a  
28 detailed statement of unpaid fees and expenses to the Estate Manager, the Debtors' Counsel,

1 the Committee Counsel and a summary statement to Persons on the Post-Effective Date  
2 Limited Notice List. If there is no objection to the requested fees and expenses within  
3 ten (10) calendar days of mailing of the detailed statement, the Estate Manager shall promptly  
4 pay the requested amount in full. If any party objects to any portion of the fees or expenses  
5 submitted by any Professional Person, the Estate Manager shall pay the undisputed portion of  
6 such fees and expenses and shall reserve the amount of the disputed fees and expenses pending  
7 resolution of said objection by (i) agreement between the party requesting such fees and  
8 expenses and the disputing party, or (ii) resolution of the disputed amount by the Bankruptcy  
9 Court pursuant to a Final Order. Professional Persons shall not otherwise be required to file  
10 formal applications for Bankruptcy Court approval of post-Effective Date fees and expenses.

## 11 X.

### 12 EFFECT OF CONFIRMATION AND INJUNCTION

#### 13 A. Binding Effect of Plan.

14 The provisions of this Plan and Plan Agreements shall bind the Debtors, the  
15 Committee, the Estate Manager, and any successor or assign, including a Chapter 7 or  
16 Chapter 11 trustee; and shall bind any Person asserting a Claim against the Debtors, and any  
17 Person asserting an Equity Interest in the Debtors, whether or not the Claim or Equity Interest  
18 of such Person arose before or after the Petition Date or the Effective Date, whether or not  
19 the Claim or Equity Interest is impaired under the Plan, and whether or not such Person has  
20 accepted the Plan. Except as provided for in the Plan, all property of the Estate is free and  
21 clear of all Claims and Equity Interests (including Post-Effective Date Claims).  
22 Notwithstanding the foregoing, nothing provided in this Plan shall be deemed to have granted a  
23 discharge to the Debtors.

#### 24 B. Injunction.

25 Except as otherwise provided in the Plan or the Confirmation Order, on and after  
26 the Effective Date, all Persons who have held, currently hold or may hold a Claim or Equity  
27 Interest (including Post-Effective Date Claims) treated or provided for pursuant to the Plan are  
28 permanently enjoined from taking any of the following actions on account of such Claim or

1 Equity Interest: (i) commencing or continuing, in any manner and in any place, any action or  
2 proceeding against the Estate, the Estate Manager, Professional Persons or the Committee  
3 without leave of the Bankruptcy Court; (ii) enforcing, attaching, collecting, or recovering in  
4 any manner any judgment, award, decree or other order against the Estates, the Estate Manager,  
5 Professional Persons or the Committee without leave of the Bankruptcy Court; (iii) creating,  
6 perfecting or enforcing any lien against property of the Estate without leave of the Bankruptcy  
7 Court; (iv) taking any action to obtain possession of property of the Estate or to obtain  
8 possession of property from the Estates or to exercise control over the Estate or property of  
9 the Estate; and (v) commencing or continuing any action or proceeding, in any manner and in  
10 any place, that does not comply with or is inconsistent with the provisions of the Plan. Any  
11 Person injured by any willful violation of such injunction shall be entitled to recover actual  
12 damages, including costs and professional fees and, in appropriate circumstances, punitive  
13 damages from the willful violator.

## 14 **XI.**

### 15 **DISTRIBUTIONS AND OBJECTIONS**

#### 16 **A. Objections to Claims.**

##### 17 **1. Claims Objection Deadline.**

18 The date of April 23, 2001 was previously set by the Bankruptcy Court as the  
19 deadline for filing proofs of claim in the Reorganization Cases. The deadline for filing a  
20 request for payment of any Administrative Expense shall be the thirtieth (30th) day after the  
21 Effective Date of the Plan. The deadline for objecting to Claims shall be one hundred  
22 twenty (120) days from the Effective Date of the Plan, unless the holder of the Claim is a  
23 debtor under any Chapter of the Code in which event the deadline shall be one hundred  
24 twenty (120) days after the Estate Manager or the Committee obtains relief from stay or other  
25 relief which will permit the filing of an objection to such Claim.

