

IN THE UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF ALABAMA
SOUTHERN DIVISION

IN RE:

SMALL LOANS, INC., et al¹

Debtor.

)
)
) Chapter 11
)
) Case No.: 11-12254 (WRS)
)
)

DEBTORS' PLAN OF REORGANIZATION

Small Loans, Inc., The Money Tree Inc., The Money Tree of Georgia Inc., The Money Tree of Florida Inc., and The Money Tree of Louisiana, Inc., the debtors and debtors-in-possession in this bankruptcy case under Chapter 11 of the Bankruptcy Code, proposes this Plan of Reorganization ("Plan"). Reference is made to the Joint Disclosure Statement filed by the Debtors in the jointly administered bankruptcy cases (the "Disclosure Statement") for a discussion of the Debtors' history and results of operations. All creditors and interest holders are encouraged to consult the Disclosure Statement prior to voting on the Plan.

I.
DEFINITIONS AND RULES OF CONSTRUCTION

A. **DEFINITIONS.**

In addition to such other terms as are defined in other Sections of this Plan, the following terms (which appear in this Plan as capitalized terms) have the following meanings as used in this Plan.

¹ The related Debtors along with the last four digits of each Debtors' federal tax identification number and respective case numbers are Small Loans, Inc. (3224) Case No. 11-12254, The Money Tree Inc. (1386) Case No. 11-12255, The Money Tree of Georgia Inc. (9228) Case No. 11-12258, The Money Tree of Florida Inc. (5315) Case No. 11-12257, and The Money Tree of Louisiana, Inc. (2592) Case No. 11-12256. Case information and the Debtors' respective addresses can be found at the dedicated website for these cases: <http://www.kccllc.net/SmallLoansInc>.

1. "Administrative Claim" means a claim for costs and expenses of administration of the Reorganization Case under section 503(b) of the Bankruptcy Code entitled to priority pursuant to section 507(a)(1) of the Bankruptcy Code.

2. "Affiliate" means with regard to any Person, (a) any Person, directly or indirectly, controlled by, under common control of, or controlling such Person; (b) any subsidiary of such Person or any parent entity of such Person; (c) any Person, directly or indirectly, in which such Person holds, of record or beneficially, ten percent (10%) or more of the equity or voting securities, membership interests or partnership interests; (d) any Person which holds, directly or indirectly, of record or beneficially, ten percent (10%) or more of the equity or voting securities, membership interests or partnership interests of such Person; (e) any Person that, through contract, relationship or otherwise, exerts a substantial influence on the management of such Person's affairs; or (f) any Person that, through contract, relationship or otherwise, is influenced substantially in the management of its affairs by such Person.

3. "Allowed Administrative Claim" means all or that portion of an Administrative Claim which has been allowed pursuant to a Final Order of the Bankruptcy Court.

4. "Allowed Claim" or "Allowed Interest" means, respectively, except as otherwise allowed or provided for in the Plan or a Final Order of the Bankruptcy Court, a Claim or a Partnership Interest, proof of which was timely and properly Filed or, if no proof of claim or proof of interest was filed, which has been or hereafter is listed by the Debtor on its Schedules as liquidated in amount and not disputed or contingent, and, in either case, as to which:

(a) no objection to the allowance thereof has been interposed on or before the later of: (i) the sixtieth (60th) day after the Effective Date, or (ii) the thirtieth (30th) day after

proof of such Claim or Partnership Interest is filed, or (iii) such other applicable period for objection as may be fixed or extended by the Bankruptcy Court; or

(b) any objection thereto has been determined by a Final Order to the extent such objection is determined in favor of the respective holder.

Unless otherwise specified herein or by order of the Bankruptcy Court, an "Allowed Claim" shall not include any interest, fees, costs or other charges on such Claim accruing after the Petition Date.

5. "Avoidance Actions" means all of the Debtors' and the Estates' rights and claims under sections 541 through 553 of the Bankruptcy Code, inclusive, or under any similar or related state or federal statute or common law, whether or not an action is initiated on or before the Effective Date.

6. "Bankruptcy Court" means the United States Bankruptcy Court for the Middle District of Alabama, or, in the event such court ceases to exercise jurisdiction over the Reorganization Case, such court or adjunct thereof that exercises jurisdiction over the Reorganization Case in lieu of the United States Bankruptcy Court for the Middle District of Alabama.

7. "Bankruptcy Rules" means collectively, the (a) Federal Rules of Bankruptcy Procedure, and (b) Local Rules of the Bankruptcy Court, as applicable from time to time in the Reorganization Case.

8. "Cash" means cash or cash equivalents.

9. "Claim" shall have the meaning set forth in section 101(5) of the Bankruptcy Code

10. "Causes of Action" means all Claims and causes of action held by the Estates immediately prior to the Effective Date, including, but not limited to, any and all Claims,

obligations, rights, suits, damages, causes of action, remedies and liabilities, whatsoever, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, whether arising under any contract or under the Bankruptcy Code or other federal, state or other non-bankruptcy law, including, without limitation, any causes of action set forth in this Plan or the Disclosure Statement and any Exhibit thereto and Avoidance Actions, but excluding Claims and causes of action and related recoveries expressly released, exculpated or waived pursuant to this Plan.

11. "Confirmation Date" means the date on which the Confirmation Order is entered by the Bankruptcy Court.

12. "Confirmation Hearing" means the hearing held pursuant to section 1128(a) of the Bankruptcy Code at which the Bankruptcy Court considers confirmation of the Plan, including any continuances thereof.

13. "Confirmation Order" means the order of the Bankruptcy Court entered following the Confirmation Hearing that confirms the Plan.

14. "Creditor Initial Payment" means the FIVE MILLION DOLLARS (\$5,000,000) paid on the Effective Date to the Liquidating Trust for the benefit of the Creditors of the Estates.

15. "Creditor's Promissory Note" means the TEN MILLION DOLLAR (\$10,000,000) note to be issued by the Debtors as co-makers to the Liquidating Trust which note shall bear interest at the rate of five percent (5%) per annum and shall be payable as follows: (1) Interest payable monthly commencing thirty (30) days after the Effective Date; and (2) commencing twenty-four (24) months after the Effective Date payments calculated to pay the then due balance in ninety-six (96) equal monthly installments.

16. "Debtors" means, collectively, Small Loans, Inc., The Money Tree Inc., The Money Tree of Georgia Inc., The Money Tree of Florida Inc., and The Money Tree of Louisiana, Inc.

17. "Debtors-in-Possession" means the Debtors between the Petition Date and the Effective Date when acting in the capacity of representative of Estates in the Reorganization Case.

18. "Disallowed Claim" means (a) a Claim, or any portion thereof, that has been disallowed by a Final Order or a settlement, (b) a Claim or any portion thereof that is Scheduled at zero or as contingent, disputed, or unliquidated and as to which a proof of claim bar date has been established but no proof of claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law, or (c) a Claim or any portion thereof that is not Scheduled and as to which a proof of claim bar date has been established but no proof of claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law.