##### 26 **2. Authority.**

27 The Estate Manager initially shall be responsible for examining Claims and for  
28 Filing and resolving objections to Claims in all instances in which objections have not been

1 filed by either of the Debtors or the Committee prior to the Effective Date and in accordance  
2 with other provisions of the Plan. As to objections Filed by either of the Debtors prior to the  
3 Effective Date but not resolved or determined by the Effective Date, the Estate Manager and  
4 the Committee shall be vested on the Effective Date with all authority of the Debtors and the  
5 Reorganized Debtor, and as the representative of the Estate under Section 1123(b)(3) of the  
6 Code, with respect to such objections and the Retained Claims and Defenses as set forth in  
7 Section VII B.2 of this Plan. The Estate Management Agreement sets forth further details  
8 regarding the role of the Estate Manager and the Committee in connection with Claims.

9 **B. Method Of Distribution Under The Plan.**

10 **1. Generally.**

11 Cash Distributions shall be made by the Estate Manager.

12 **2. Manner Of Payment Under The Plan.**

13 The Estate Manager shall act as the Disbursing Agent under this Plan. Any  
14 payments of Cash made by the Estate Manager on account of Allowed Administrative  
15 Expenses, Allowed Priority Tax Claims, and Allowed Claims pursuant to the Plan may be made  
16 either by check or by wire transfer, at the option of the Estate Manager, and drawn on or from  
17 the Plan Disbursement Account.

18 **3. Distribution Of Unclaimed Property.**

19 Except as provided in the Plan, any Distribution of Cash under the Plan which is  
20 unclaimed ("Unclaimed Property") shall be deposited into the Disputed Claims Reserve  
21 Account to be held in trust solely for the benefit of the holders of Allowed Claims entitled  
22 thereto under the terms of the Plan. Upon presentation of proper proof by a Claimant entitled  
23 to such Unclaimed Property, the Unclaimed Property due the Claimant shall be released from  
24 the Disputed Claims Reserve Account and paid to such Claimant.

25 Notwithstanding the foregoing, upon the later of one (1) year after the Effective  
26 Date or six (6) months after the unclaimed Distribution is initially made, Claimants shall cease  
27 to be entitled to the Unclaimed Property in which they previously had an interest, and such  
28 Unclaimed Property shall then be transferred to the Plan Disbursement Account and

1 distributed in the same manner as other Cash Distributions, and the Claimant to whom such  
2 Unclaimed Property was delivered shall forever be removed as the holder of an Allowed Claim  
3 against the Estate.

4 **4. De Minimis Distributions.**

5 No Cash payment of less than twenty dollars (\$20.00) shall be made by the  
6 Estate Manager to any holder of an Allowed Claim unless a request therefor is made in writing  
7 to the Estate Manager.

8 **5. Accounts.**

9 After Confirmation and no later than the Effective Date, the Estate Manager  
10 shall promptly establish three or more accounts. One of the accounts shall be identified as the  
11 Plan Disbursement Account, and another shall be identified as the Disputed Claims Reserve  
12 Account. Also, on the Effective Date, and from time to time thereafter as Gross Proceeds are  
13 received, the Estate Manager shall establish and fund a Reserve Account into which Cash shall  
14 be on deposit sufficient to fund the Budget. On the Effective Date, the Estate Manager shall  
15 allocate Cash on Hand among these accounts in such amounts as is necessary to first make the  
16 Distributions required in Sections (a)(1) and (a)(2) below and thereafter, if Cash is available, to  
17 make the Distributions required in Sections (b)(1), (b)(2) and (c) below.

18 a. **Initial Distribution.**

19 (1) Allowed Administrative Expenses, Allowed Priority Tax  
20 Claims and Allowed Claims in Class 1, and Classes 3A and 3B.