19. "Disclosure Statement" means the Joint Disclosure Statement for the Debtors in the jointly administered bankruptcy cases to accompany the Plan, as modified or amended, filed with the Bankruptcy Court.

20. "Disputed Claim" and "Disputed Interest", mean any Claim or Partnership Interest, that is neither an Allowed Claim nor a Disallowed Claim, or an Allowed Interest nor a Disallowed Interest, as the case may be.

21. "Effective Date" shall have the meaning ascribed to it in Section VI.A hereof.

22. "Estates" means the estates created in the Reorganization Case for each Debtor under section 541 of the Bankruptcy Code.

23. "Equity Interest Transaction" means the transaction whereby the Equity Interest Buyer will acquire the Equity Interests of each of the Debtors.

24. "File" or "Filed" means properly and timely filed with the Bankruptcy Court in the Reorganization Case, as reflected on the official docket of the Court for the Reorganization Case and served on Persons, as such filing and service are required pursuant to the Bankruptcy Code, Bankruptcy Rules and/or Order of the Court.

25. "Final Order" means an order or judgment of the Bankruptcy Court or other applicable court as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for reargument or rehearing shall then be pending or as to which any right to appeal, petition for certiorari, reargue, or rehear shall have been waived in writing in form and substance satisfactory to the Debtor or, in the event that an appeal, writ of certiorari, or reargument or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court or other applicable court shall have been affirmed by the highest court to which such order or judgment was appealed, or certiorari has been denied, or from which reargument or rehearing was sought, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired, with no further appeal, petition for certiorari or motion for reargument or rehearing pending; provided however that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed relating to such order or judgment shall not cause such order or judgment to not be a Final Order.

26. "General Unsecured Claim" means the Unsecured Claims other than TMT Subordinated Debt, TMG Subordinated Debt and Intercompany Claims.

27. "Intercompany Debt" means any debt due by one or more Debtors to an Affiliate.

28. "Liquidating Trust" means the Trust to be established under Alabama law on the Effective Date to hold and administer the Reserved Actions, the Creditor Promissory Note and the Creditor Initial Payment.

29. "Liquidating Trust Agreement" means the Liquidating Trust Agreement substantially in the form of Exhibit "A" attached hereto to be executed by the Debtors

30. "Liquidating Trustee" means the individual or entity designated pursuant to this Plan to act as trustee of the Liquidating Trust.

31. "Petition Date" means December 16, 2011.

32. "Plan" means this plan of reorganization, either in its present form or as it may be altered, amended, or modified from time to time in accordance with the Bankruptcy Code and Bankruptcy Rules.

33. "Priority Claim" means a Claim entitled to priority under section 507(a) of the Bankruptcy Code other than an Administrative Claim

34. "Reorganization Case" means this bankruptcy case under chapter 11 of the Bankruptcy Code.

35. "Reorganized Debtors" means the Debtors after the Effective Date.

36. "Reserved Actions" means the Avoidance Actions and such other causes of action that are specifically reserved for the benefit of and are transferred to the Liquidating Trust.

37. "Scheduled" means set forth on the Schedules.

38. "Schedules" means the Schedules of Assets and Liabilities and List of Equity Security Holders Filed by the Debtor under the Bankruptcy Rules, as the same have been or may be amended from time to time before the Effective Date.

39. "Secured Claim" means any claim that is secured by a valid, perfected and unavoidable lien on property in which the Estate has an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the claimholder's interest in the Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, and determined under section 506 of the Bankruptcy Code.

40. "Senior Debt Facility" shall mean the revolving line of credit to be obtained on the Effective Date.

41. "Small Loans" means Small Loans, Inc.

42. "The Money Tree" or "TMT" means The Money Tree Inc.

43. "The Money Tree of Florida" or "TMF" means The Money Tree of Florida Inc.

44. "The Money Tree of Georgia" or "TMG" means The Money Tree of Georgia Inc.

45. "The Money Tree of Louisiana" or "TML" means The Money Tree of Louisiana, Inc.

46. "TMG Subordinated Debt" means the Claims arising out of debentures or demand notes issued by The Money Tree of Georgia.

47. "TMG Subordinated Debt Payment" means the Payment made quarterly to the holders of TMT Subordinated Debt by the Liquidating Trustee from the sums available for distribution.

48. "TMT Subordinated Debt" means the Claims arising out of debentures issued pursuant to the Amended and Restated Indenture dated as of September 20, 2005, or demand notes issued pursuant to the Indenture dated as of April 27, 2005 by The Money Tree.

49. "TMT Subordinated Debt Payment" means the Payment made quarterly to the holders of TMT Subordinated Debt by the Liquidating Trustee from the sums available for distribution.

50. "UCC" means the official combined Unsecured Creditor's Committee appointed in this case.

51. "Unsecured Claim" means any claim that is not an Administrative Claim, Priority Claim, or Secured Claim.

B. RULES OF INTERPRETATION.

Any term used in this Plan that is not defined in this Plan, but that is used in the Bankruptcy Code or the Bankruptcy Rules has the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

C. RULES OF CONSTRUCTION.

For purposes of this Plan:

1. Whenever from the context it is appropriate, each term whether stated in the singular or the plural shall include both the singular and the plural;
2. Any reference in the Plan to a contract, instrument, indenture, release, or other agreement or document being in a particular form or on particular terms and conditions means that such documents shall be substantially in such forms or substantially on such terms and conditions;
3. Any reference in the Plan to an existing document or Exhibit Filed or to be Filed means such document or Exhibit, as it may have been or may be amended, modified, or supplemented through and including the Confirmation Date;
4. Unless otherwise specified in a particular reference, all references in the Plan to Sections, Articles, and Exhibits are references to Sections, Articles, and Exhibits of or to the Plan;
5. The words "herein," "hereof," "hereto," "hereunder," and others of similar import refer to the Plan in its entirety rather than only a particular portion of the Plan;
6. Captions and headings to articles and sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; and

7. All Exhibits to this Plan are incorporated herein, regardless of whether or when those Exhibits are Filed; and

8. The rules of construction set forth in section 102 of the Bankruptcy Code shall apply.

D. TIME PERIODS.

In computing any time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

II.

DESIGNATION OF CLASSES OF CLAIMS AND INTERESTS

The following is a designation of the classes of claims and interests under this Plan. Administrative Claims and Priority Claims have not been classified and are excluded from the following classes in accordance with section 1123(a)(1) of the Bankruptcy Code. A claim or interest is classified in a particular class only to the extent that the claim or interest qualifies within the description of that class and is classified in a different class to the extent that any remainder of the claim or interest qualifies within the description of such different class.

A. THE MONEY TREE CLASSES

1. Class 1 (General Unsecured Claims) of The Money Tree.

Class 1 consists of all Unsecured Claims against The Money Tree.

2. Class 2 (Intercompany Debt).

Class 2 consists of the Unsecured Claims held by any Affiliates.