21 On or as soon as practicable after the Effective Date, the Estate  
22 Manager shall transfer a portion of the Cash on Hand to the Plan Disbursement Account  
23 sufficient to satisfy (i) all Allowed Administrative Expenses, (ii) all Allowed Priority Tax  
24 Claims, and (iii) all Allowed Claims in Classes 1, 3A and 3B. Said Allowed Administrative  
25 Expenses, Allowed Priority Tax Claims and Allowed Claims shall be paid by the Estate  
26 Manager from the Plan Disbursement Account on the Effective Date or as soon as practicable  
27 thereafter and consistent with the Plan.

28 (2) Disputed Claims Reserve.

1 On the Effective Date and from time-to-time as further  
2 Distributions are made, the Estate Manager shall deposit into the Disputed Claims Reserve  
3 Account Distributions for any Disputed Administrative Expenses and Disputed Priority Tax  
4 Claims, or Disputed Claims based on the assumption that all such disputed items will be  
5 allowed in full, unless the Bankruptcy Court shall estimate that a smaller reserve is sufficient  
6 (the "Disputed Claims Reserve"). Any Claimant whose Claim is so estimated shall have  
7 recourse only to the reserve established for such Claimant's Disputed Claim, and not to the  
8 Reorganized Debtor or any person receiving property or Distributions under the Plan should  
9 the Allowed Claim of such Claimant exceed the maximum estimation of such Claim. THUS,  
10 THE BANKRUPTCY COURT'S ESTIMATION OF A DISPUTED CLAIM WILL LIMIT THE  
11 DISTRIBUTION TO BE MADE THEREON, REGARDLESS OF THE AMOUNT FINALLY  
12 ALLOWED ON ACCOUNT OF SUCH CLAIM.

13 (3) Class 4 Claims Excluded from Disputed Claims Reserve  
14 Account.

15 As set forth in Article III above, holders of Allowed Claims in  
16 Class 4 shall only receive payment if and when all other Allowed Claims, Administrative  
17 Expenses, Priority Tax Claims and Post-Effective Date Claims have been paid in full, and  
18 interest has been paid to the holders of Allowed General Unsecured Claims in Class 2.  
19 Therefore, the Estate Manager shall not make any deposits into the Disputed Claims Reserve  
20 Account for any Disputed Equity Interests.

21 b. Additional Distributions.

22 (1) Interim Distributions On Allowed General Unsecured  
23 Claims In Class 2.

24 After notice to the Committee, the Estate Manager shall make  
25 interim Pro Rata Distributions to holders of Allowed Claims in Class 2 whenever Two Million  
26 Dollars (\$2,000,000) or more of Gross Proceeds is available for Distribution to that Class, or  
27 such other amount as agreed to by and between the Estate Manager and the Committee.  
28 Pursuant to the notice procedure set forth in Article VIII, the Committee or the Estate

1 Manager shall have standing to cause there to be made Pro Rata Distributions on Allowed  
2 Claims in Class 2 even if Gross Proceeds available for such Distributions are less than Two  
3 Million Dollars (\$2,000,000). It is anticipated that an initial interim Pro Rata Distribution to  
4 holders of Allowed Claims in Class 2 in at least the aggregate amount of Two Million Dollars  
5 (\$2,000,000) will be made prior to the end of calendar year 2001.

6 Periodically, until the Disputed Claims Reserve Account has been  
7 fully disbursed or released, the Estate Manager shall recalculate the Distributions due the  
8 holders of Allowed Claims, taking into account the resolution of Disputed Claims. If  
9 authorized pursuant to the notice procedure set forth in Article VIII of the Plan, such surplus  
10 property in the Disputed Claims Reserve Account as is not necessary to pay either holders of  
11 Allowed Claims who have failed to claim their Distributions or holders of Disputed Claims  
12 whose Claims have been disallowed by a Final Order or withdrawn, in whole or in part, shall  
13 first be made available to fund (i) Pro Rata Distributions to the holders of Allowed Claims in  
14 Class 2, and (ii) reserves for Pro Rata Distributions to the holders of the remaining Disputed  
15 Claims in Class 2, based on the assumption that said Disputed Claims will be allowed in full,  
16 unless the Bankruptcy Court shall estimate that a smaller reserve is sufficient.