3. Class 3 (Subordinated Debt of The Money Tree).

Class 3 consists of TMT Subordinated Debt.

4. Class 4 (Equity Interests of The Money Tree).

Class 4 consists of all Equity Interests in The Money Tree.

B. THE MONEY TREE OF GEORGIA

1. Class 5 (General Unsecured Claims of TMG).

Class 5 consists of all of the General Unsecured Claims against TMG.

2. Class 6 (Intercompany Debt).

Class 6 consists of the Unsecured Claims held by any Affiliates.

3. Class 7 (Subordinated Debt).

Class 7 consists of the TMG Subordinated Debt.

4. Class 8 (The Equity Interests of TMG).

Class 8 consists of the Equity Interests of TMG.

C. THE MONEY TREE OF LOUISIANA.

1. Class 9 (General Unsecured Claims of TML).

Class 9 consists of the General Unsecured Claims of TML.

2. Class 10 (Intercompany Debt).

Class 10 consists of the Unsecured Claims held by any Affiliates.

3. Class 11 (Equity Interests of TML).

Class 11 consists of the Equity Interests of TML.

D. THE MONEY TREE OF FLORIDA

1. Class 12 (General Unsecured Claims of TMF).

Class 12 consists of the General Unsecured Claims of TMF.

2. Class 13 (Intercompany Debt).

Class 13 consists of the Unsecured Claims held by any Affiliates.

3. Class 14 (Equity Interests of TMF).

Class 14 consists of the Equity Interests of TMF.

E. SMALL LOANS

1. Class 15 (Unsecured Claims of Small Loans).

Class 15 consists of the Unsecured Claims of Small Loans.

2. Class 16 (Intercompany Debt).

Class 16 consists of the Unsecured Claims held by any Affiliates.

3. Class 17 (Equity Interests of Small Loans).

Class 17 consists of the Equity Interests of Small Loans.

III.

TREATMENT OF CLASSES OF CLAIMS AND INTERESTS

A. UNCLASSIFIED CLAIMS.

1. Administrative Claims.

(a) Generally.

Subject to the bar date provisions herein, the Liquidating Trustee shall pay each holder of an Allowed Administrative Claim against one of the Debtors on account of and in full satisfaction of such Allowed Administrative Claim, Cash equal to the amount of the Allowed Administrative Claim, on the later of: (a) the Effective Date, or (b) the date such Administrative Claim becomes an Allowed Administrative Claim, or, in either case, as soon thereafter as is practicable, except to the extent that the holder of an Allowed Administrative Claim has agreed to a different treatment.

(b) Payment of Statutory Fees.

On or before the Effective Date, all fees payable to the Bankruptcy Administrator under 28 U.S.C. 1930, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid in Cash in full.

(c) Bar Date For Administrative Claims.

(i) General Provisions.

Except as provided below for professionals and non-tax liabilities incurred in the ordinary course of business by the Debtor in Possession, requests for payment of Administrative Claims must be Filed no later than thirty (30) days after the Effective Date. Holders of Administrative Claims

that are required to File a request for payment of such claims and that do not File such requests by such bar date shall be forever barred from asserting such claims against the Debtor, Reorganized Debtor, any other Person, or any of their respective property.

Holders of Allowed Administrative Claims shall not be entitled to interest on their Administrative Claims.

(ii) Professionals.

All professionals or other entities requesting compensation or reimbursement of expenses under sections 327, 328, 330, 331, 503(b), 506 and 1103 of the Bankruptcy Code for services rendered before the Effective Date (including any compensation requested by any professional for any other entity for making a substantial contribution in the Reorganization Case) shall File and serve on the Reorganized Debtor an application for final allowance of compensation and reimbursement of expenses no later than sixty (60) days after the Effective Date.

(iii) Ordinary Course Liabilities.

Holders of Administrative Claims based on liabilities incurred in the ordinary course of business of the Debtor in Possession prior to the Effective Date (other than professionals or other entities described in subparagraph (ii) above, and governmental units that hold claims for taxes or claims and/or penalties related to such taxes) shall not be required to File any request for payment of such claims. Such Administrative Claims shall be assumed and paid by the respective Reorganized Debtor in the ordinary course of business under the terms and conditions of the particular transaction giving rise to such Administrative Claim, without any further action by the holders of such claims.

2. Priority Claims.

Each holder of an Allowed Priority Claim shall receive on account of and in full satisfaction of such Allowed Priority Claim Cash on the later of ten (10) days after the Effective Date, or on

such other date on which such Priority Claim becomes an Allowed Claim, in an amount equal to the amount of the Allowed Priority Claim.

B. CLASSES

1. Class 1 (General Unsecured Claims of TMT).

The holders of Class 1 Claims shall receive on account of their Allowed Claims ninety-five (95%) of their Allowed Claim in full and final satisfaction of their Allowed Claims within ten (10) days of the Effective Date. Class 1 is impaired.

2. Class 2 (Intercompany Debt).

The holder of the Intercompany Debt shall agree to subordinate payment of its Claim to the payment of the sums paid on account of the Class 1 Claims. By acceptance of this Plan, the holder of this Claim agrees to the payment of any sums due it from the Equity Interest Transaction to the Liquidating Trust for distribution to the holders of Class 3 and Class 7 Claims. Class 2 is impaired.

3. Class 3.

The holders of TMT Subordinated Debt shall receive on account of their Allowed Claims and in full satisfaction thereof their *pro rata* share of the TMT Subordinated Debt Payment. Class 3 is impaired under the Plan.

4. Class 4 (Equity Interests in TMT).

The Equity Interests in the Debtor will be cancelled and the New Equity Interests will be issued to the Equity Interest Buyer. Class 4 is deemed to reject.

5. Class 5 (General Unsecured Claims of TMG).

The holders of Class 5 Claims shall receive on account of their Allowed Claims twenty-five percent (25%) of their Allowed Claim in full and final satisfaction of their Allowed Claims within ten (10) days of the Effective Date. Class 5 is impaired.

6. Class 6 (Intercompany Debt of TMG).

The holder of the Intercompany Debt shall agree to subordinate payment of its Claim to the payment of the sums paid on account of the Class 5 Claims. By acceptance of this Plan, the holder of this Claim agrees to the payment of any sums due it from the Equity Interest Transaction to the Liquidating Trust for distribution to the holders of Class 3 and Class 7 Claims. Class 6 is impaired.

7. Class 7 (TMG Subordinated Debt).

The holders of TMG Subordinated Debt shall receive on account of their Allowed Claims and in full satisfaction thereof their *pro rata* share of the TMG Subordinated Debt Payment. Class 7 is impaired.

8. Class 8 (The Equity Interests of TMG).

The Equity Interests in the Debtor will be cancelled and the New Equity Interests will be issued to the Equity Interest Buyer. Class 8 is deemed to reject.