17 (2) Distributions On Disputed Claims Which Become Allowed  
18 Claims.

19 If a Disputed Administrative Expense, Disputed Priority Tax Claim  
20 or Disputed Claim becomes an Allowed Claim in whole or in part, then within sixty (60) days  
21 following the allowance of the Administrative Expense, Priority Tax Claim or Claim by Final  
22 Order (or within such extended period, as may be provided by the Plan), the Estate Manager  
23 shall distribute to the Claimant, out of the Disputed Claims Reserve Account, an amount equal  
24 to that which such Claimant would have been entitled as Distribution pursuant to the terms of  
25 Section XI.B. above, without interest, and any subsequent Distributions made to holders of  
26 such Claims pursuant to Section XI.B. above.

27

28

1 c. Final Distribution of Cash.

2 After (i) all Post-Effective Date Claims, Disputed Administrative  
3 Expenses, Disputed Priority Tax Claims and Disputed Claims are either allowed or disallowed  
4 pursuant to a Final Order, and (ii) all Post-Effective Date Claims, Allowed Administrative  
5 Expenses and Allowed Claims in Classes 1, 3A and 3B are paid or satisfied in full according to  
6 the terms of this Plan, the Estate Manager shall make a final determination of surplus property,  
7 taking into account the resolution of Disputed Claims, taxes incurred but not yet paid or  
8 expected to be incurred, Professional Persons fees and expenses, Distributions previously  
9 held as Unclaimed Property, and all interest earned on the Cash maintained in the Disputed  
10 Claims Reserve Account not applied to reimburse the Estate Manager for his costs and  
11 expenses pursuant to this Plan. All such surplus property shall be distributed Pro Rata to  
12 holders of Class 2 Allowed Claims according to the terms of Article III.B, until they are paid  
13 in full with interest, and thereafter Pro Rata to holders of Allowed Claims in Class 4 until they  
14 are paid in full.

15 Any Cash received by the Estate Manager after the final  
16 Distribution shall be distributed pursuant to the Plan; provided, however, that if the expenses of  
17 such a Distribution would exceed the amount to be distributed, the Distribution shall not be  
18 made and said Cash shall be disposed of at the discretion of the Committee and the Estate  
19 Manager.

20 d. If the Estate, or the holder of an Allowed Claim, obtains a  
21 recovery from an insurer for its Allowed Claim, that recovery shall be treated the same as a  
22 Distribution on account of said Allowed Claim. If the holder of such Allowed Claim has  
23 previously received a Distribution on account of its Allowed Claim, said Distribution shall be  
24 credited against the amount of the Allowed Claim and to the extent the recovery plus the prior  
25 Distribution exceeds the Allowed Claim, said surplus shall be retained by the Estate or, if held  
26 by the Claimant, turned over to the Estate.

27

28





1 **XIV.**

2 **RETENTION OF RIGHTS, CLAIMS AND CAUSES OF ACTION**

3 The Estates and the Reorganized Debtor retain all Retained Claims and  
4 Defenses. Also expressly retained are all of the claims, causes of action, defenses,  
5 counterclaims, offset and recoupment rights of the Estates, either Debtor, or the Reorganized  
6 Debtor against any Person whether or not particularly disclosed in the Disclosure Statement, it  
7 being the intent expressly provided in this Plan and the Debtors will request that the  
8 Confirmation Order include findings of fact and a judicial determination that the requirements  
9 have been satisfied of In re Heritage Hotel, (9th Cir. BAP 1993) 160 B.R. 374, 377, affd., (9th  
10 Cir. 1995) 59 F.3d 175, and that all claims and causes of action held by the Debtors are  
11 retained and shall not be barred under the principles of res judicata, and will not be waived by  
12 reason of estoppel, judicial estoppel or res judicata.