9. Class 9 (General Unsecured Claims of TML).

The holders of Class 9 Claims shall receive on account of their Allowed Claims twenty-five percent (25%) of their Allowed Claim in full and final satisfaction of their Allowed Claims within ten (10) days of the Effective Date. Class 9 is impaired.

10. Class 10 (Intercompany Debt of TML).

The holders of the Intercompany Debt agree to subordinate payment of its Claim to the payment of the sums paid on account of the Class 9 Claims. By acceptance of this Plan, the holder of this Claim agrees to the payment of any sums due it from the Equity Interest Transaction to the Liquidating Trust for distribution to the holders of Class 3 and Class 7 Claims. Class 10 is impaired.

11. Class 11 (Equity Interests of TML).

The Equity Interests in the Debtor will be cancelled and the New Equity Interests will be issued to the Equity Interest Buyer. Class 11 is deemed to reject.

12. Class 12 (Unsecured Claims of TMF).

The holders of Class 12 Claims shall receive on account of their Allowed Claims twenty-five percent (25%) of their Allowed Claim in full and final satisfaction of their Allowed Claims within ten (10) days of the Effective Date. Class 12 is impaired.

13. Class 13 (Intercompany Debt of TMF).

The holders of the Intercompany Debt agree to subordinate payment of its Claim to the payment of the sums paid on account of the Class 12 Claims. By acceptance of this Plan, the holder of this Claim agrees to the payment of any sums due it from the Equity Interest Transaction to the Liquidating Trust for distribution to the holders of Class 3 and Class 7 Claims. Class 13 is impaired.

14. Class 14 (Equity Interest of TMF).

The Equity Interest in the Debtor will be cancelled and the New Equity Interests will be issued to the Equity Interest Buyer. Class 14 is deemed to reject.

15. Class 15 (Unsecured Claims of Small Loans).

The holders of Class 15 Claims shall receive on account of their Allowed Claims twenty-five percent (25%) of their Allowed Claim in full and final satisfaction of their Allowed Claims within ten (10) days of the Effective Date. Class 15 is impaired.

16. Class 16 (Intercompany Debt of Small Loans).

The holder of the Intercompany Debt shall agree to subordinate payment of its Claim to the payment of the sums paid on account of the Class 15 Claims. By acceptance of this Plan, the holder of this Claim agrees to the payment of any sums due it from the Equity Interest Transaction to the Liquidating Trust for distribution to the holders of Class 3 and Class 7 Claims. Class 16 is impaired.

17. Class 17 (Equity Interests of Small Loans).

The Equity Interests in the Debtor will be cancelled and the New Equity Interests will be issued to Equity Interest Buyer. Class 17 is deemed to reject.

IV.
MEANS FOR IMPLEMENTATION

On the Effective Date, the Debtors will enter into the Equity Transaction whereby the Equity Interest Buyer or its designee will acquire the equity interest in the Debtors. As consideration for the Equity Interest, the Equity Interest Buyer shall:

1. Provide an infusion of TWO MILLION DOLLARS (\$2,000,000) into the Debtors as working capital.
2. Obtain the Senior Debt Facility which shall be a revolving line of credit for working capital for the Debtors in an amount not less than ELEVEN MILLION DOLLARS (\$11,000,000) which line of credit shall bear interest at a rate not to exceed seven and one-half percent (7.5%) per annum. Said line of credit shall be secured by a first lien on all of the assets of the Reorganized Debtors.
3. On the Effective Date, each of the Debtors shall execute as co-makers the Creditor's Promissory Note.
4. On the Effective Date or within ten (10) days thereof, the Debtors shall pay the Creditor Initial Payment to the Liquidation Trust which shall immediately pay or reserve for the following payments:
 - (1) The payment of all Allowed Administrative Claims that did not arise in the ordinary course of business.
 - (2) The payment of all Priority Claims.
 - (3) The payment of the amounts due under this Plan to the holders of Claims in Classes 1, 5, 9, 12 and 15.

- (4) A reserve for the operating expenses of the Liquidating Trust in the amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000) pursuant to the terms of the Plan.
- (5) The balance of the Creditor Initial Payment, if any, shall be used to partially fund the TMT Subordinated Debt Payment and the TMG Subordinated Debt Payment. In the event that Classes 3 and 7 accept the Plan, then distributions from the Liquidating Trust after the payment of Allowed Administrative Claims, Allowed Priority Claims and Claims held by Classes 1, 5, 9, 12 and 15, will allocate ninety percent (90%) to the TMT Subordinated Debt Payment and ten percent (10%) to the TMG Subordinated Debt Payment. In the event that either Class does not vote in favor of the Plan and the Plan must be confirmed pursuant to 11 U.S.C. 1129(b)(1), then the entirety of future payments from the Liquidating Trust will be used to fund the TMT Subordinated Debt Payment.

5. As of the Effective Date, Classes 2, 6, 10, 13 and 16, by their affirmative vote, will voluntarily subordinate the payment of their Claims to the holders of General Unsecured Claims in their respective Estates and the funding of the Liquidating Trust Reserve. Further, any payments due to these Classes shall be funded directly to the Liquidating Trust to be distributed as otherwise provided under this Plan.

6. On the Effective Date the Debtors shall transfer to the Liquidating Trustee any and all Actions arising under 11 U.S.C. §§ 544, 547 and 548. These Actions upon confirmation of the Plan will be preserved for the benefit of the beneficiaries of the Liquidating Trust.

7. On the Effective Date the Debtors shall deliver the fully executed Creditors Promissory Note to the Liquidating Trustee.

V.

**PROVISIONS REGARDING CORPORATE GOVERNANCE
AND MANAGEMENT OF THE REORGANIZED DEBTOR**

A. GENERAL.

On the Effective Date, all assets, except those specifically transferred to the Liquidating Trust, will be vest in the respective Reorganized Debtor pursuant to 11 U.S.C. 1141. The Reorganized Debtors will be authorized to engage business or incur liabilities except as restricted herein.

B. DIRECTORS AND OFFICERS OF REORGANIZED DEBTOR.

All members of the Reorganized Debtor's Board of Directors shall serve until such time as the members resign or are removed under the provisions of the Debtor's and/or the Reorganized Debtor's Certificate of Incorporation and/or Bylaws.

C. LIQUIDATING TRUST DISCLOSURES

1. The Debtors shall deliver quarterly, commencing three (3) months after the Effective Date to the Liquidating Trustee, financial statements. Additionally, in the event the Debtors should default on the Senior Debt, the Debtors shall give written notice to the Liquidating Trustee within five (5) days.

2. The Debtors shall cooperate with the Liquidating Trustee and make their books and records available as reasonably requested by the Liquidating Trustee in order for the Liquidating Trustee to preserve and prosecute the Reserved Actions.

VI.
PROVISIONS REGARDING THE GOVERNANCE OF THE LIQUIDATING TRUST

A. APPOINTMENT OF THE LIQUIDATING TRUSTEE.

On the Effective Date, the Liquidating Trustee shall assume his duties under this Plan and the Liquidating Trust Agreement. Any successor Liquidating Trustee shall be appointed by the Debtors.

B. POWERS AND DUTIES.

Powers and duties of the Liquidating Trustee will be as set forth in the Liquidating Trust Agreement. The Liquidating Trust Agreement is incorporated herein by this reference.

C. ADMINISTRATION OF THE LIQUIDATING TRUST.

The Liquidating Trustee shall administer the property transferred to it as part of the Liquidating Trust and make distributions of the assets and income of the Liquidating Trust in accordance with this Plan and with the Liquidating Trust Agreement.

D. FEES AND EXPENSES.

The fees and reimbursable expenses for the Liquidating Trustee will be as set forth in the Terms of Engagement attached hereto as Exhibit "B."

E. DURATION OF EXISTENCE OF THE LIQUIDATING TRUST.

The Liquidating Trust will terminate in accordance with the Trust Agreement when the Liquidating Trustee has fully administered the property transferred to it as part of the Liquidating Trust.

VII.

ACCEPTANCE OR REJECTION OF THE PLAN

A. VOTING CLASSES.

Each holder of a Claim in Classes 1, 2, 3, 5, 6, 7, 9, 10, 12, 13, 15, and 16 shall be entitled to vote to accept or reject the Plan. The holders of Interests in Classes 4, 8, 11, 14, and 17 are deemed to have rejected the Plan and are not entitled to vote.

B. VOTING RIGHTS OF HOLDERS OF DISPUTED CLAIMS AND DISPUTED INTERESTS.

Pursuant to Bankruptcy Rule 3018(a), a Claim or Interest that is Disallowed or which is disputed or objected to will not be counted for purposes of voting on the Plan to the extent it is disputed, unless the Court enters an order temporarily allowing the Claim or Interest for voting purposes under Bankruptcy Rule 3018(a). Such disallowance for voting purposes is without prejudice to the claimant's or interest holder's right to seek to have its Claim or Interest, as the case may be, allowed for purposes of distribution under the Plan.

C. ACCEPTANCE BY IMPAIRED CLASSES.

An impaired class of Claims shall have accepted the Plan if (a) the holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in dollar amount of the Claims actually voting in such class have voted to accept the Plan, and (b) more than one-half in number of the holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of such Claims actually voting in such class have voted to accept the Plan.

D. CRAMDOWN

In the event that any Class of Claims or Interests fails to accept the Plan in accordance with section 1129(a)(8) of the Bankruptcy Code, the Debtors reserve the right to (a) request that the

Bankruptcy Court confirm the Plan in accordance with section 1129(b) of the Bankruptcy Code, and/or (b) modify the Plan in accordance with section 1127(a) of the Bankruptcy Code.

VIII.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. REJECTION.

1. Rejection of Leases and Executory Contracts. Each executory contract or unexpired lease of the Debtors that has not expired by its own terms before the date that is ninety days after the Effective Date or previously been rejected by a Debtor in Possession pursuant to an order of the Bankruptcy Court, shall be deemed rejected by the Debtors as of the Effective Date pursuant to sections 365 and 1123 of the Bankruptcy Code.

2. Filing of Claims. Each entity who is a party to an executory contract or unexpired lease rejected pursuant to this Article shall be entitled to file with the Court, no later than the date set by the Court or, if no date is set, thirty (30) days following the date it is deemed rejected, a proof of claim for damages, if any, alleged to arise from the rejection of such executory contract or unexpired lease unless such executory contract or unexpired lease was rejected pursuant to a prior Order of the Court. A copy of the proof of claim must also be served upon the Debtors and their counsel. The failure of such entity to file a proof of claim within the period prescribed shall forever bar such entity from asserting any Claim for damages arising from the rejection of such executory contract or unexpired lease. The filing of any such proof of claim shall be without prejudice to any and all rights the Debtors may have to object to the allowance thereof.

IX.
MEANS FOR EXECUTION AND IMPLEMENTATION OF THE PLAN

A. EFFECTIVE DATE.

1. Date Of Effective Date.

The Effective Date of this Plan shall be ten (10) days after the Confirmation Date.

B. REVESTING OF ASSETS AND OPERATIONS OF PROPERTY.

Except as otherwise set forth herein or in the Confirmation Order, as of the Effective Date, all property of the Estates other than that specifically transferred to the Liquidating Trust (including debtor in possession bank accounts, Cash held by any receiver, custodian or similar person or entity, insurance policies, including title insurance, and all rights of the Debtor thereunder) shall revert in the Reorganized Debtor free and clear of all claims, liens, encumbrances and other interests of creditors and holders of interests. The Debtors may operate their business and use, acquire, and dispose of property and settle and compromise claims or interests without supervision by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order.

C. OBJECTIONS TO CLAIMS/INTERESTS/ADMINISTRATIVE CLAIMS.

After the Effective Date, only the Liquidating Trustee or a Debtor shall be entitled to object to Claims and Interests. If another party has filed an objection to a Claim, the Liquidating Trustee shall be substituted as the Objector. Any objections to Claims and Interests shall be served and filed on or before the later of: (i) ninety (90) days after the Effective Date; (ii) thirty (30) days after a request for payment or proof of Claim or Interest is timely Filed and properly served; or (iii) such other date as may be fixed by the Bankruptcy Court, whether before or after the dates specified in subsections (i) and (ii) herein, upon motion of the Disbursing Agent on an ex-parte basis without notice to creditors or otherwise. Notwithstanding any authority to the contrary, an objection to a

Claim or Interest shall be deemed properly served on the Creditor if service is effected in any one of the following manners: (a) in accordance with Federal Rule of Civil Procedure 4, as modified and made applicable by Bankruptcy Rule 7004; (b) by first class mail, postage prepaid, on any counsel that has appeared on the Creditor's or Interest holders' behalf in the Reorganization Case; or (c) by first class mail, postage prepaid, on the signatory on the proof of Claim or Interest or other representative identified in the proof of Claim or Interest or any attachment thereto.

The Liquidating Trustee and the Debtors jointly may object to or settle, without Court approval, any Administrative Claim. Any objections to Administrative Claims shall be served and filed on or before the later of: (i) forty-five (45) days after the Effective Date; (ii) thirty (30) days after a request for payment or allowance of an Administrative Claim is timely Filed and properly served; or (iii) such other date as may be fixed by the Bankruptcy Court, whether before or after the dates specified in subsections (i) and (ii) herein. The Liquidating Trustee shall be authorized to settle any objection to any other Claim.

D. DISPUTED CLAIMS.

Pending resolution of a Disputed Claim, all Cash to be distributed to the holder of the Disputed Claim shall be segregated by the Liquidating Trustee at a federally insured financial institution until distribution to the holder of such Claim under the Plan. Distribution shall be made only from the Disputed Claims reserve and only at such time as a particular Claim is determined to be an Allowed Claim. The holder of a Disputed Claim that is ultimately allowed shall have no recourse against the Reorganized Debtors or their property for the payment of its Allowed Claim. No interest shall accrue or will be paid with respect to any Disputed Claim for the period from the Effective Date to the date a distribution, if any, is made with respect to said Disputed Claim upon becoming an Allowed Claim. To the extent that a Disputed Claim ultimately is disallowed or allowed in an amount less than the amount of the reserves for such Disputed Claim, any resulting

surplus in the reserve shall be transferred from the reserve to the general funds held by the Liquidating Trustee for the benefit of the Creditors.