13 **XV.**

14 **AMENDMENT AND INTERPRETATION OF THE PLAN**

15 **A. Amendment.**

16 This Plan may be altered, amended, or modified by the Debtors before or after  
17 the Confirmation Date in the manner provided by Section 1127 of the Code. A holder of a  
18 Claim that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as  
19 the case may be, the Plan as modified, unless within the time fixed by the Bankruptcy Court,  
20 such holder changes its previous acceptance or rejection.

21 **B. Severability.**

22 Should any term or provision of the Plan be determined to be unenforceable,  
23 such determination shall in no way limit or affect the enforceability and operative effect of any  
24 other term or provision of the Plan.

25 **C. Conditions Precedent.**

26 This Plan shall be of no force and effect until the Confirmation Order shall have  
27 been entered by the Bankruptcy Court.

28

1           **D. Notice.**

2           All notices required or permitted to be made in accordance with the Plan shall  
3 be in writing and shall be delivered personally, by a facsimile, or by first class mail, as  
4 follows:

5 If to the Debtor:                           Michael H. Ahrens, Esq.  
6   Geraldine A. Freeman, Esq.  
7   Sheppard Mullin Richter & Hampton <sup>LLP</sup>  
8   4 Embarcadero Center, 17th Floor  
9   San Francisco, CA 94111  
10    Telephone: (415) 434-9100  
11    Facsimile: (415) 434-3947

9 If to the Estate Manager:               Douglas C. Charboneau  
10   308 S. Rankin  
11   Natchez, MS 39120  
12   Telephone: (612) 743-5250  
13   Facsimile: (503) 218-7689

12 If to the Committee:                   Margaret Sheneman, Esq.  
13   J. Craig Gilliland, Esq.  
14   Murphy, Sheneman, Julian & Rogers  
15   101 California Street, 39th Floor  
16   San Francisco, CA 94111  
17   Telephone: (415) 398-4700  
18   Facsimile: (415) 421-7879

16 With copy to:                           John Nash, Chairman of the Committee  
17   Celestron International  
18   2889 Commerce Parkway  
19   Miramar, FL 33025  
20   Telephone: (954) 252-3600  
21   Facsimile: (954) 252-3701

19 With copy to:                           F. Wayne Elggren  
20   Nielson Elggren LLP  
21   230 S. 500 East, Suite 425  
22   Salt Lake City, UT 84102  
23   Telephone: (801) 519-4621  
24   Facsimile: (801) 534-0400

23 If notice is required to a holder of an Allowed Claim, then notice shall be given at the address  
24 set forth in its proof of Claim Filed with the Bankruptcy Court, or if none, at the address set  
25 forth in the Schedules. Notice shall be deemed given when delivered or mailed. Any Person  
26 may change the address at which such Person is to receive notices under the Plan by sending  
27 written notice, pursuant to the provisions of this Section, to the Person to be charged with  
28 knowledge of such change and by Filing such notice with the Bankruptcy Court.

1 \_\_\_\_\_, 2001

2

3 PLAN PROPOSED BY:

4 NATURAL WONDERS, INC.

5

6 By:

7 \_\_\_\_\_  
8 Peter G. Hanelt, President and  
9 Responsible Individual

10 WORLD OF SCIENCE, INC.

11

12

13 By:

14 \_\_\_\_\_  
15 Peter G. Hanelt, President  
16 Responsible Individual

17

18

19 PRESENTED BY:

20

21

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

22

23

By

24

\_\_\_\_\_  
MICHAEL H. AHRENS  
GERALDINE A. FREEMAN  
Attorneys for Debtors and Debtors-in-Possession,  
NATURAL WONDERS, INC. and  
WORLD OF SCIENCE, INC.

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EXHIBIT 1  
Estate Management Agreement

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PLAN EXHIBITS

"1" - Estate Management Agreement - [Attached]