E. DISCHARGE OF DEBTOR AND INJUNCTION.

The Debtors shall receive a discharge pursuant to 11 U.S.C. 1141.

1. Injunction.

Except as otherwise expressly provided in the Plan, the Confirmation Order or a separate order of the Bankruptcy Court, all entities who have held, hold or may hold Claims against or Equity Interests in the Debtors, are permanently enjoined, on and after the Effective Date, from (a) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim or Equity Interest, (b) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or order against the Debtors on account of any such Claim or Equity Interest, (c) creating, perfecting or enforcing any encumbrance of any kind against the Debtors or against the property or interests in property of the Debtors on account of any such Claim or Equity Interest and (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtors or against the property or interests in property of any of the Debtors on account of any such Claim or Equity Interest. Such injunction shall extend to the Debtors, the Reorganized Debtors, and any of their respective Affiliates, properties and interests in property.

F. RETENTION OF JURISDICTION.

After Confirmation of the Plan and occurrence of the Effective Date, in addition to jurisdiction which exists in any other court, the Bankruptcy Court will retain such jurisdiction as is legally permissible including for the following purposes:

3. To resolve any and all disputes regarding the operation and interpretation of the Plan and the Confirmation Order;

4. To determine the allowability, classification, or priority of Claims upon objection by the Liquidating Trustee or any of the Debtors with standing to bring such objection or proceeding;

5. To determine the extent, validity, and priority of any lien asserted against property of the property of the Estate;

6. To construe and to take any action to enforce the Plan, the Confirmation Order, and any other order of the Bankruptcy Court, issue such orders as may be necessary for the implementation, execution, performance, and consummation of the Plan, and the Confirmation Order and all matters referred to in the Plan and the Confirmation Order, and to determine all matters that may be pending before the Bankruptcy Court in this Reorganization Case on or before the Effective Date with respect to any Person;

7. To determine (to the extent necessary) any and all applications for allowance of compensation and reimbursement of expenses of professionals for the period on or before the Effective Date;

8. To determine any other request for payment of administrative expenses;

9. To resolve any dispute regarding the implementation, execution, performance, consummation, or interpretation of the Plan and the Confirmation Order;

10. To determine motions for the rejection, assumption, or assignment of executory contracts or unexpired leases Filed before the Effective Date and the allowance of any claims resulting therefrom;

11. To determine all applications, motions, adversary proceedings, contested matters, and any other litigated matters instituted during the Reorganization Case whether before, on, or after the Effective Date;

12. To determine such other matters and for such other purposes as may be provided in the Confirmation Order;

13. To modify the Plan under section 1127 of the Bankruptcy Code in order to remedy any apparent defect or omission in the Plan or to reconcile any inconsistency in the Plan so as to carry out its intent and purpose;

14. Except as otherwise provided in the Plan or the Confirmation Order, to issue injunctions or take such other actions or make such other orders as may be necessary or appropriate to restrain interference with the Plan and the Confirmation Order or the execution or implementation by any Person;

15. To hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

16. To enter a final decree closing the Reorganization Case; and

17. To issue such orders in aid of consummation of the Plan and the Confirmation Order, notwithstanding any otherwise applicable nonbankruptcy law, with respect to any Person, to the fullest extent authorized by the Bankruptcy Code or Bankruptcy Rules.

G. SUCCESSORS AND ASSIGNS.

The rights, benefits, and obligations of any entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, the heirs, executors, administrators, successors, or assigns of such entity.

H. AMENDMENT, MODIFICATION, AND SEVERABILITY.

18. This Plan may be amended or modified before the Effective Date by the Debtors to the extent provided by section 1127 of the Bankruptcy Code.

19. The Debtors reserve the right to modify or amend the Plan upon a determination by the Bankruptcy Court that the Plan, as it is currently drafted, is not confirmable pursuant to section

1129 of the Bankruptcy Code to the extent such a modification or amendment is permissible under section 1127 of the Bankruptcy Code without the need to resolicit consents, and the Debtors reserve the right to sever any provisions that the Bankruptcy Court finds objectionable.

I. DELIVERY OF DISTRIBUTIONS AND DELIVERABLE OR UNCLAIMED DISTRIBUTIONS.

1. Delivery Of Distributions In General.

Except as provided below for holders of undeliverable distributions, distribution to holders of Allowed Claims shall be distributed by mail as follows:

- (a) At the addresses set forth on the respective proofs of claims of such holders;
- (b) At the addresses set forth in any written notices of address, changes delivered to the Liquidating Trustee after the date of any related proof of claim; or
- (c) At the address reflected on the Schedules if no proof of claim or proof of interest is Filed and the Liquidating Trustee has not received a written notice of change of address.

2. Undeliverable Distributions.

Any holder of an Allowed Claim which does not assert a claim for an undeliverable distribution held by the Disbursing Agent within six (6) months after the delivery of any distribution shall no longer have any claim to or interest in such undeliverable distribution. After the expiration of six (6) months following the date a distribution is made, holders of Allowed Claims entitled to returned distributions shall no longer be entitled thereto, and such Allowed Claims shall be deemed disallowed without further Court order. Thereafter, any unclaimed distributions with respect to the Allowed Claims shall revert to and become the property of the Reorganized Debtor.

No provision contained in this Section or elsewhere in the Plan shall be interpreted to require the Reorganized Debtor or the Liquidating Trustee to attempt to locate any such Person.

In the event any payment to a holder of a Claim under the Plan remains unclaimed for a period of six (6) months after such distribution has been made (or after such delivery has been attempted), such Unclaimed Distribution and all future distributions to be made to such holders shall be deemed forfeited by such holder and any such distributions retained by the Liquidating Trust.

3. Fractional Cents.

Any other provision of the Plan to the contrary notwithstanding, no payments of fractions of cents will be made. Whenever any payment of a fraction of a cent would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole cent (rounding down in the case of .5).

4. No Cash Payments of \$5.00 or Less on Account of Allowed Claims.

If a cash payment otherwise provided for by this Plan with respect to an Allowed Claim would be less than FIVE DOLLARS (\$5.00), notwithstanding any contrary provision of this Plan, no such payment will be made. The Liquidating Trustee shall aggregate payments not made to a holder until such time as the payments equal FIVE DOLLARS (\$5.00) or more.

J. RETENTION OF CLAIMS AND CAUSES OF ACTION.

Except to the extent any rights, claims, causes of action, defenses, and counterclaims are expressly and specifically released in connection with this Plan or in any settlement agreement approved during the Reorganization Case: (i) any and all Claims and Causes of Action accruing to the Debtors or the Estates shall remain assets of and vest in the Reorganized Debtors except to the extent they are specifically transferred to the Liquidating Trustee in which case, whether or not the Claim or Cause of Action is preserved for a Reorganized Debtor or for the Liquidating Trust or whether or not litigation relating thereto is pending on the Effective Date, and whether or not any such Claims and Causes of Action have been listed or referred to in the Plan, the Disclosure

Statement, or any other document filed with the Court, and (ii) neither the Debtors, the Estate, nor the Reorganized Debtors waive, release, relinquish, forfeit, or abandon (nor shall they be estopped or otherwise precluded or impaired from asserting) any Claims and Causes of Action that constitute property of the Debtor or the Estate: (a) whether or not such Claims and Causes of Action have been listed or referred to in this Plan, the Disclosure Statement, or any other document filed with the Bankruptcy Court, (b) whether or not any such Claim and Cause of Action is currently known to the Debtors, and (c) whether or not a defendant in any litigation relating to any such Claim and Cause of Action Filed a proof of claim or interest in the Reorganization Case, Filed a notice of appearance or any other pleading or notice in the Reorganization Case, voted for or against this Plan, or received or retained any consideration under this Plan. Without in any manner limiting the scope of the foregoing, notwithstanding any otherwise applicable principle of law or equity, including, without limitation, any principles of judicial estoppel, *res judicata*, collateral estoppel, issue preclusion, or any similar doctrine, the failure to list, disclose, describe, identify, analyze or refer to any Claims and Causes of Action, or potential Claims and Causes of Action, in the Plan, the Disclosure Statement, or any other document filed with the Bankruptcy Court shall in no manner waive, eliminate, modify, release, or alter the Debtors' or the Reorganized Debtors' or the Liquidating Trust's right to commence, prosecute, defend against, settle, recover on account of, and realize upon any Claims and Causes of Action that the Debtor or its Estate have or may have as of the Effective Date.

The Debtors expressly reserve all Claims and Causes of Action for later adjudication by either the Liquidated Trust or the respective Debtor, and, therefore, 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 such Claims and Causes of

Action upon or after the Confirmation or Consummation of the Plan based on the Disclosure Statement, the Plan or the Confirmation Order. In addition, the Debtors on their own behalf and on behalf of the Liquidating Estate expressly reserve the right to pursue or adopt Claims and Causes of Action that are alleged in any lawsuits in which the Debtor is a defendant or an interested party, against any Person, including the plaintiffs or co-defendants in such lawsuits is hereby expressly reserved.

K. NO WAIVER OF CLAIMS.

Neither the failure to list a Claim in the Schedules filed by the Debtor, the failure of the Debtor or any other Person to object to any Claim or Partnership Interest for purposes of voting, the failure of the Debtor or any other Person to object to a Claim, Interest or Administrative Claim before Confirmation or the Effective Date, the failure of any Person to assert a claim or cause of action before Confirmation or the Effective Date, the absence of a proof of Claim or Interest having been filed with respect to a Claim or Interest, nor any action or inaction of the Debtor or any other Person with respect to a Claim, Interest, or Administrative Claim, other than a legally effective express waiver or release shall be deemed a waiver or release of the right of the Debtor or the Reorganized Debtor before or after solicitation of votes on the Plan or before or after Confirmation or the Effective Date to (a) object to or examine such Claim, Interest or Administrative Claim, in whole or in part or (b) retain and either assign or exclusively assert, pursue, prosecute, utilize, otherwise act or otherwise enforce any claim or cause of action against the holder of any such Claim or Partnership Interest.

L. TERM OF INJUNCTIONS OR STAYS.

Unless otherwise provided, all injunctions or stays arising before the Confirmation Date in accordance with sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the

Confirmation Date, shall remain in full force and effect until the Effective Date, or such later date as provided under applicable law.

M. TERMINATION OF COMMITTEE.

As of the Effective Date, any Committee appointed in this Reorganization Case shall terminate and shall have no rights, responsibilities, powers, duties or authority thereafter, except to the extent necessary to seek compensation and reimbursement, to the extent appropriate, for services rendered or expense incurred by its members or professionals prior to the Effective Date.

SMALL LOANS, INC.

By: _____

[Printed Name]

THE MONEY TREE INC.

By: _____

[Printed Name]

THE MONEY TREE OF GEORGIA INC.

By: _____

[Printed Name]

THE MONEY TREE OF FLORIDA INC.

By: _____

[Printed Name]

THE MONEY TREE OF LOUISIANA, INC.

By: _____

[Printed Name]

EXHIBIT A

CREDITORS' LIQUIDATING TRUST AGREEMENT

THIS CREDITORS' LIQUIDATING TRUST AGREEMENT (this **"Agreement"**) dated as of _____, 2012, is executed by _____, as Trustee of the trust herein created (the **"Trustee"**), and debtors and debtors-in-possession, Small Loans, Inc. Case No. 11-12254, The Money Tree Inc. Case No. 11-12255, The Money Tree of Georgia Inc. Case No. 11-12258, The Money Tree of Florida Inc. Case No. 11-12257, and The Money Tree of Louisiana, Inc. Case No. 11-12256, (the **"Debtors"**), in the United States Bankruptcy Court for the Middle District of Alabama, for the benefit of (i) the creditors having administrative claims against Debtors, as further identified on Exhibit A attached hereto, which exhibit further identifies the correct amount of each respective claim (such creditors, collectively, the **"Administrative Creditors"**; such claims, collectively, the **"Administrative Claims"**); and (ii) the creditors having unsecured claims against Debtors, as further identified on Exhibit B attached hereto, which exhibit further identifies the correct amount of each respective claim (collectively, the **"Unsecured Creditors"**; such claims, collectively, the **"Unsecured Claims"** together with the Administrative Claims, collectively, (**"Claims"**)).

WHEREAS, Debtors have been reorganized under the provisions of Chapter 11 of the Bankruptcy Code in a case pending in the United States Bankruptcy Court for the Middle District of Alabama (the **"Bankruptcy Court"**), known as In re Small Loans, Inc., et al., Case No. 11-12254;

WHEREAS, pursuant to Debtors' **[Plan of Reorganization]** (the **"Plan"**) as confirmed by the Bankruptcy Court on _____, 2012, Debtors are to create a trust known as the "Liquidating Trust" (the **"Trust"**) for the payment of the Claims, and Debtors shall fund the Trust from Debtors' Net Profit (as defined below);

WHEREAS, in accordance with the Plan and this Agreement, Trustee is to (i) administer the Trust, (ii) enforce Debtors' injection of funds into the Trust as required by the Debtors' Plan of Reorganization, and (iii) pay the Claims.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

Section 1 **Creation, Name and Purpose.** Debtors, as Settlor, hereby create the Trust, which is provided for and referred to in the Plan. The Trustee may transact the business and affairs of the Trust in the name of the Trust. The purpose of the Trust is to assume the liabilities of Debtors with respect to the Claims, and to use Debtors' payments to the Trust to pay the Claims in accordance with the Plan and this Agreement. Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Plan.

Section 2 **Administration and Powers of Trustee.** Trustee is and shall act as the fiduciary of the Trust in accordance with the provisions of the Plan and this Agreement, and Trustee shall at all times administer the Trust and the Trust Assets in accordance with the Plan and this Agreement. Trustee shall have the powers to take any and all actions that, in Trustee's judgment, are necessary or proper to fulfill the purposes of the Trust, including, without limitation, each of the following powers, any power reasonably incidental thereto, and any trust power now or hereafter permitted under the laws of the State of Alabama:

- (a) To receive and hold the Trust Assets;
- (b) To invest and reinvest the Trust Assets;
- (c) To investigate, analyze, commence, prosecute, litigate, collect and otherwise administer the Reserved Actions in the Bankruptcy Court or other court of competent jurisdiction and settle same without further order of the Court or notice to creditors or the

Debtors, provided that than any settlement of any Reserved Actions in excess of \$100,000 shall be subject to the approval of the Debtors, and to take any and all actions necessary in connection with the foregoing, including, without limitation, retaining professionals as necessary in connection with the foregoing;

(d) To voluntarily engage in arbitration or mediation with respect to any Reserved Actions;

(e) To represent the Estate before the Bankruptcy Court and other courts of competent jurisdiction with respect to the Reserved Actions;

(f) With the consent of the Debtors, to object to the allowance of Claims or seek equitable subordination of Claims, pursuant to the terms of the Plan, and, with the consent of the Debtors, to settle any such objection to Claims without further Order of the Court or notice to creditors;

(g) To pay liabilities and expenses of the Trust, including, but not limited to, the Claims; and

(h) To execute and deliver such instruments as Trustee considers proper in administering the Trust.

Section 3 **Payments to Trust.** Pursuant to the terms of the Creditor Promissory Note, Debtors will make regular payments to the Trust (the “**Payments**”) from and after the date hereof, free and clear of any liens or claims by any other party, via cash, wire transfer or other readily-available funds pursuant to the Debtors’ confirmed Plan of Reorganization. Upon the receipt by the Trust of such Payments, such funds shall constitute assets of the Trust. The Creditor Promissory Note, the Payments related thereto, the Reserved Actions as defined in the Plan, any proceeds payable to the Trust as a result of the Reserved Actions, and any other assets

paid to or deposited into the Trust pursuant to the Plan, together with any and all interest or other investment income arising out of or related thereto, shall be referred to herein as the “**Trust Assets**”. All of the Trust Assets are hereby vested with the Trustee in trust for the benefit of the Administrative Creditors and the Unsecured Creditors, to be administered according to the terms of this Agreement and the Plan. To the extent of any inconsistency between this Agreement and the Plan, the terms of this Agreement shall control.

Section 4 **Payment of Claims.** Pursuant to the Plan, the Trustee shall make a one-time distribution ten (10) days after the Effective Date of the Plan in accordance with Article IV, Section 4 of the Plan (the “**Initial Payment**”). After the Initial Payment is made, pursuant to the Plan, on the close of business as of March 30, June 30, September 30, and December 31 of each year, the Trustee shall determine the Trust Assets available for distribution to Creditors in accordance with the Plan and in accordance with reasonably prudent business practices (such Trust Assets, the “**Available Cash Assets**”). Thereafter, on April 15, July 15, October 15, and January 15 of each year, the Trustee shall distribute the Trust Assets to Creditors as follows:

(a) Payments required to be made on behalf of Administrative Claimants will be paid to Administrative Claimants (as set forth in Exhibit A) pro-rata until Administrative Claims are paid in full.

(b) Payments required to be made to Unsecured Creditors will be paid to Unsecured Creditors until the Unsecured Creditors have been paid in full.

Section 5 **Term of Trust.**

(a) This Agreement and the Trust created hereby shall commence on the date hereof and shall continue for one hundred twenty (120) months.

(b) Upon expiration of this Agreement, the remaining Trust Assets, if any, shall be distributed pro-rata to the Creditors in accordance with their respective Claims as set forth in Exhibit A and Exhibit B.

Section 6 **General Terms.**

(a) Notice. Any notice required hereunder shall be given in accordance with the Plan.

(b) Costs of Enforcement. In the event any party fails to comply with or perform any of the covenants, agreements and obligations to be performed under the terms and provisions of this Agreement, the non-defaulting party shall be entitled to pursue a suit for specific performance against the defaulting party, together with any and all other remedies provided at law or in equity. In such an event, the defaulting party shall be liable to the non-defaulting party for all costs and attorneys' fees in enforcing this Agreement.

(c) Amendment. This Agreement may not be amended, modified, altered or changed in any respect whatsoever, except by subsequent written agreement duly executed by the parties hereto.

(d) Severability. In the event that any provision of this Agreement is held to be invalid, illegal or unenforceable by any court of law or otherwise, the remaining provisions of this Agreement shall nevertheless continue to be valid, legal and enforceable as though such invalid or unenforceable provision had not been included herein.

(e) Applicable Law. The substantive laws of the State of Alabama, excluding any law, rule or principle which might refer to the substantive law of another jurisdiction will govern the interpretation, validity and effect of this Agreement without regard to the place of execution or the place for performance thereof.

(f) Headings. Headings in the Agreement are for the convenience of reference only and shall not constitute a part of the substantive terms of this Agreement for any other purpose.

(g) Supersedes Prior Agreements; Counterparts. This Agreement and the instruments referred to herein supersede and incorporate all representations, promises and statements, oral or written, made by the parties hereto. This Agreement may not be varied, altered or amended except by a written instrument executed by the parties hereto. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, but such counterparts shall together constitute one and the same instrument.

(h) Binding Effect. The rights and benefits created or granted under this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(i) Entire Agreement. This Agreement constitutes the entire agreement with respect to the Trust and benefits provided therein and supersedes all prior agreements and understandings, whether written or oral, arising out of or related to any Claim.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement and created the Trust effective as of the date set forth above.

TRUSTEE:

_____, a

By: _____

Name: _____

Its: _____

DEBTORS:

SMALL LOANS, INC.

By: _____

[Printed Name]

THE MONEY TREE INC.

By: _____

[Printed Name]

THE MONEY TREE OF GEORGIA INC.

By: _____

[Printed Name]

THE MONEY TREE OF FLORIDA INC.

By: _____

[Printed Name]

THE MONEY TREE OF LOUISIANA, INC.

By: _____

[Printed Name]

EXHIBIT A

ADMINISTRATIVE CLAIMS

Name of Creditor	Administrative Claim Amount	Pro-Rata Share of all Administrative Claims

EXHIBIT B

UNSECURED CLAIMS

Name of Creditor	Unsecured Claim Amount	Pro-Rata Share of all Unsecured Claims

EXHIBIT B
[To Be Provided]